01 Annual Report 2016

Integrated Report

ABENGOA

Innovative technology solutions for sustainability

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01. A message from the chairman

Gonzalo Urquijo Fernández de Araoz
Chairman of Abengoa

Dear All,

2015 and 2016 represent a key stage for us that has undoubtedly marked a turning point in the history of Abengoa. After more than 70 years' experience, our company faced a major crisis that required us to address a financial restructuring and a rethink of our business model, to ensure that we were able to achieve the Abengoa of the future that we finally see today.

Thus, as is well-known, throughout 2016 the Abengoa team has been immersed in the design and approval of a restructuring plan which, so far this year, has come to fruition, and has been completed and put into practice. This process culminated on 31 March 2017 with the announcement of the end of the financial restructuring process. This date signified the end of a period of huge efforts, and the start of a new and more promising stage.

The company has completed its financial restructuring plan agreed in 2016

In the design and approval of the restructuring plan, as well as the accompanying viability plan, the active involvement of the main financial creditors and a group of new investors has proved decisive, allowing an initial agreement to come to fruition during last August and September.

I should point out that major sacrifices have been assumed by all parties involved, firstly by the previous shareholders who have seen their positions significantly reduced as a consequence of the dilution of shareholdings, and also by creditors who have experienced a significant reduction of their receivables. The agreement has also needed the support of a group of entities that have contributed new loans and guarantees, both vital to provide the necessary financial resources for the continuation of our activity.

As regards the divestment plan, we have conducted different sales of assets, including our partial exit from the bioenergy business, the sale of our stake in Yoigo, our Campo Palomas wind farm in Uruguay, the Shams-1 thermal solar power plant in the UAE, the photovoltaic plants in Seville and Jaén, and our Abentel business, among many others.

These are all key milestones in understanding the future of the company we have today. An Abengoa with a debt 70 % lower than at the beginning of the process; focused on its core engineering and construction business; resized yet still committed to sustainable development and the environment. In short, an Abengoa that seeks to continue being a benchmark in the sectors where it operates and which has more than 70 years' experience in the development of all types of projects, yet adapted to its new business needs, size and structure.

The first step we took in this new phase -and with the approval at the last Meeting of Shareholders- was the configuration of a new Board of Directors

In order to introduce best practices in issues of transparency and corporate governance, the first step we took in this new phase –and with the approval at the last Meeting of Shareholders– was the configuration of a new Board of Directors. The board is made up entirely of independent directors -except the director acting as executive chairman- and seeks to instil transparency, rigour and good practices both in regulatory compliance as well as corporate governance.

Throughout this process, Abengoa has enjoyed great support, in particular from all of the people that make up our team, one of the company's biggest assets, the solid base on which all of our experience

and know-how is constructed and a fundamental asset for this major achievement. Elsewhere, I must also thank the financial community, especially Banco Santander, La Caixa and Bankia, as well as public institutions, including the Government of Spain, through the support of its agencies (the Official Institute of Credit (ICO), the Spanish Export Credit Corporation (CESCE), the Spanish Development Funding Corporation (COFIDES) and the Social Security Department), as well as the Regional Government of Andalusia, who have demonstrated their support from the outset.

In terms of business and activity, throughout 2016 we have continued to work for the award of new projects, despite the situation we were going through. Accordingly, we are beginning to reap the rewards in our portfolio of projects. We closed the year with a portfolio of awarded projects that reached 2.7 billion euros and we are currently assessing potential projects that we could carry out, for a total value of 30 billion euros. These figures are a sign that our clients continue to place their trust in us and our teams for the performance of projects.

We look ahead with a new strategic approach and with confidence in our staff members

Now we have our eyes on the future. A future that Abengoa faces with the enthusiasm to demonstrate all its experience and all its knowledge of the engineering and construction market in the sectors of energy and water. As we have explained to the different investors, clients, suppliers and other stakeholders -and this is covered in our strategic plans-, Abengoa will focus on the activity that it considers core, both for its tradition and for its competitiveness, that is, on the development of turnkey projects that include the engineering, procurement and construction of plants for third parties in four key areas: energy, water, transmission and infrastructures and, finally, services. We will maintain our commitment to R&D, as an engine that sets apart our services and products.

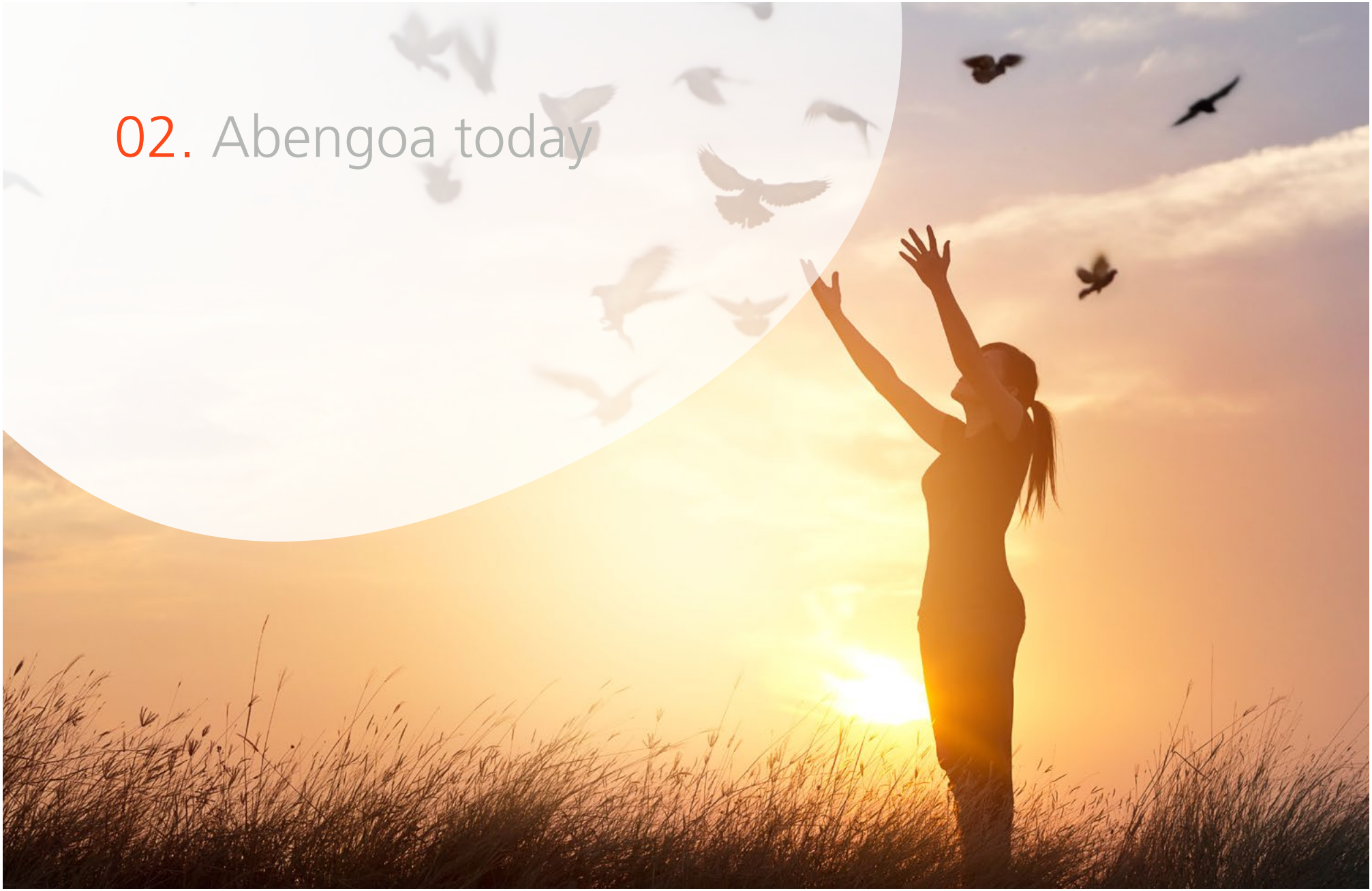
In the short term, our aim is to put all the necessary mechanisms in place so that Abengoa can resume its leadership position and, of course, re-generate liquidity. We are aware that much remains to be done, but we are convinced that we will achieve it.

At Abengoa, first and foremost are the people and, therefore, our commitment to the health and safety of all of us who form part of the company or who collaborate with us could not be higher. Our target is zero accidents. Accordingly, we work decisively beyond compliance with legislation, with our principles of integration, leadership and management, training and ongoing improvement that shape our health and safety policy.

Once again, I would like to thank everyone for the commitment and trust placed in our company since commencement of the process. I take this opportunity of presenting our Integrated Report to convey my great expectation and determined commitment to undertake this new stage that we have before us; a blank page that we ourselves will be able to write with the experience and talent that all of our teams possess, and without which it would have been impossible to get where we are today. Let's commit to a job well done, let's fight for new projects and let's recover the trust of our markets.

G4-1, G4-2, G4-13

02. Abengoa today



Where the company is going

After completion of the financial restructuring, Abengoa is currently recuperating the normal course of business. The main guarantee for the success of this stage is the support of financial creditors, thus demonstrating their confidence in the feasibility of the organisation's new business plan.

The restructuring process to which the company is subjected, and which considers injections of liquidity in addition to the required debt restructuring, **will enable Abengoa to re-establish the equity balance** and lend the company the liquidity necessary to recover **market confidence** and enable it to continue with its activity in a competitive and sustainable way in the future.

Main figures *G4-9*

	2016	2015 (2)	(%) Var
Profit and Loss Statement (€M)			
Sales	1,510	3,647	(58.59)
Ebitda (1)	(241)	343	(170.17)
Net profit	(7,629)	(1,213)	528.7
Balance Sheet (€M)			
Total assets	9,914	16,628	(40.38)
Equity	(6,780)	453	(1,596.69)
Net corporate debt	5,986	4,480	33.6
Significant ratios (%)			
Operating margin	(15.9)	9.4	–
Share data (€)			
Earnings per share	(7.40)	(1.35)	448.1
Last quoted price (€ / share B)	0.19	0.19	–
Capitalisation (shares A + B) (€M)	195	202	(3.47)
Average daily trading volume (€M)	5	35	(85.71)

(1) Ebitda and provisions.
(2) Income statement figures restated through the discontinuity of the transmission line activity in Brazil and the Bioenergy operating segment.

Areas of activity and geographic regions

	2016		2015	
Areas of activity (%)	**Sales**	**Ebitda**	**Sales**	**Ebitda**
Engineering and construction	90.5	135.4	92.7	49.3
Concession-type infrastructures	9.5	(35.4)	7.3	50.7
Consolidated total	100	100	100	100

Sales per geographic region (%)	2016	2015
North America	23.8	19.8
Latin America (excluding Brazil)	15.8	35.6
Brazil	6.5	14.3
Spain	14.1	12.0
Europe (excluding Spain)	10.6	0.6
Africa	17.1	12.7
Asia and Oceania	12.1	5.0
Consolidated total	100	100

Pillars of the future

This entire process of restructuring will result in a new business model that aims to support its future growth in two of its main strengths: **excellence** in its technical capabilities and international **positioning**.

Accordingly, in this new stage Abengoa will focus its efforts on **key activities of the organisation**, where it has a solid and consolidated experience:

Development of energy infrastructures

- Generating energy in a conventional and renewable way
- Transporting and distributing energy

Portfolio of solutions to the integral water cycle

- Developing processes of water desalination and treatment
- Building hydraulic infrastructures

Promoting new horizons of development and innovation

- Storage of renewable electric energy and new technologies for the promotion of sustainability
- Energy efficiency and water consumption

Abengoa will continue to focus on **technology and innovation as a competitive advantage**. The work carried out during these years has allowed the company to have and develop leading products worldwide that have kept us in a **leading position in renewable technology**, something that will remain as one of the hallmarks of the organisation.

With its headquarters in Seville (Spain), Abengoa operates in 46 countries through more than 630 companies, subsidiaries, investee companies, facilities and offices.

Map of international presence

Countries where it operates

Europe
Germany
Denmark
Spain
France
Netherlands
Ireland
Italy
Lithuania
Poland
Portugal
United Kingdom
Russia
Serbia
Turkey
Ukraine

North America
Canada
Mexico
USA

Asia
China
India
Indonesia
Iraq
Israel
Kuwait
Malaysia
Nepal
Oman
Saudi Arabia
Sri Lanka
United Arab Emirates

Latin America
Argentina
Brazil
Chile
Colombia
Costa Rica
Nicaragua
Peru
Uruguay

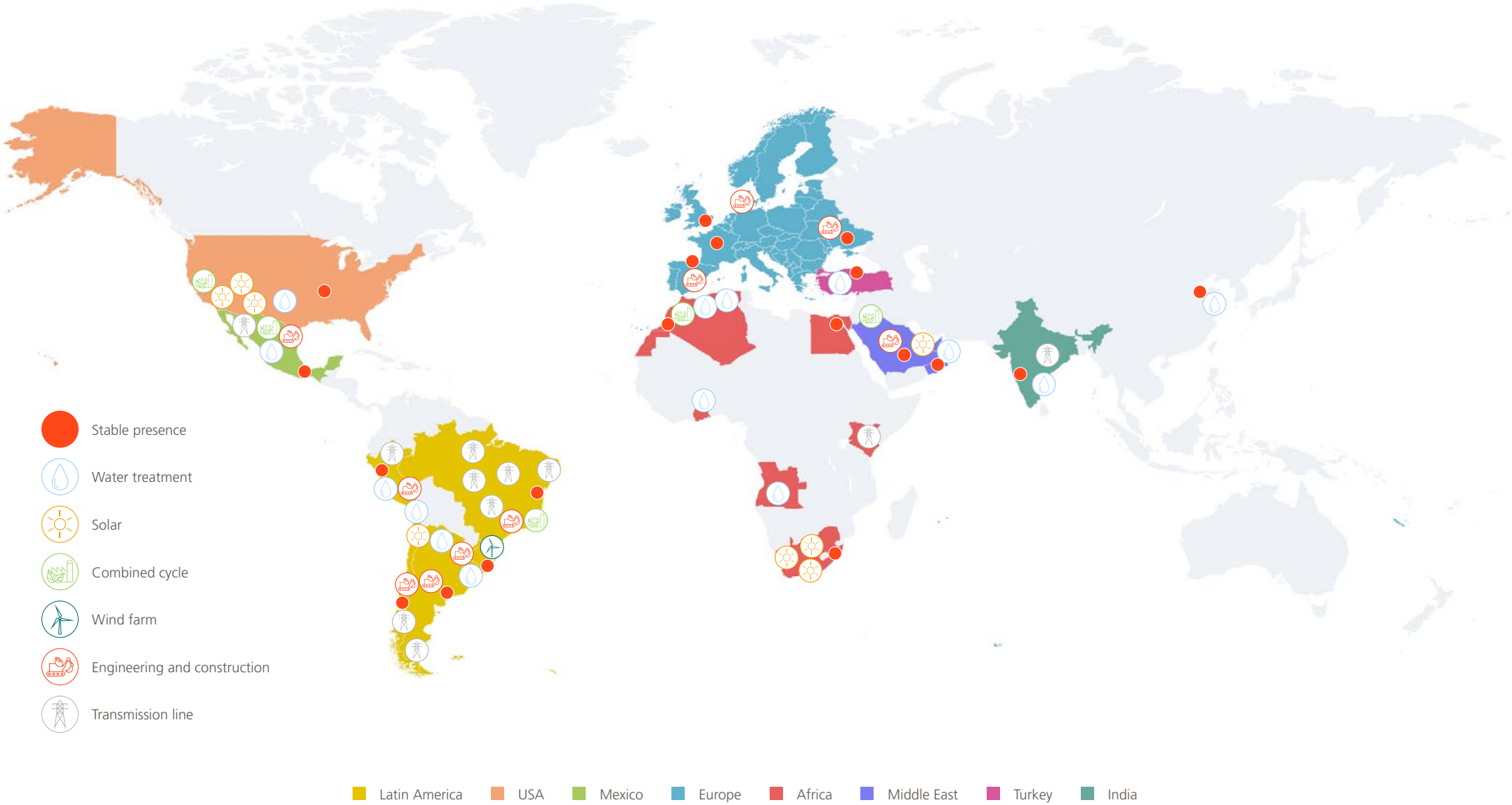
Africa
Angola
Algeria
Ghana
Kenya
Libya
Morocco
South Africa

Oceania
Australia

G4-5, G4-6, G4-8, G4-9

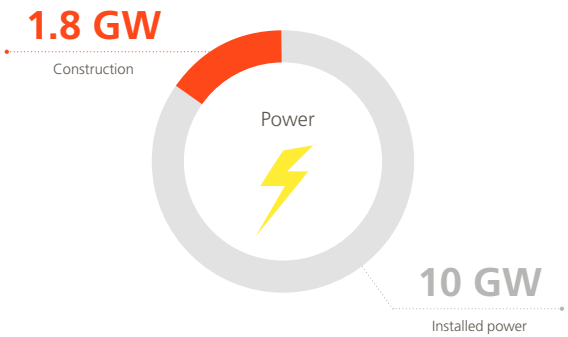
Abengoa's business presence

G4-8

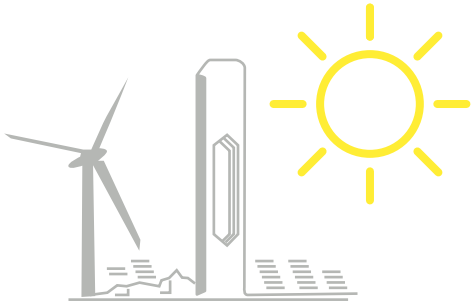


The key performance figures are

Presence in all five continents with a recognized position of leadership in main world rankings (ENR, GWI)

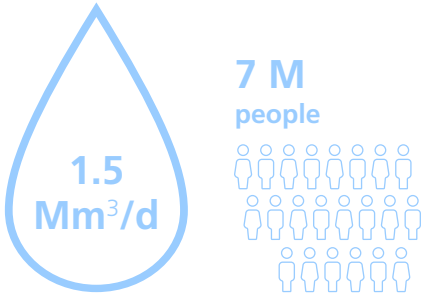


+ 10 GW of installed power and more than 1.8 GW from conventional generation plants under construction

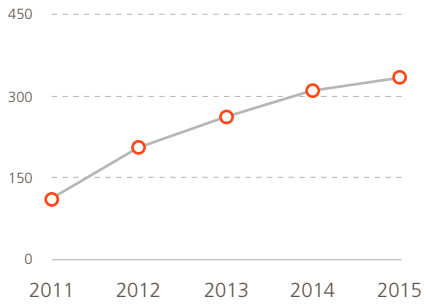


2.3 GW solar power completed and 232 MW from wind power

27,000 km of transmission and distribution lines and more than 330 substations worldwide over the last 15 years



+ 1.5 million of m³/day of desalinated installed capacity and 270,000 m³/day under construction



332 patents awarded and requested since 2008

Capacity to adapt to change

Abengoa is demonstrating its capacity to adapt to the new reality. Firstly, the company **will prioritise turnkey (EPC) projects** in the aforementioned sectors, which will enable it to leverage its technical expertise and international presence to execute projects.

However, this does not mean that **concession-based projects** will be dropped altogether, rather they will be dealt with in a different way. In fact, concessions will continue to be a major growth vector, albeit with a **relatively lower weighting** than EPC projects and with smaller equity contributions from the company, which will include partners who allow the company to significantly reduce its stake in the capital.

Another of the vectors of future growth is Abengoa's human capital, which represents a competitive advantage compared to other companies in the sector: **a human team**, committed and capable, **possessing specialised and competitive know-how**.

Lastly, **a significant effort is being made to rotate non-strategic assets and businesses** as an essential part of the deleveraging process, in order to continue generating cash flow through the selective sale of assets that contribute to the debt decrease.

Consequently, the new model being proposed includes management tools and systems that will prevent financial risks and **limit the capacity to finance with corporate guarantees**. Likewise, this model seeks to restore credibility with clients, suppliers, partners and financial institutions, as well as proposing a business model that is less intensive in cash requirements.

Sustainability remains a core value

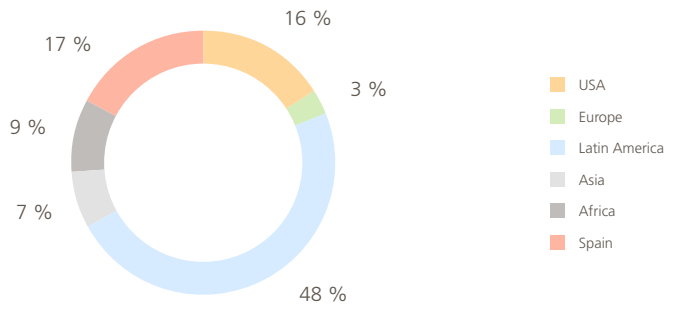
To achieve the targets established in the new strategic plan, it is essential to increase the operational efficiency of the business. We need to adapt the structure to the new reality, which also means operating in a more local way in those markets where we are present.

This implies a greater commitment to local suppliers and communities, as well as a lower environmental impact. Sustainability is and will be a distinguishing element and a priority for Abengoa.

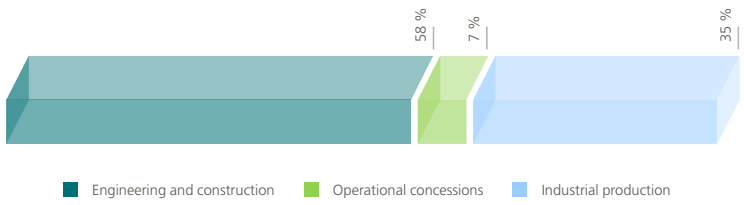
Operation in sectors with high growth potential

As it has been designed in the strategic plan, the new organizational model is diversified both by activity and by geographic regions, which gives the organisation greater coverage and security in case of business slowdown in some areas and specific geographic regions.

Diversification of businesses by region



Diversification of businesses by activity



03. Management of capitals

Criteria governing the Abengoa business model

The chapters which make up the Integrated Report describe how the company manages its capitals, which are divided into five major areas (financial, industrial, human, social-relationship and natural), as well as the strategic focus with regard to each of them. The aim is to report on results obtained and company performance in 2016 through the corresponding indicators based on the G4 Guidelines of the GRI.

Although every area is managed with a global focus, each one has its particular features which are described in the following chapters of the report.

The chapters that make up the Integrated Report have been prepared with special attention to the identified material issues, in order to provide more detailed information on those aspects that have been critical to stakeholders. In a year of transparency, efforts have been made to improve the understanding of the Report in those areas that may be technically more complex.

Abengoa manages its capitals in accordance with sustainability criteria covered under its CSR policy.

The chapters which follow show specific information on the management of the issues that were most relevant in 2016:

Material issues	Addressed in:	Challenges
Financing	▶	Financial capital
Attracting and retaining talent	▶	Human capital
Capacity to adapt to change	▶	Abengoa today
Transparency in communications to the market	▶	Financial capital
Business ethics and anticorruption	▶	Governance, transparency, risk management and compliance

Mission, vision and values *G4-56*

The philosophy that determines the organisation's mission, vision, values and hallmarks is based on the solutions Abengoa brings to its environment in order to achieve a more sustainable development, directly linked to the business objectives set by the company.

The process of restructuring in which Abengoa is presently involved will entail redefining these aspects in order to adapt to the new company structure. Accordingly, Abengoa's mission, vision and values are also being updated as the guidelines for the new structure are introduced.

Further information is accessible on the corporate website.

Corporate Social Responsibility policy

In 2015, the Corporate Social Responsibility policy was unanimously approved by the Board of Directors.

The Policy, which is available for consultation on the corporate website, establishes the guidelines to be followed throughout the organisation in this area and the manner in which **CSR is integrated into all company areas and serves** as a leverage for businesses, to achieve their business objectives.

Additionally, owing to the Board of Directors' commitment to Corporate Social Responsibility, this Integrated Report was presented at the General Meeting of Shareholders held on 30 June 2017.

With the publication of this policy and oversight thereof by the Audit Committee, Abengoa upholds principles 24 [1] and 53 [2] of the Unified Good Governance Code of Listed Companies.

Note 1 Principle 24: The company should deploy an appropriate corporate social responsibility policy, as a non-delegable board power, and report transparently and in sufficient detail on its development, application and results.

Note 2 Principle 53: Oversight of compliance with rules of corporate governance, internal codes of conduct and policy on corporate social responsibility should be delegated to one committee or distributed among various committees of the Board of Directors, which may be the Audit Committee, the Appointments Committee, the Committee on Corporate Social Responsibility, if there is one in place, or a specialized committee the Board of Directors decides to set up for this purpose in exercising its powers of self-organization.

The Corporate Social Responsibility department, which reports directly to the chairman's office, is responsible for managing the company's non-financial information. The CSR department meets every week with the chairman of the executive commissions to review and analyse all issues concerning social, economic and environmental matters. *G4-36*

Strategic Corporate Social Responsibility Plan (SCSRP)

Due to the complex restructuring process carried out in the last period, the company had to temporarily suspend the Strategic Corporate Social Responsibility Plan (approved in 2015) until the new structure and scope of the group's activities was defined.

This strategic plan, which defined the CSR framework and guidelines through a set of actions that identify specific targets and design specific actions that contribute to a closer relationship with society, will be updated according to the new structure and reality of the company to define realistic targets that allow us to integrate the CSR strategy into the new business model.

The supreme governing body's commitment with the CSR area, especially during the complex situation that the company has experienced in recent months, has allowed the company to intensify its efforts to continue with the systematic reporting and analysis of established indicators, to study the evolution of the company's CSR information and ensure traceability of its content. This will enable the implementation of effective improvement measures adapted to the circumstances of the organization.

UN GLOBAL COMPACT
Network Spain
WE SUPPORT

United Nations Global Compact

G4-15, G4-16

Since 2002, Abengoa has maintained its commitment to the United Nations Global Compact, by means of which the company undertakes a commitment to abide by and implement its 10 principles into the company's operations, business model and strategy. Accordingly, since 2005 the company has published its annual Progress Report, through which it informs stakeholders about the activities conducted during the past year in relation to implementation of the principles.

Responsible Management Balance Sheet

In 2011, the Responsible Management Balance Sheet (RMBS) was devised with the aim of grouping together the CSR-related indicators which, due to their relevance, are critical for the company and for its stakeholders.

Given their importance, the company carries out more exhaustive continuous monitoring of these data in order to ensure greater reliability in managing and reporting the information.

This scorecard is verified by an independent third party and is published twice a year on the Abengoa website, for the purpose of reporting to stakeholders on developments in company performance.

As in the previous year, the structure of the RMBS has been adapted to the capitals-based scheme set out in the <IR> framework published by the International Integrated Reporting Council (IIRC), to reflect the connectivity of financial and non-financial information.

Financial capital	2016	2015	(2)
Revenue (€M)	1,510	3,647(1)	
Significant financial support received from governments (€k)	12,031	81,747	

Intellectual capital	2016	2015	(2)
Investment in R&D and innovation (€M)	4.8	345.2	✔
Employees dedicated to R&D and innovation	232	797	
Granted patents accumulated	294	332	
Investment effort in R&D and innovation (R&D and innovation investment / Sales)*100 (%)	0.32	6	

Natural capital	2016	2015	(2)
Energy			
Energy consumption (GJ) (primary, electrical, thermal)	33,692,874	55,602,638	✔
Energy consumption intensity (GJ) / Sales	22.3	9.7	
Emissions			
Direct emissions (tCO_{2eq})	1,044,098	2,135,808	✔
Direct emissions from biomass (tCO_{2eq})	2,025,292	3,289,005	✔
Indirect emissions (tCO_{2eq})	2,725,577	4,713,618	✔
GHG emissions intensity (tCO_{2eq}) / Sales	3.8	1.8	
Water withdrawal			
Desalinated water produced (m^3)	154,690,622	105,346,138	✔
Seawater withdrawal (m^3)	336,653,375	221,199,378	✔
Water withdrawn from other sources (m^3)	8,648,659	21,028,296	✔

Human capital	2016	2015	(2)
Job creation (%)	(31.1)	(9.82)	✔
Total voluntary turnover (%)	18.22	9.09	✔
Female staff members			
In senior management positions (%)	10.38	10.77	✔
In middle management positions (%)	21.97	22.2	✔
Training (number of hours over the average number of employees)	6.21	53	✔
Work-related accident rate			
Frequency rate	14.22	11.76	✔
Severity rate	0.23	0.13	✔

Social capital	2016	2015	(2)
Number of countries where the company operates and carries out CSR activities or actions	20	20	

(1) Economic figures restated based on Note 7 of the economic and financial information.
(2) Indicators audited by an independent external.

G4-DMA, G4-9, G4-EC1, G4-EC4, G4-LA1, G4-LA6, G4-LA9, G4-SO1, G4-EN3, G4-EN5, G4-EN8, G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-ID1, G4-ID2, G4-ID3, G4-ID4

03.1 Financial capital

Current financial situation

Abengoa's activity during 2016 has been determined by the financial restructuring process that began in November 2015 and ended in March 2017.

On 16 March 2016 and after four months of negotiations with its financial creditors, Abengoa presented a proposed business plan and financial restructuring that would provide the basis for determining the final restructuring agreement.

While the final plan was being developed, and in view of the deadline of legal protection provided for in Article 5bis of Law 22/2003, on 28 March Abengoa submitted the application for approval of a standstill agreement to the Mercantile Court No. 2 of Seville, with the support of 75 % of creditors at whom it was addressed.

This standstill agreement was approved by the court on 6 April, giving Abengoa a maximum period of seven months to complete negotiations with its financial creditors and sign a definitive financial restructuring agreement.

In this vein, on 16 August 2016 Abengoa presented the market with the principles on which the final Restructuring Agreement would be based. This agreement was signed by Abengoa and a group of its creditors on 24 September 2016 and, subsequently, with the support of 86 % of creditors at whom it was targeted, an application for approval was lodged with Mercantile Court No. 2 of Seville and this was obtained on 8 November 2016.

Lastly, on 22 November 2016 approval was obtained at the Extraordinary Shareholders Meeting with regard to the resolutions necessary to implement the Restructuring Agreement, primarily a share capital increase.

The implementation of these resolutions occurred during subsequent months, concluding on 31 March 2017.

Abengoa's **main objective** in the **restructuring process** has been **to balance its capital structure** and endow the company with the **necessary stability to resume its normal activity** in the **shortest possible time**. In the medium term, Abengoa must be able to develop a balanced business model, with special emphasis on cash generation that allows it to operate and grow in a sustainable way.

Abengoa's financing model

The financial restructuring that took place during 2016 and which Abengoa completed in March 2017 marked a **significant change in the capital structure**, the shareholding structure and the model of medium-term financing.

At 31 December 2016, before implementation of the financial restructuring, Abengoa's financing model was based on the following pillars:

- **Capitals market** (40 % of financing): includes mainly high performance bonds but also two convertible bonds [1], a redeemable bond [2] and a commercial paper scheme.
- **Credits with financial institutions** (35 % of the financing): the main source of corporate financing is a credit syndicated by a banking pool. In addition, there are institutional lending agencies such as the Official Credit Institute (ICO) or several export credit agencies. Together with the capitals market debt, these represent the corporate financing.
- **Project financing** (25 % of the financing): this kind of financing is generally used as a resource for the construction or acquisition of assets, taking as collateral exclusively the assets and cash flows of the company or group of companies that perform the activity associated to the asset being financed. It constitutes the long-term financing (Project Finance) of concession projects, whose guarantee are the projects themselves. This type of debt also includes non-recourse financing in process (bridging loan) serving as temporary financing until the closure of long-term non-recourse debt.

Financial restructuring effect

Most corporate financing and bridging has undergone financial restructuring through release or capitalisation, and refinancing, replacing existing instruments with others of new issue ("*Old Money*"). In addition, the new liquidity injected into the company as part of the restructuring ("*New Money*") was also instrumentalized in the form of debt. Both the New Money and the Old Money have been instrumented primarily in bonds traded on a regulated market and loans with credit institutions.

Note 1 Convertible bond: fixed-income financial asset that can be converted into a specific number of shares of the issuing company through a share capital increase.

Note 2 Redeemable bond: fixed-income financial asset that can be converted into a specific number of shares of a company in which the issuer has a stake.

As a consequence of the financial gross restructuring, the debt at 31 December 2016 is estimated to have been reduced from €M 9,681 to €M 3,477. This amount is distributed into the following categories:

- **Capitals market** (52 % of the financing): comprising five new bonds issued as "New Money" and "Old Money".
- **Loans with credit institutions** (42 % of the financing): comprising eight new loans signed primarily with credit institutions as "New Money" and "Old Money".
- **Project financing** (5 % of the financing): the bridging loan was practically restructured in full in order to form part of the bonds traded on capitals markets or loans with credit institutions, while project finance has remained untouched.

Transparent communication *G4-27, G4-50*

One of the main objectives and priorities of Abengoa is to provide a transparent and accountable communication that enables it to offer investors and analysts the information needed to carry out a comprehensive analysis of the organisation's performance in different areas (economic and financial, social and environmental, etc.).

Abengoa is **keenly aware** of the importance of **continuously enriching the information provided to its stakeholders**, providing increasingly comprehensive content tailored to their needs and circumstances, building better relationships while perfecting channels of dialogue **to provide a greater information flow**. This commitment becomes even more relevant considering the delicate situation in which the company has been immersed in 2016, and the major impact that this situation has had on its stakeholders.

During 2016, activity in communication with investors has been very different from that of other years. In these extraordinary circumstances, for example, there have not been any roadshows or attendance at conferences with investors, events that are usually focused on sharing information related to the business activity and the company's future.

The company engaged its efforts on keeping its investors, shareholders and creditors informed on progress in negotiations of the financial restructuring and to explain the details of this and the impact at economic level it would have on their investments in Abengoa. Accordingly, the following actions took place:

Creation on the Abengoa website of the new section dedicated exclusively to providing information on new items related to the restructuring, that included:

- Five explanatory presentations of the details of the restructuring.
- Summary of all communications in the form of a Relevant Fact to the CNMV (Spanish Securities Exchange Commission) relating to this process from November 2015 to March 2017.
- Section of specific frequently asked questions (FAQs) for each stakeholder group: shareholders, bondholders, financial institutions, customers and suppliers. This section has been updated as milestones in the process were reached.
- Specific contact details within the company for shareholders, bondholders and financial entities.

The holding of six specific telephone conferences for bondholders and financial institutions safeguarding these securities to explain the specific procedure of participation in the restructuring process.

Extremely limited communication with analysis agencies, many of which stopped covering Abengoa due to the company's situation. None of these entities closed the year with a positive recommendation.

Telephone helpdesk for all shareholders, bondholders and custodians of bonds that had doubts about the restructuring process.

Management of around 4,068 applications through the shareholder's mailbox.

Number of visits to the shareholders' website: 137,948 visits, equivalent to 18.73 % of all visits received at www.abengoa.com.

The **main doubts and questions of stakeholders** concerned:

- The impact of the restructuring on their investments in the company
- Terms offered to financial creditors
- Consequences for shareholders
- Procedure for taking part in the restructuring under the different terms offered

On the Abengoa website, the shareholder and investor section is the most visited –after the main or home page– with approximately 20 % of visits. Within the section of shareholders and investors, interested parties will be able to find a lot of relevant information, the most prominent of which is:

- A section dedicated to the financial restructuring
- Relevant events and other communications to the CNMV (Spanish Securities Exchange Commission)
- Annual report
- Presentations
- Information on the share
- Fixed income and bonds
- Structure of governing bodies

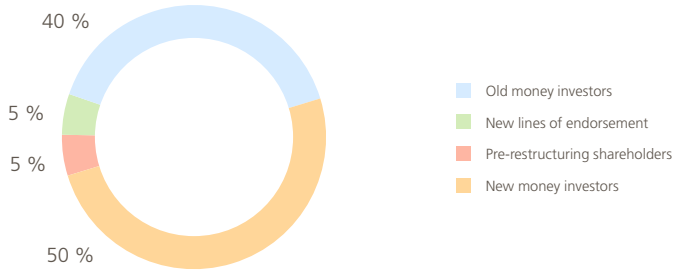
Within the "Shareholders and Investors" section of the website, the most visited sections by some distance were those dedicated to the restructuring process and the relevant events.

Shareholding structure *G4-7, G4-9*

Abengoa's shareholder structure has undergone a complete transformation as a result of the financial restructuring which will end on 31 March 2017.

- The hitherto reference shareholders, Inversión Corporativa and Finarpisa, saw their stake significantly diluted as a result of the capital increase.
- The suppliers of New Money and the new lines of endorsements were awarded 50 % and 5 % of the capital, respectively.
- Existing creditors that saw their credit restructured in Old Money were awarded 40 % of the capital.

Accordingly, the **new ownership structure of Abengoa** [3] as a result of part of the Restructuring Agreement was as follows:



Abengoa's **shareholding base** is **composed** almost **entirely** of **financial institutions** and **investment funds**, so a high rotation is to be expected. Following the share capital increase, the existing reference shareholders (Inversión Corporativa and Finarpisa) saw their stake diluted and, in the absence of reference shareholders we can consider that **Abengoa's free-float is close to 100 %**.

Abengoa is a listed company with share capital of € 36,654,895.16 [4], represented by 18,836,119,300 shares fully subscribed and paid up, belonging to two different classes:

- 1,660,993,500 shares belong to class A [5], with an individual face value of € 0.02, which individually confer 100 votes.
- 17,175,125,800 shares belong to class B [6], with an individual face value of € 0.0002, which individually confer one vote.

Note 3 Abengoa's shareholding base is composed almost entirely of financial institutions and investment funds, so a high rotation is to be expected, modifying the shareholding structure resulting from the financial restructuring. Following the share capital increase, the existing reference shareholders (Inversión Corporativa and Finarpisa) saw their stake diluted and, in light of the nonexistence of reference shareholders, we can consider that the free-float of Abengoa is close to 100 %.

Note 4 The figure following the issue of 17,894 million shares in the share capital increase carried out on 29 March 2017 as part of the financial restructuring. These new shares were accepted for trading on 31 March 2017.

Note 5 Class A shares: shares that have 100 votes per share (+ info).

Note 6 Class B shares: shares that have one vote per share (+ info).

The class A and class B shares are accepted for official trading on the Stock Markets of Madrid and Barcelona and on the Spanish Electronic Market (SIBE)[7]. The class A shares have been accepted for trading since 29 November 1996 and the class B shares since 25 October 2012. During 2016 Abengoa completed the process of opting out its American Depositary Receipts (ADRs) from the NASDAQ Stock Market and exclusion of its Class B shares from the Securities and Exchange Commission ("SEC").

As a consequence of the financial restructuring, the former reference shareholders Inversión Corporativa and Finarpisa saw their stake reduced to 2.24 % and 0.30 %, respectively, and the main creditors of Abengoa prior to the restructuring became the main shareholders. On 31 March 2017, the main shareholders immediately following introduction of the restructuring were:

Name	Voting Rights (%)
Banco Santander, S.A.	9.63
Crédit Agricole CIB	8.77
Caixabank, S.A.	4.95
Bankia, S.A.	4.64
Banco Popular Español, S.A.	4.58
D.E. Shaw	3.62
Arvo Investment Holdings S.à r.l.	3.53
Banco de Sabadell, S.A.	3.18
Total	42.90

Share trend

The stock market trend of Abengoa's shares during 2016 has been determined by the financial restructuring process that began in November 2015 when Abengoa requested the protection of Article 5bis of the Spanish Insolvency Act.

The B share started the year at € 0.212 / share, and at the end of the same was trading at € 0.188 / share, equivalent to a devaluation of 11 %.

The share began the year continuing the downward trend with which it ended 2015, reaching the year's minimum of € 0.132 / share on 12 February. Thereafter, during the first half of the year the share price has been conditioned by the news about Abengoa's negotiations with its creditors. In this regard, during March the share shifted to an upward trend reaching the year's maximum of € 0.363 / share on 8 March, as a result of progress on Abengoa's initial agreement with its creditors on restructuring which was announced on 11 March and presented to the public on 16 March. This standstill agreement removed the immediate risk of Abengoa requesting an Arrangement with Creditors and gave the company time to draw up the definitive agreement with shareholders in more detail. This positive trend ended on 30 June, when the chairman of Abengoa confirmed at the General Meeting of Shareholders the progress made for signing the final restructuring agreement.

From then until the end of the year, the share suffered erratic behaviour caused mainly by speculative movements of market participants and also by the continuous flow of positive and negative information about the company, mainly the delay in implementing the financial restructuring announced in September and expected by the end of 2016, but which was finally completed on 31 March 2017.

Note 7 Spanish Stock Market Interconnection System (SIBE): an electronic platform for trading equity securities of the national stock exchanges that offers real-time information on the activity and trend of each share.

03.2 Industrial capital

Projects in which the company works

As a result of the restructuring, Abengoa will henceforth focus on its specialist EPC role (Engineering, Procurement and Construction) or turnkey projects, viz., the engineering, procurement and construction of plants for third parties in four key areas: energy, water, transmission and infrastructures and, finally, services.

Abengoa will thus be focused on sectors and products with high growth potential, in which it is not only internationally recognised, but from which a wide portfolio of projects and commercial opportunities will emerge. To carry out these opportunities, Abengoa needs a smaller organization, adapted to the new reality, to accompany operations in the same sector and activity, but on a smaller scale, in line with the new strategy and the availability of resources.

Abengoa's activity by areas is as follows:

Energy

G4-4

Through its Energy vertical, Abengoa integrates the activities of business development, promotion, bids, engineering, technology and project performance, referring to the generation business, both conventional and renewable, covering the entire value chain of turnkey projects or EPC, from the commercial phase, design and basic and detail engineering through to construction and start-up.

Looking ahead to 2017, the energy vertical is tasked with becoming a benchmark in the EPC electricity generation market, concentrating its efforts on those products and markets that allow it to comply with the bases established in the organisation's new strategic plan.

From its energy vertical, Abengoa is developing the following products:

Generation of conventional energy

- **Combined cycles**: electricity production plants that combine the direct potential of gas combustion and the steam produced as a consequence of re-utilisation of the combustion gases. Abengoa has delivered over 2,000 MW in recent years and is in the process of completing projects for an additional 640 MW.

- **Cogeneration**: plants producing electricity and steam from the combustion of natural gas or other fuels such as biomass. Located in industrial environments with major self-consumption needs, it allows the surplus to be fed into the grid for sale. In recent years, Abengoa has built and delivered more than 320 MW.

Generation of renewable energy

- **Thermosolar power tower**: allows the production of electricity by concentrating the solar energy captured, through a field of heliostats, into a receiver located at the top of a tower. Abengoa is a pioneer in the construction of tower plants for commercial operation, with more than 80 MW in operation.

  Also, thanks to the combination of this technology and the salt storage, it guarantees the plant production during lengthy periods without solar radiation or even during the night.

- **Thermosolar parabolic trough plants (STEP)**: these base their operation on the collection of solar energy through parabolic trough technology that allows the heating of a heat transfer fluid for the use of heat in a conventional thermal cycle. Abengoa is a pioneer in the construction of these types of plants, with more than 2,000 MW in operation and 500 MW under construction.

Likewise, the company has been the first to integrate a solar field into a conventional generation plant using combined cycle.

Water

G4-4

Abengoa, as a global technological operator in the water sector, provides solutions both to the scarcity of water resources, generating drinking water and transporting it, as well as protecting the environment, with the treatment of urban and industrial discharges.

The activity in the water sector is carried out for industrial clients and public institutions, in the areas of:

- **Desalination**: Abengoa is one of the world leaders in the design and construction of this type of plant, with more than 20 large desalination plants in Spain, Africa, Latin America, Middle East and Asia, for the production of drinking water or industrial water from seawater or brackish water, using conventional and advanced membrane processes, which account for more than 1.5 Mm^3/day of installed desalination capacity.

- **Water treatment**: Abengoa has an extensive track record with more than 120 plants built in Spain, Africa and Latin America, for the potabilization of water and also for treatment and reuse of wastewater of urban or industrial origin through physical-chemical and biological processes, including treatments for digestion and recovery of sludge.

- **Hydraulic infrastructures**: throughout its more than 70 years of history, Abengoa has always been at the forefront of hydraulic initiatives, collaborating with public and private institutions in the implementation, improvement and operation of infrastructures for regulation, transportation (more than 40 pumping stations), distribution (more than 4 million people served), irrigation (more than 500,000 ha) and hydroelectric plants (350 MW installed in more than 30 activities –plant construction, improvement, upgrading, etc.).

During 2016, Abengoa has continued to build desalination plants, urban and industrial water treatment plants; hydraulic infrastructures for the transport, storage and distribution of water for supply and sanitation grids, either under concession or through construction contracts for the public or private sectors.

Likewise, it has also continued the O&M of two desalination plants whose concession Abengoa owns, located in Ghana and Algeria, as well as five other plants built by Abengoa and with which it has long-term O&M contracts.

The aggregate drinking water production capacity of these plants in operation is more than 775,000 m^3/day, which would be able to supply more than 3.5 million people.

For 2017, Abengoa has set itself the challenge of finalising the concession divestment plan and consolidating its activity, accelerating ongoing projects and culminating in the contract awards for new water projects, especially in the Middle East.

Transmission and infrastructures

G4-4

The Transmission and Infrastructure vertical of Abengoa has four areas of activity:

- **Electrical transmission and distribution**, with more than 27,000 km of transmission lines developed worldwide and more than 330 substations built in the last 15 years.
- **Railway**: we have exceeded 2,300 km of railway lines and 80 traction substations.
- Over 70 years' experience in **installations and infrastructures**.
- Auxiliary manufacture of **electrical and electronic equipment**, with own design capabilities.

In 2016, as part of its divestment plan, Abengoa sold the assets and liabilities of Abengoa's Production Centre in Seville to the company Cuadros Eléctricos Nazarenos (CEN). The production centre in Seville engaged in the design, manufacture, testing and logistics of electrical equipment for the electricity generation, transmission and distribution markets.

Electricity transmission and distribution

Abengoa offers a wide range of technical solutions in transmission and distribution. It includes electric lines and substations of all types and sizes: alternating current and direct current; all voltage levels (low, medium, high and very high); overhead and underground lines; cable laying and live work, transmission grids (HV), distribution grids (MV) in primary and secondary substations, evacuation of thermosolar plants in booster and collector substations, air, oil, gas and hybrid-insulated substations.

It also has capabilities to carry out the integral management of projects, from feasibility studies, design and engineering and supply to construction, assembly, commissioning, operation and maintenance.

Railway

Abengoa is an international benchmark in the development of turnkey projects for catenary, traction substations, communications, signalling, electrical installations in high voltage and low voltage (LV), lighting and ventilation associated with both conventional and high speed railways, metro, tram and monorail.

From the area of railway engineering, Abengoa covers any technical needs of its projects, regardless of the geographical area where they are located.

It also has one of the most advanced railway machinery ranges in the sector, highly sophisticated and with maximum functionality.

Installations and infrastructures

Abengoa has over 70 years' experience in the industrial and infrastructure facilities, carrying out the construction of facilities at all types of plants (conventional and renewable generation, oil&gas, food and paper) and singular buildings (hospitals, prisons, cultural, educational and administrative centres), covering the design, supply, manufacture, assembly and testing of systems as well as operation and maintenance.

Auxiliary manufacturing

Manufacture of electronics with own design capability, software and hardware and equipment with integrated electronics, as well as the supply of control racks, ticketing and access control, X-ray machines and power supplies.

Services

G4-4

Abengoa provides comprehensive predictive, preventive and corrective maintenance and operation services for renewable, conventional and water treatment plants, with the objective of optimising their reliability, performance and uptime, minimising the consumption of fuels, chemicals and consumables, as well as the emission of GreenHouse Gases (GHG) and maximising their production.

In the same way, the company manages its own assets in operation. To do this, the asset management lifecycle is conceived as an important source of cost savings, regulatory compliance, improvements in uptime and competitive advantages. Through the application of asset management systems throughout their life cycle, Abengoa is able to manage the work and maximise the fixed or physical performance or capital goods that have a direct and significant impact on achieving the economic, environmental and social objectives, always maintaining a high commitment to the prevention of occupational risks.

The Abengoa Services vertical focuses on four main areas:

- Operation and maintenance
- Asset management
- Factories for metal structures
- Commercialisers

Operation and maintenance

Abengoa offers Operation and Maintenance (O&M) services in the field of energy, water and the environment. With more than 15 years' experience in this activity, it performs corrective, preventive and predictive maintenance, as well as computer-assisted maintenance at thermal, renewable and conventional plants, hydraulic and environmental infrastructures.

The operation and maintenance ensures that the assets work correctly throughout their useful life. Designing and building with an operator's vision is a competitive advantage for Abengoa, which has established itself as a leader in the O&M of solar plants. It has an installed capacity of 1,603 MW in commercial operation of thermosolar plants (tower -a technology in which Abengoa is a pioneer-, parabolic troughs and hybrids integrated with conventional cycles) and photovoltaic, which place it as the company with highest amount of installed thermosolar capacity in the world.

Thanks to this know-how and the technological development it entails, the company has made it possible for the plants it operates to achieve high levels of production and uptime. In addition, Abengoa assumes responsibility for the upkeep and operation of machines and equipment to obtain maximum productivity, profitability and safety at the plants.

Asset management

The Services vertical manages its assets in a safe, reliable, efficient, profitable and sustainable way in the fields of energy, water and the environment.

With extensive experience in electrical, renewable and conventional power plants, hydraulic and environmental infrastructures, the objectives of the company are:

- Apply the most modern management techniques that guarantee the generation of value and the sustainability of assets throughout their useful life, in line with the company's vision of safe, reliable, efficient, cost-effective and focused on sustainable development.
- Provide a professional service with a highly qualified team with a high commitment to the safety of people and facilities.

Factories for metal structures

In its seven decades of experience, Abengoa has manufactured more than 1.5 Mt of metal structures for its own and third-party projects worldwide. Abengoa thus offers an integrated service, covering the entire value chain, from engineering to manufacturing, including full scale load testing of structures. In the test station in the factory of Spain, towers up to 72 metres in height can be tested by applying loads equal to those that will be supported in service in their real enclave once installed.

The Services vertical has three production centres, located in Spain, Mexico and India, which have a common form of work and add up to a global production capacity of 15,000 t of metal structures per year.

- **Eucomsa**, located in Utrera, Seville (Spain): a factory with high quality standards, as leading electricity companies are required to have. It has an excellent structural engineering capability, which gives it additional value for problem-solving and optimisation of designs (some of them under patent).

- **Comemsa**, in Querétaro (Mexico), is the largest and most modern structures factory of Abengoa. It has two independent Galvanising and Railway Spur plants, all in the same location and serving both Latin America and North America.

- **APS India**, located in Haloi Gujarat, to the west of the country, manufacturing structures with huge economic competitiveness and representing an important gateway to the Asia and Middle East markets.

Commercialisers

Abengoa carries out its commercial activity in the Services area through Abencor and Nicsa. These companies specialise in the distribution of electrical equipment (power and distribution transformers, insulated low-, medium- and high-voltage cables, bare and submarine cables, UPS, etc.) and with more than 70 years' experience. The core activity of Abencor and Nicsa is focused on supplying equipment and spare parts during construction and operation stages, both for internal and external clients.

The main supplies for Abengoa have been developed in the Chile Metro project and in the Xina Solar One Thermosolar plant project in South Africa.

Presence of Abengoa *G4-8*

Abengoa's activity during 2016 was carried out mainly in the following geographies:

South America

Abengoa has been present in South America for more than 50 years. In fact, the first international projects were carried out in Colombia, Venezuela and Guatemala, creating the first international office in Argentina. Since then, South America has become one of Abengoa's most important regions, with a presence mainly in:

- **Peru**: present in this country for more than two decades, Abengoa offers comprehensive solutions to its clients in the sectors of mining, energy, water, industry, oil&gas and infrastructure, with a particular focus on civil, hydraulic and electromechanical projects. It also operates and maintains high-voltage transmission systems.

- **Argentina**: Abengoa has specialised in turnkey energy projects (conventional and renewable generation and transmission and distribution); water and sanitation (infrastructure and sewage) and industrial plants (cement).

- **Uruguay**: established in the country since 1980, Abengoa continues here by participating in its main infrastructure projects. It has performed around 400 projects, including approximately 450,000 m² built, more than 100 hydraulic works, 70 electrical projects, including the development of several wind energy projects and numerous industrial projects.

  Also in Uruguay, through the company Consorcio Ambiental del Plata (CAP), Abengoa carries out waste management and the development of urban sanitation services. Work is also carried out on the collection of waste from containers both with trucks and by hand, and the sweeping of roadways, washing of avenues, squares and esplanades, cleaning and washing of fairs, removal of debris and special services.

  It also has a forestry business area, in which it carries out 100 % mechanized harvesting and extracting activities; supply of biomass for industries –at all stages of the supply chain, from the field to the boiler –and operation of stockyards. For this last item, it works jointly with the company Schandy SA.

  Moreover, in Uruguay Abengoa performs the operation, maintenance and management of wind farms, treatment plants and unique buildings, as well as providing technical advisory services, start-up of electrical installations, electrical tests and thermography in the industrial, electrical area and wind areas, among others.

- **Chile**: Abengoa opened for business in Chile in 1987. Since then, the organisation has developed engineering and construction activities and infrastructure concessions for the electric, mining and consumer industries. Of particular note are the development of power lines and substations, civil engineering, railway works, electromechanical assemblies, sanitary and waste treatment works, desalination plants and renewable energy.

United States and Mexico

Abengoa has achieved a leading position within the construction, technology and water sectors in the United States, where it has carried out major projects such as Solana, the world's largest thermosolar plant for parabolic trough technology at the time of its construction. Abengoa is currently responsible for its operation and maintenance.

Meanwhile, in Mexico, the company carries out infrastructure projects for renewable energy (solar and wind), conventional energy (combined cycle), environmental infrastructure (aqueducts), transmission lines and electrical substations.

It has been present in the country for more than 25 years, it has its own resources and capabilities to capitalize on market opportunities and overcome environmental threats.

Europe

Throughout its history, Abengoa has performed a wide variety of projects throughout Europe (Spain, France, UK, Holland, Ukraine, Poland, Denmark, etc.). Special mention should be made of the projects for the generation of conventional and renewable energy, transmission, desalination, treatment and hydraulic infrastructures and one-off buildings. In addition, the company has the largest solar R&D centre in the world, a pioneer in this technology and a global reference, which has allowed the company to develop new technologies, services and systems of operation and maintenance, as well as maximize capacity and production of plants.

North Africa and South Africa

Abengoa currently carries out EPC and O&M activities for large thermosolar power projects in South Africa. Specifically, the company has been present in this country since 2011. And this is because South Africa, as well as being the southern region of the continent, offers great opportunities for Abengoa to expand its commercial base in the energy and water sectors in the near future.

Through this activity and the development of generation and transmission projects throughout the continent, as well as the construction of desalination plants and water treatment plants, Abengoa stands as one of the key companies in the development of the energy and water sectors in Africa.

Middle East

Abengoa is present in the Middle East, a high growth market, in countries such as Saudi Arabia, Kuwait, United Arab Emirates (UAE), Oman, Qatar, Bahrain, Jordan and Egypt, where the company has a large portfolio of projects and opportunities, as well as offices in various locations.

Innovation *ID1, ID2, ID3_4*

Technological development remains the main competitive advantage of Abengoa to carry out projects of high value-added in any part of the world. Today's society values technological solutions that contribute to sustainable development and the number of countries that consider it indispensable is increasing.

Throughout 2016, and as part of its restructuring process, Abengoa has also restructured the R&D and innovation area, integrating the various innovation activities that are taking place in the new verticals that make up the company. However, in the case of certain projects, a portfolio of technology packages has been created, and with them, what we call the "Technological Incubator".

The aim of the incubator is to showcase these packages not aligned with Abengoa's strategy (in the areas of bioenergy, catalysis, thermosolar, photovoltaic solar and water) and, thus, continue with the development of these technologies. To this end, the incubator is considering preserving knowledge through different formulas, such as collaboration schemes with third parties, joint ventures, spin-offs, licences or even through the complete transfer of technology.

Investment made in 2016 amounted to € 4.72 M, a decrease of 98.6 %, due to the situation experienced by the company during 2016, when it was focused on the development of its financial restructuring. Nonetheless, R&D and innovation activity continued, reaching 294 priority patents applied for up to the year of the report, with a total of 232 employees dedicated to R&D and innovation.

Main figures	2016	2015	2014
Investment in R&D and innovation (€M)	4.76	345.2	597.7
Personnel	232	797	882
Cumulative priority patents applied for	294	332	312

Main lines of technological development

R&D and innovation in the thermosolar area

In the development of thermosolar plants, Abengoa remains a world leader. To carry out these high value-added projects, it continues to develop R&D and innovation projects, with the conviction that it will be able to keep ahead in the future. This will help it identify new lines of business and acquire new skills that will keep it positioned in the market as a consolidated brand.

In the solar area, we have targeted optimization of all electric power generation technologies, promoting the renewable energy and allowing manageable generation that adapts to the new demand models. To this end, the company has worked on projects in partnership with the most important national and European centres in the field of energy generation and storage.

Thus, thanks to the work performed in the area of technology, 2016 has been a year in which Abengoa achieved the following technological milestones:

- The consolidation of the **first commercial superheated steam receiver** at the Khi Solar One plant in South Africa, where more than eleven patents have been fully developed by Abengoa personnel.

- The **central receiver technology** remains the most promising in solar power generation. Abengoa continues to maintain a strong commitment to the optimization of its components, especially the use of molten salts as heat transfer fluid. Solar salt, a blend of sodium nitrate and potassium nitrate, is presented as the fluid with the greatest potential for energy transfer and storage. The optimization of its use, the development of solar components for salts and the compatibility with building materials have represented a constant development throughout 2016. Also this year, different projects have been carried out for the experimental evaluation of salts at high temperatures, which will allow us to optimise the design of key equipment materials, both in solar receiver technology as well as parabolic troughs.

- In thermosolar tower plants, the **ongoing improvement in the efficiency of thermal energy capture** is critical and therefore in 2016 we worked on three lines simultaneously:

  I. The design of absorbent paints for the receiver tubes to improve the capture of the energy at high temperatures and the durability of the same.
  II. The development of new coatings for mirrors, which will improve efficiency in the concentration of the energy.

III. The development of a closed-loop control of heliostats system, which will allow the calibration of a solar field focus of up to thousands of concentrators automatically, quickly and easily.

› Likewise, Abengoa continues to participate in European projects where it encourages the creation of **international partnerships** and focuses on new developments of **high temperature technology**.

In fact, in 2016, two FP-7 (Restructure and Storre) projects aimed at validating high temperature solar technology that fed into advanced power cycles were successfully closed. Abengoa also actively participates in the StageSte project, a consortium subsidised by the FP7 European programme, in which 40 partners participate, including the most important research centres, universities and companies in the solar field at European and international level. This alliance aims to ensure European excellence in concentrated solar energy including solar fuels, solar process heat and solar desalination of water.

In line with the strategy and developments discussed, 2017 reveals new objectives:

› **Technological support to the development of commercial plants**, in the design phase as well as construction and operation. There are different working groups specialized in the most critical systems of each technology, providing technical support in the design, purchase and manufacture of the main equipment. For plants in operation, an exhaustive analysis of the production and self-consumption is carried out, in order to increase the overall efficiency of the plant.

Moreover, there are experts focused on the control and monitoring of other critical systems such as corrosion of materials and the degradation of storage and heat transfer fluids at future thermoelectric solar plants with molten salt technology.

In the medium term, one of the most important steps in reducing costs for thermosolar plants with tower technology that use molten salts is the increase in operating temperature. This will improve the efficiency of the cycle and thus significantly reduce the costs of electricity produced. For this reason, Abengoa will develop a small-scale pilot loop in 2017 in order to determine the impact of an increase in the maximum operating temperature in the salts.

› As remarked upon above, the **thermal storage systems** hold the key to future competitiveness of thermoelectric solar generation plants and, therefore, R&D efforts should be largely focused on **improving their efficiency, reducing costs and optimising the components**. In this regard, and with a more long-term approach, one of the most promising lines is that of thermo-chemical storage, which allows the accumulation of energy at high temperature, with high density and the additional capacity to deliver thermal energy at a higher and more constant temperature.

› On the other hand, 2017 aims to encourage the use of solar energy for a purpose other than electricity production, focused more towards **minimising the generation of emissions in technology with high energy consumption**. In this context, Abengoa participates in two major projects funded by the European Union as part of the H2020 programme. Firstly, the Solpart project, whose objective is to demonstrate on a pilot scale the viability of the use of solar energy in cement production, one of the most energy-intensive industries today. Secondly, the Sun-to-liquid project, whose purpose is the complete validation of the production process of hydrocarbon fuels from water, CO_2 and solar energy.

With these objectives, Abengoa continues to promote the creation of a network of strategic collaborators, from national and European universities and research centres, developing specific projects and medium- and long-term partnership agreements that facilitate the exchange of researchers and the transfer of knowledge.

R&D and innovation in the bioenergy area

Abengoa's own technology has included the production of biofuels (bioethanol and biodiesel), as well as other chemical bioproducts using cereal, oilseeds and biomass (grain, sugar cane, cellulosic biomass, oilseeds and solid waste) as raw material.

More specifically, in 2016 the following developments took place:

Production of bioethanol from lignocellulosic material

During the last year, Abengoa has analysed -at the level of detail engineering- the set of improvements that make second generation biofuel technology (2G) economically profitable. In this area, the company uses an innovative approach to diversify the raw material resources used to produce not only biofuels but also bioproducts. Using enzymatic hydrolysis (EH) technology, developed by Abengoa, the biomass (agricultural waste) is transformed into renewable sugars that, after fermentation, results in bioethanol. Also the second generation sugars can be converted into butanol and cosmetic products.

Furthermore, advances in the field of EH have led to the patent protection of an enzymatic cocktail that shows the highest yields in the market, making the 2G technology from biomass more competitive and cutting edge worldwide thanks to advances in bioproducts.

Production of second generation bioethanol (2G) from Municipal Solid Waste (MSW)

The objective of the Waste-to-Biofuel (W2B-waste-to-biofuels) project is to develop a comprehensive solution for the management of municipal solid waste (MSW), which allows biofuels and energy to be converted into a larger amount of waste and reduce the quantity that goes to the landfill. This provides a **more sustainable and efficient alternative to traditional waste management**.

Thanks to a major technological effort, Abengoa has adapted and transformed the second generation pilot plant that it developed in Salamanca, which used cellulosic biomass as raw material for the production of second generation bioethanol, in a demonstration plant that uses the organic fraction of the MSW as raw material, for the production of second generation ethanol. This plant is a unique installation in Europe.

The W2B project reduces greenhouse gas emissions associated with fuel use, as well as landfill waste (at least 20 %) and, in addition to ethanol, generates a solid fuel that has been classified as level 2 by the European Community, guaranteeing its environmental quality.

Industrial production of enzymes

An extensive team of highly qualified engineers, chemists and biochemists has developed a technology for the production of an industrial enzymatic cocktail that reaches 100 grams of protein per kilo of broth. These productions are in the order of 1.5 to 2 times higher than those of other industrial systems. The demonstration plant in Salamanca (Spain) has been crucial for the development of enzyme production engineering. The work has been implemented in reactors of 500 m^3, a level never seen in the industry of enzymes.

The work process established at Abengoa has led to the **reformulation and evaluation** of new enzymatic cocktails by identifying genes and encoding enzymes with a high performance profile. The development of **more effective and lower cost** enzyme combinations is of strategic interest for the competitiveness of second generation technology.

Development of bioproducts

Abengoa has developed a unique platform for the production of sugars from biomass in its first and second generation plants. The company is currently developing innovative technologies through the use of microorganisms to produce different bioproducts such as aromatic compounds for perfumery and alkanes for use in motor vehicles. Aware of the industrial value of these solutions, Abengoa is protecting these intellectual developments and industrial technologies, generating a solid portfolio of patents.

R&D and innovation in the water area

In the water area, during 2016 Abengoa continued (and continues in 2017) with the development of the Life+ ZELDA (Zero Liquid Discharge Desalination) project. The aim of this project is the development and demonstration of a new process for the treatment of brines based on the use of electrodialysis metathesis and on the recovery of valuable compounds, with the ultimate goal of achieving a zero liquid discharge (ZLD). The project is being developed within a consortium formed by the Fundació Centro Tecnológico de Manresa (CTM), the European Water Platform (WssTP), FujiFilm and Abengoa.

During 2016, the demonstration-scale experiments campaign was carried out with rejections from a process of reverse osmosis of brackish water and in 2017 we continued the campaign of experiments with brine from the Almería desalination plant. With these types of ZLD systems, the consortium intends to prove that the technology is an **energy efficient alternative** to other thermal **processes for the concentration of saline effluents** and, at the same time, that it is **economically** and technically feasible to recover naturally occurring salts in the brine.

Thus, in the future, solutions for the management of saline effluents that are more sustainable, efficient and aligned with the new paradigm of so-called circular economy could be commercialized.

R&D and innovation in the railway area

Through its participation in numerous international projects with major technological challenges, the detection of the needs of our customers and the study of their solutions, Abengoa is at the international forefront of the development of railway innovation products and projects.

We currently specialise in the development of projects related to the study of the behaviour of facilities under extreme conditions, as well as new materials, development of sensor systems for the monitoring and protection of infrastructures, energy storage systems and the development of railway simulation software.

Abengoa has been leading the creation of a **railroad cluster in Malaga** since 2016. This cluster is organized with the intention of supporting the sector and stimulating aid in innovation at national and international level and becoming an international benchmark and a meeting or consultation point for both agencies and railway administrators or any other customer with technological needs.

Currently, Abengoa is leading this initiative in its position as vice-chairman and it comprises the companies Adif, Ferrovial, Siemens, Thales, Alstom, Vías y Construcciones, Comsa, Deimos Elecnor, Telice and Azvi.

Broken Track Project. Real-time track break detection system for high-speed trains

Between 2012-2014, Abengoa developed a track break detection system capable of real-time monitoring of the breakage of any of the dual tracks and their location.

The key outstanding features of this system are the simultaneous detection of breaks in any of the four tracks of a dual-track high-speed line (HSL) in real time. This is a **non-intrusive solution independent** of the railway line's own installation, with maximum measurement distance (from 15 km), immunity to noise typical of the railway environment, non-interference with other systems installed on track or signalling, monitoring of the condition of tracks in real time and installable on any type of railway lines.

During 2016, improvements were made to the design and development of earthing filters for this system. Recently, it has been finalized and patented internationally and is in the process of negotiation for commercialization with Adif.

Alis Project. Simulation software for the integration of electrification, safety and energy efficiency in rail systems

In 2016 Abengoa began to develop an **integral tool of complete simulation** of a railway line, unique and new in the market, comprising the following modules:

1. Electric traction simulations for DC and AC systems
2. Optimization of location, number and power of electric traction substations and auto-transformation centres
3. Simulation of pantograph-catenary interaction
4. Integration and simulation of electrical protection equipment
5. Integration of return currents by earth, drift currents, reachable, step and touch voltages
6. Study of electromagnetic disturbances, electromagnetic compatibility and effects on human beings
7. Simulations of efficient driving and energy saving
8. Integration of energy storage and renewable energy within the sector

RAIN - Railway Inspector

For 2017, the RAIN -Railway Inspector project is planned, consisting of the design, manufacture and commissioning of RAIN (Railway Inspector), an **autonomous vehicle** capable of listening to multiple elements of a railway line and its environment to guarantee safety in operation, with the ability to move at high speeds up to the auscultation zone, or at low speed for data collection.

This project also raises the possibility of leaving the track in case of an emergency and, in case of detecting any anomaly that prevents the circulation of trains in a certain section, RAIN could be sent to the risk area and record the necessary information to diagnose the problem from a remote operation centre. Likewise, it contemplates the possibility of taking image and video in real time for a quick diagnosis of the anomaly. In addition, the vehicle will be able to act as a inspection train in normal operating situations, on-site rethinking or any other functionality required to record as many parameters as necessary, reducing time and cost of these habitual measures, while also rebuilding a 3D area to develop a detailed analysis.

03.3 Human capital

2016 has undoubtedly been the year in which Abengoa has faced the **most demanding** and complex **challenges** of its entire history: challenges in **financial** terms and their **implications on the company's employees**.

The restructuring process in which the company has been immersed since the end of 2015 has involved the adoption of complex decisions concerning all stakeholders and, especially, in relation to the human team of professionals.

In the last year there has been a deconsolidation of some of the company's main businesses, a fact that has inevitably led to changes in personnel. Abengoa, in all cases, has tried to obtain the subrogation of employees in the event of selling companies.

Moreover, the uncertainty and lengthy duration of the restructuring process have led to a significant increase in voluntary rotation rates.

At the same time, the limitation of financial resources has implied the paralysis of some projects, with the consequent decrease in the contracting and renewal of temporary contracts, interns and work experience, as well as the execution of measures of collective adjustment.

In an environment as competitive and changing as the current one, full of challenges, it is essential that the company **invests significant efforts in retaining its talent, as well as in maintaining the key skills**, which are those that will equip the company with specialised and competitive know-how. Accordingly, this year we have worked on a talent retention plan to retain key personnel.

During these difficult times of uncertainty, all the people who make up the organization have demonstrated an exceptional professionalism and commitment to the organization. Fortunately, Abengoa continues to have an **excellent, motivated, committed and capable staff** whose contribution is and will continue to be the distinguishing element of Abengoa and is the basis on which the company's future will be built.

Our team in figures

Abengoa currently comprises 15,979 persons [1], which represents a 27 % workforce reduction with regard to the close of the previous year. *G4-9*

Distribution of the workforce

G4-10, G4-LA12

The organization promotes local employment, which allows its capacity to be improved to adapt to the challenges that arise in each of the countries where it is present. The distribution of Abengoa's workforce by gender, activity areas, category of employees and type of contract has been the following:

	Males			Females			Total		
Groups	**2016**	**2015**	**2014**	**2016**	**2015**	**2014**	**2016**	**2015**	**2014**
Executives	328	464	507	38	56	62	366	520	569
Managers	945	1,379	1,668	266	393	466	1,211	1,772	2,134
Engineers and graduates	1,740	2,649	3,120	753	1,188	1,392	2,493	3,837	4,512
Assistants and professionals	1,413	1,742	1,531	630	960	1,111	2,043	2,702	2,642
Operators	9,175	12,032	13,045	605	748	791	9,780	12,780	13,836
Interns	44	185	366	42	124	247	86	309	613
Total	13,645	18,451	20,237	2,334	3,469	4,069	15,979	21,920	24,306

24 % of the workforce is in Spain, while 76 % is among the United States, Latin America, Europe, Africa and Asia.

	Number of workers	% over the total
USA	357	2
Latin America	10,002	63
Europe	307	2
Spain	3,903	24
Africa	846	5
Asia	564	4
Total	15,979	100

Note 1 At 31 December 2016.

Considering the nature of their employment relationship, the overall index of permanent employees is 54.5 %.

	Males			Females			Total		
Contract type	**2016**	**2015**	**2014**	**2016**	**2015**	**2014**	**2016**	**2015**	**2014**
Indefinite	7,328	8,561	9,260	1,373	1,570	2,084	8,701	10,131	11,344
Temporary	6,273	9,705	10,610	919	1,775	1,739	7,192	11,480	12,349
Interns	44	185	366	42	124	247	86	309	613
Total	13,645	18,451	20,236	2,334	3,469	4,070	15,979	21,920	24,306

G4-10, G4-LA12

The average number of people employed during the year with a disability greater than or equal to 33 % is 59 disabled persons, representing a decrease of 46.5 %.

The distribution of the workforce by age groups and gender, the average age and its evolution over the past three years has been:

	Males			Females			Total		
Age	**2016**	**2015**	**2014**	**2016**	**2015**	**2014**	**2016**	**2015**	**2014**
20 - 30	3,176	5,358	6,066	547	1,107	1,534	3,723	6,465	7,600
31 - 40	5,027	6,547	7,272	1,129	1,597	1,713	6,156	8,144	8,985
41 - 50	3,262	4,007	4,124	478	543	562	3,740	4,550	4,686
51 - 60	1,640	1,975	2,137	149	191	218	1,789	2,166	2,355
> 60	540	564	639	31	31	41	571	595	680
Total	13,645	18,451	20,238	2,334	3,469	4,068	15,979	21,920	24,306

G4-10, G4-LA12

Age ranges of the workforce

Age ranges	20 - 30	31 - 40	41 - 50	51 - 60	> 60
2016 (%)	22.9	38.7	23.5	11.3	3.6
2015 (%)	29.5	37.2	20.8	9.9	2.7
2014 (%)	31.3	37	19.3	9.7	2.8

G4-10, G4-LA12

Due to the complicated situation that the company has experienced this past year, the number of females on the staff has decreased by 33 %, a percentage similar to the decrease in the male category.

As a result of this change in workforce, the presence of women in executive positions and middle managers decreased by 32 % compared to 2015.

Presence of women in executive posts and middle management	2016	2015	2014
Female executives and managers	304	449	528
Total of executives and middle	1,577	2,292	2,703

Employee commitment

Abengoa is aware that the future of the company and the international prestige of its projects is based on the daily work and the commitment of its team. The **human capital** is one of the **fundamental levers** to feed the expectations of growth and new business opportunities that present themselves, which shall require **trained professionals geared** to the **demands of the market**.

The importance that Abengoa attaches to talent makes it pay particular attention to the rotation indicators. In 2016, voluntary rotation was 18.22 %, versus 9.09 % in 2015.

G4-LA1

Total voluntary rotation indexes

Type of rotation	2016	2015	2014
Total voluntary rotation (%)	18.22	9.09	6.9

	Groups	2016	2015
Gender (%)	Man	18.84	9.8
	Woman	16.65	9.75
Age (%)	20 - 30	25.07	12.52
	31 - 40	20.55	10.09
	41 - 50	13.47	7.65
	51 - 60	6.97	6.11
	> 60	6.14	4.09

2016 total voluntary rotation indexes by geography

Geography	Rotation (%)
Africa	18.37
Asia / Oceania	24.21
Spain	18.19
Europe (except Spain)	14.68
Latin America	16.10
North America	25.52

Protection of Human Rights

Abengoa is **firmly committed** to **respect for human rights**, both within the organization and in its catchment area.

However, to ensure these rights are effectively respected and protected, the company assumes the principles of the United Nations Universal Declaration of Human Rights, the SA8000 standard and the principles of the Global Compact, and integrates them into its Common Systems Of Management, mandatory for all members of the organization.

To ensure protection of the rights of its employees, said employees fall within the scope of supra-business employment regulations, regardless of the nature of their activities or the countries where they are performed. In addition to the legal protection of each country, the regulatory coverage takes on special importance thanks to the collective bargaining agreements in the sector, the territorial ones or the company's own agreements signed with its workers, the unitary representatives or unions, as appropriate. As well as an internal regulation that protects and guarantees the rights of employees.
G4-11, G4-LA8

In accordance with the social responsibility commitments acquired through its adherence to the United Nations Global Compact and the Code of Conduct itself, Abengoa is committed through its own Labour-related Social Responsibility (LRSR) policy, which establishes a management system of social responsibility in accordance with the SA8000 model.

Diversity and equal treatment and equal opportunities

Abengoa maintains an explicit commitment to equal opportunities and non-discrimination on grounds of sex, race, colour, religion, opinion, nationality, economic position or any other circumstance.

These principles are expressly declared in the various policies of the organization (recruitment, selection, training, performance evaluation, promotion, remuneration, working conditions, reconciliation, prevention of harassment, etc.).

To ensure these values, in 2008 Abengoa created its **Framework Equality Plan** and the "Equal Opportunity and Treatment Office", the purpose of which is to seek gender equality throughout the organization, driving, developing and managing both this plan as well as associated ones.

Within the framework of this plan, the organization has a protocol for reporting harassment at work in order to address any situation that may be considered discriminatory. In addition, there is an **Equality Commission**, tasked with the global follow-up of issues related to gender equality.

Due to the company's complex situation of restructuring, during 2016 there were no meetings of the Commission, but in the short term it is expected to continue its normal activity.

Occupational health and safety

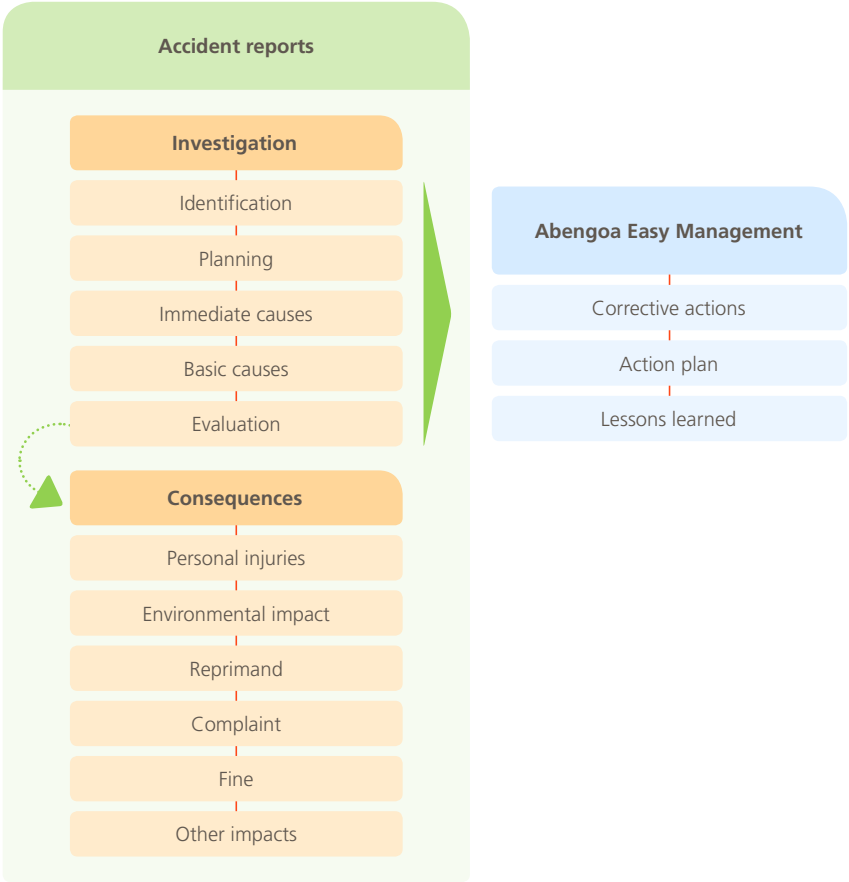
Abengoa is firmly **committed** to the **prevention** and **improvement of occupational health and safety**, both in its own premises and in the areas where subcontracted activity takes place. That is why all sessions of the Executive Committee and the Steering Committee begin with the area of Health and Safety.

The company's businesses have **health and safety committees** that meet regularly to monitor and draw attention to those aspects that may pose risks to workers' safety, analyse accident rates and implement the necessary measures to achieve the goals set in this matter. These committees are made up of executives managers and ORP managers and almost all of the company's staff are represented on these committees. *G4-LA5*

The company believes it is critical to eliminate the levels of workplace accidents and integrate OHAS management into the daily activity of the organization. With a **goal of zero accidents** in all its facilities and projects, the commitment extends to both own staff and subcontracted staff, with all personnel linked to the organization required to adhere to the same levels of responsibility.

In 2016, a new internal tool, the **Abengoa Incident Report (AIR)**, was implemented to homogenize the investigation of incidents that occur and to identify and quantify their causes and consequences in the personal, material or environmental spheres. The tool provides a homogeneous model for managing and analyzing a case for any process or hierarchical level of the organization through reports that describe all aspects of the incident, linking it with its consequences and corrective actions.

The tool allows links to be established with another internal company application: Abengoa Easy Management (AEM), a corporate platform for the management of tasks which, in the area of risk prevention, allows management of corrective actions and action plans arising from the incident.

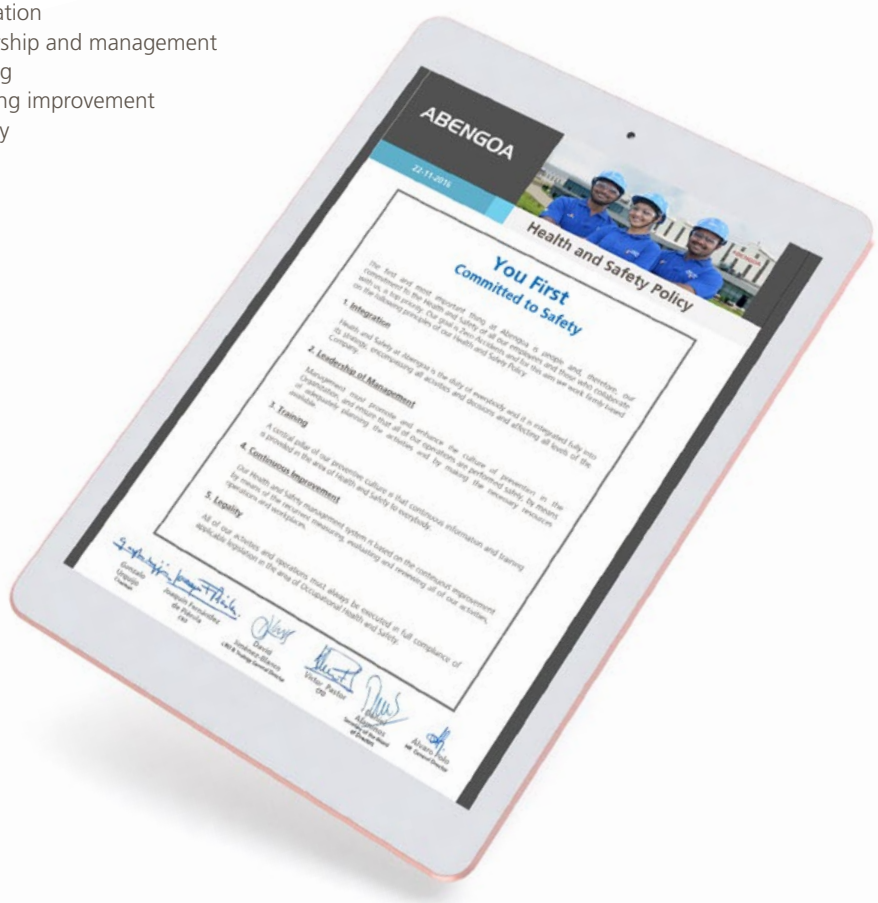


This system enables us to optimise management of incidents and maximize the usefulness of preventive knowledge in all activities. *G4-LA6*

Fatal accidents	2016	2015	2014
Own personnel	1	2	2
Subcontracted personnel	–	3	6

In 2016, Abengoa, with its Executive Committee, launched its new **Health and Safety policy**, which consolidates and reflects the principles on which the company's activity is carried out and works firmly on the basis of the principles of:

- Integration
- Leadership and management
- Training
- Ongoing improvement
- Legality



Evolution of the accident rate

The company places **special emphasis** on the **evolution of the accident rate** and **absenteeism**, with special attention paid to all those companies and professional spaces where works are carried out.
G4-LA6

	Overall frequency rate	Frequency rate with sick leave	Severity rate	No. of work accidents with sick leave
2016	14.22	8.76	0.23	286
2015	11.76	6.60	0.13	336
2014	14.22	8.56	0.23	416

The accident data provided correspond to own personnel.

In 2016, Abengoa received the "I Promote Safety" award from the company "Metro de Santiago", in Chile. This recognition has been awarded for good health and safety practices in the electricity supply project for metro lines 3 and 6 of the Chilean capital, which will have a 20-year maintenance period.

This recognition is in addition to others already granted in terms of health and safety and places on record the high standards of quality and safety in labour matters that Abengoa applies in all projects that it carries out.

Training

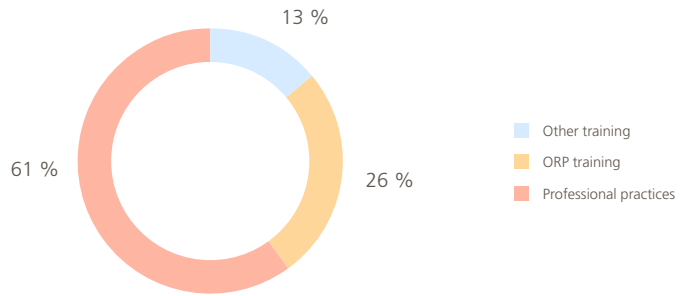
Abengoa has always promoted **personalized training** to maximize the company's talent by tailoring training plans to the individual needs of each employee. The limitation of resources during the restructuring process that the company has experienced in 2016 has involved the temporary suspension of the plans originally put in place for the workforce, adapting these to the circumstances of the organization.

In 2016, 98,733 training hours were given to a total of 8,886 employees, 93.2 % less than in 2015, resulting in a direct investment of € 194,458. In addition, the professional practices reached 155,925 hours, for a total amount of 246 interns. *G4-LA9*

Variation in hours of training over the last three years

	2016	2015
Training hours	98,733	1,454,798
Professional practices	155,925	773,722

Distribution of training hours by category



Executive development programme *G4-LA10, G4-LA11*

Irrespective of the specific training plans, Abengoa has introduced a **programme** for people with **special managerial potential**, to ensure compliance with the strategic plan in this new stage and to guarantee that the organization is prepared in the event of any key personnel being off work. Currently **more than 500 employees** are included in this programme.

Flexible salary *G4-EC3, G4-LA2*

The company's headquarters, in Seville (Spain), showcase the company's commitment to a model based on the reconciliation between personal and professional life, making the following benefits available to employees:

- Nursery in the work centre: 124 students enrolled in 2016
- Breastfeeding room
- Gym with group classes and a bodybuilding room. More than 600 employees enrolled in 2016
- Food and beverage areas, with an average of 1,339 daily users
- Rest home: Abengoa has a rest home in Huelva (Spain), available for employees and their families, with capacity for 360 people. 1,939 people enjoyed these facilities in 2016

Aware that currently it is not so much the remuneration and economic incentives that retain the best professionals but rather the "**emotional salary**", the company is working on the **analysis** and **design** of different measures of **work-life conciliation**. These would be at no extra cost to the company and **would improve employee satisfaction** as well as **greater productivity**, **commitment** and involvement in the performance of their work, and which would undoubtedly be reflected directly on the company's balance sheet.

03.4 Social and relationship capital

Clients

The organisation considers all of its **stakeholders** to be **essential** for the **development of its activity**, in particular its **clients**, with whom, despite the difficult situation over the last year, it has continued to make efforts to comply with the obligations and undertakings acquired by maintaining a high level of quality.

In 2016, clients have stood by the company, demonstrating understanding, support and loyalty, as well as lending their collaboration. For its part, Abengoa continues its efforts to recover its normal activity, responding to clients' needs.

The organisation has **also strengthened its communication channels** to increase transparency and intensify the fluidity of communications in order to **minimise the negative impact** that may be linked to the company's current situation.

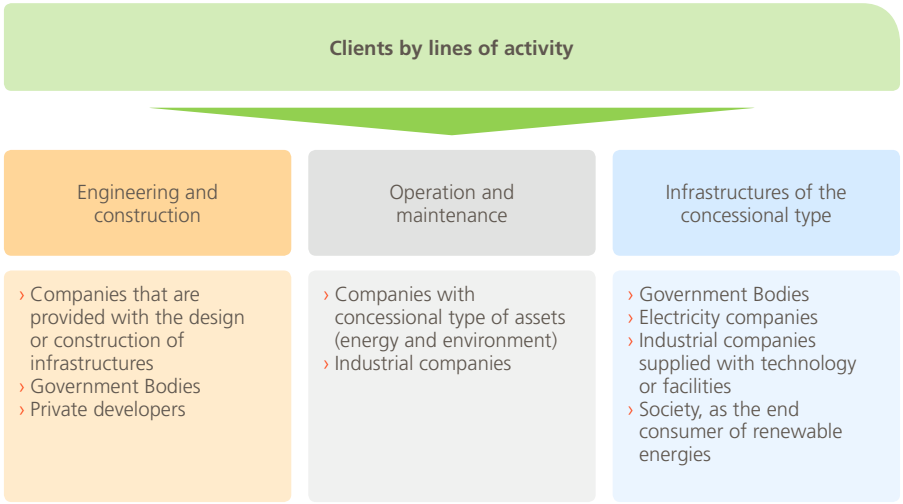
Despite the efforts the company has made to try to minimise the impact of the financial restructuring process, unfortunately it has not been possible to achieve a satisfactory solution in all cases.

As a result of this exceptional situation, during this period the business has been adversely affected from the submission of bids through to implementation of projects that had already been contracted. Moreover, given the difficulty of providing tender guarantees, bonds or other securities, Abengoa has failed to submit proposals for specific projects.

In 2016 the company's clients were as follows:

		Sectors					
		Energy			Environment		
		Renewable Energies	Conventional Generation	Transmission & Distribution	Water	Environment	Other
Activity Areas	Engineering and construction	Solar power plants (thermal, photovoltaic and solar-gas hybrid)	Combined-cycle plants	Transmission lines AC [3] and DC [3]	Desalination plants	Waste recovery plants (W2E [4], others)	Railway electrification
		Wind farms	Cogeneration plants	Electrical substations	Water treatment and reuse plants		Telecommunications, electrical and mechanical installations, Marketing and ancillary manufacturing, Industrial plants, Unique buildings
		Hydro-electric power plants			Water transportation and distribution (pipelines, aqueducts, etc.)		
	Operation and maintenance	O&M [2] of solar plants (solar energy, photovoltaic and solar-gas hybrid)	O&M [2] of combined-cycle plants	O&M [2] of major transmission systems (transmission lines and substations) AC [3] and DC [3]	Desalination plants		Marketing of components for solar power plants, O&M equipment [2] and industrial applications
		O&M [2] of wind farms	O&M [2] of cogeneration plants	O&M [2] of electricity substations	Water treatment and reuse plants		
		O&M [2] of hydroelectric power plants			Water transportation and distribution (pipelines, aqueducts, etc.)		
	Infrastructures of the concessional type	Energy production through solar energy plants (solar power, photovoltaic and solar-gas hybrid)	Generation of electricity from combined-cycle plants	Major transmission systems (transmission lines and substations) AC [3] and DC [3]	Production of drinking water and water for industrial through the desalination of seawater or brackish water	Waste recovery plants (W2E [4], others)	Unique buildings (hospitals, prisons, cultural centres, courthouses)
		Energy production through wind farms	Generation of electricity/ heat from cogeneration plants		Management of water resources in a river basin	Urban Solid Waste (USW) and forestry waste	
		Generation of electricity through hydroelectric plants			Treatment, purification and regeneration of wastewater from industrial or urban origin		
					Purification of water for human consumption		
	Technology	Licensing [1] own technology to third parties					

(1) "Licence" is understood as the technology that the company continues to own although it allows third parties to use it under specific conditions.
(2) Operation and Maintenance.
(3) Alternating Current and Direct Current.
(4) W2E: Waste to Energy, energy generation from waste.



To minimise the negative impact that the financial restructuring has had on business, we have reinforced our work with **two kinds of clients**:

- **Private developers who are provided with technology and expertise.** Through exclusivity agreements, the company assists and advises them on the development of projects so that, as soon as they are adequately prepared, they can be implemented.
- **Partners**: collaborative relationships with business partners have allowed Abengoa to continue taking part in tenders.

In addition, we have established a solid control both in the bid phase and in the implementation of projects, creating a sustainable business model focused on two key elements:

- Growing in local resources
- Being close to clients throughout the entire project (Planning-Performance)

One of the great strategic milestones developed during 2016 has been the restructuring and regrouping of its businesses, in **order to optimise the use of its resources and capabilities from the perspective of efficiency**. The reorganisation depending on the products and services and the effective adaptation of its management systems will once again allow us to reach the levels of excellence in the quality of our business portfolio.

In addition, the unification of common criteria and procedures, together with compliance with international standards in quality management and models of excellence recognised as benchmarks in the market, help us to maintain a qualified focus on client satisfaction, raising operability margins and consequently excellence in the company's management.

Focus on the client

Abengoa believes that striving for the full **satisfaction** of its **clients** is **essential** in the proper development of the business. Therefore, now more than ever, compliance with our obligations and undertakings with high levels of quality is a priority element of our management.

This way of leading activities is endorsed by accredited entities that certify that the company's management systems comply with international standards such as ISO 9001. In 2016, the set of company businesses that had Quality Management Systems in place pursuant to this standard covered most of the group's activity.

The application of this international standard enables us to ensure the monitoring of legal, contractual and best practices requirements in terms of management, as well as guiding the taking of corporate decisions based on controlling the risks associated with non-compliance.

Client satisfaction is assessed through **tools that make it possible to receive any suggestion or complaint that arises**. Complaints are rigorously logged and analysed, and a manager is assigned to each of these. In 2016, 625 customer complaints or incidents were logged, of which more than 400 have already been resolved.

In addition to remedying these, the reception of complaints activates an identification protocol on the reasons and the introduction of corrective measures required to avoid similar situations in the future, using the "Abengoa Easy Management (AEM)" internal tool, designed to maximise the benefits of lessons learned.

In addition to this management tool, Abengoa has three internal tools that aim to facilitate decision-making and ensure proper monitoring of trade-related issues in real time: Salesforce, Acción Comercial and Abengoa Easy Management.

Salesforce	Acción Comercial	Abengoa Easy Management (AEM)
Implemented in 2014, enables the commercial network to optimise their processes, registering the opportunities detected around the world so that all users can stay updated and follow their progression	Also available on mobile devices, allows for the daily management of clients and open business processes	This enables the registration of incidents and customer complaints, as well as the introduction of corrective or improvement actions

Suppliers

Suppliers are key stakeholders for the organisation and their support is essential to ensure that the company is able to continue its activity in a sustainable manner.

In 2016, the organisation has focused its attention on completing the process of financial restructuring, marked by the uncertainty that inevitably extends to its stakeholders. In spite of the enormous effort to minimise the negative impact on our value chain, the process has suffered delays that have hampered the resolution of the same, generating a direct effect on suppliers with whom the company maintains a commercial relationship.

Reviewing the main dates involved in this complex process, on 25 November 2015 Abengoa sought protection under Article 5bis of the Insolvency Act in order to be able to carry out negotiations with its creditors with the necessary guarantees. On 28 March 2016, the company presented a standstill agreement, by means of which creditors consented to suspending the exercise of certain rights involving resolution and anticipated debt maturity for a period of seven months. This agreement was legally recognised on 6 April 2016.

Within this context, on 28 October the company submitted an application to the Commercial Court No. 2 of Seville for approval of the restructuring contract agreed between Abengoa and its creditors. During the accession period that ended on 25 October, 86 % support was obtained from the financial creditors at which it was addressed, surpassing the majorities required by law (75%). Following the additional period authorised in January, the final number of accessions to the Restructuring Agreement amounts to 94% of the financial creditors at which it was addressed.

Lastly, on 31 March 2017, the company notified a relevant event to the National Securities Market Commission (CNMV) insofar as it completed the financial restructuring, which involved the restructuring of the debt owed to Abengoa's suppliers through certain discharge of debts in accordance with the forecast of revenue inherent to the business activity estimated in the viability plan.

In spite of the complex situation, the company has had the invaluable support of its partners, who have facilitated the achievement of objectives. Thanks to their loyalty and to the fact that they have made a significant effort to allow Abengoa to continue its activity has it been possible to finalise the restructuring process in a favourable manner.

The company therefore considers management of its suppliers as a priority aspect, and since it is aware of the impact it can create on a significant number of small- and medium-sized enterprises, Abengoa has involved more than seventy people from the team exclusively on this task.

Next steps towards restructuring

The financial restructuring and the subsequent viability plan have been accompanied by an organisational restructuring of the company, aimed at optimising existing resources and assets.

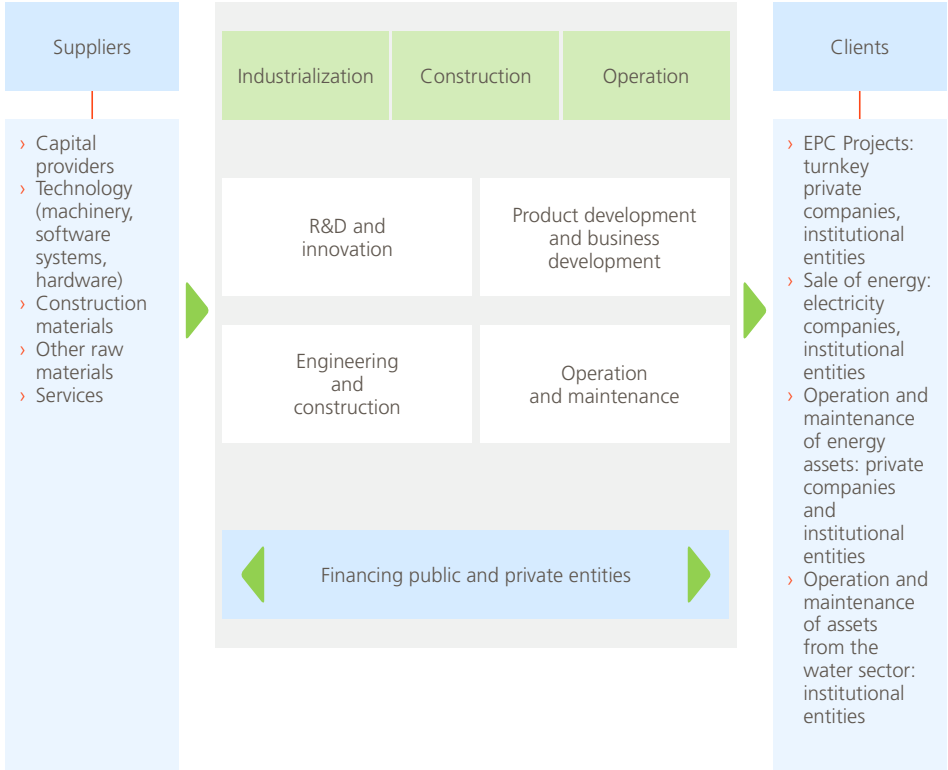
This structure has been designed to address the new stage that Abengoa is commencing, and is focused on promoting a more simplified and efficient organisation and oriented towards business development.

In order to optimise process efficiency, the organisation's activity will be reorganised into two major areas: business and geographies, which are intended to cover all future activities of Abengoa, focusing on our core operations of Engineering and construction and maintaining technology and innovation as key elements of competitiveness. This new structure will maximise the **synergy between the businesses** and increase the traceability in the purchase management of supplies.

The company's goal, on conclusion of the restructuring, is to regain the solid relationship and trust it has built with its suppliers and partners throughout its activity and which has undoubtedly contributed strategically to obtaining the quality and the innovative nature of the sustainable solutions Abengoa offers the market.

The company suppliers

Throughout the entire value chain of Abengoa, in 2016 the company worked with different types of suppliers, as shown in the following chart:



In 2016, Abengoa worked with approximately 15,000 suppliers in 69 countries in every region of the world.

The countries with the largest concentration of suppliers are: Brazil, Spain, USA, Chile, Mexico, Uruguay, Peru, and India, which account for 80 % of total suppliers. *G4-12*

Management of the supply chain

Because of its strong international character, Abengoa places special emphasis on establishing, promoting and maintaining sustainable criteria in the development of the business, **fostering compliance with ethical, labour and environmental standards**. It also promotes the search for efficiency in the generation of products and services with quality standards that make it possible to reduce costs and increase profits.

In its supply chain, Abengoa **promotes all the principles assumed in the Spanish network of the Global Compact**, in the **Declaration of Human Rights**, in the **Global Reporting Initiative (GRI) and in the company's own code of conduct**.

The organisation has established strict internal protocols that have allowed us to measure, in real terms, the impact of our own activity as well as our supply chain, both socially and environmentally.

Likewise, the commitment shown by our suppliers and their efforts to improve their levels of responsibility to the environment, through the calculation of greenhouse gas emissions (GHG) and the application of our Corporate Social Responsibility code, help to position the organisation on the indexes of excellence.

The complex situation that the company has undergone in recent times has meant that, without overlooking our responsibility and commitment to sustainability, we have adapted our demanding approval requirements to the current circumstances in order to minimise the impact on the supply chain.

This has enabled the organisation to remove the requirement for calculation of greenhouse gas emissions by suppliers, as a condition for the approval of purchases. Nevertheless, Abengoa considers it essential to continue with the control and reporting of their emissions in order to take measures that reduce their environmental impact. For this reason, the measurement system has been replaced with a detailed estimate of emissions, for this purpose using the record of emission factors that includes information from the last eight years.

During this period the company has adapted the Social Responsibility Code of suppliers and subcontractors, reinforcing it in areas of regulatory compliance. Abengoa will continue to require all suppliers with whom it operates to **adhere to the Social Responsibility Code** based on the principles of the UN Global Compact and inspired by the international standard SA8000. *G4-15*

With the signing of this agreement, the supplier is not only committed to ensuring that its activities are based on the Code, but also willing to undergo an audit or other inspection by Abengoa to verify compliance with the principles. The signing of the CSR Code will be kept in the centralised supplier master, according to the new organisational structure, allowing greater efficiency of the works and avoiding duplication of work by our partners and collaborators.

Once again this year, the health and safety of our employees and third parties involved in our activity has played a prominent role in the management of the activity. Strict compliance with health regulations and the ongoing search for improvements to increase safety guide the practical development of our business. In 2016, companies subcontracted by Abengoa have received 34,732 hours of training in Health and Safety.

Local suppliers

Fostering collaboration with local partners helps to boost the local economy by helping to improve living conditions in the areas in which it operates, creating direct and indirect employment and indirectly attracting investment.

In 2016, despite the significant decrease in activity, the company has continued to set its targets around a **mostly local supply chain**, encouraging the priority contracting of suppliers in the environment where the company operates.

In compliance with its commitments to foster local wealth, Abengoa has developed a programme to support entrepreneurship in South Africa. Through an external consultant, GO HI Consultancy, it has implemented financial training and business management courses, as well as a mentoring programme that means we can significantly increase the viability indices of business projects. With customised advice, it also assists local companies in obtaining loans for the development of their activity. In a parallel fashion, all beneficiaries come to form part of a database that the organisation uses as a priority tool for the procurement of services in the area.

Abengoa performs its **activity in 46 countries** with a team of **15,979 persons**, generating a significant impact on its economic, social and environmental setting.
G4-6, G4-10

As described in its **business model**, Abengoa's activity generates **positive impacts** on **society** and the communities where it operates, through:

- **Facilitating access to drinking water**, thanks to desalination, re-utilisation and construction of water pipelines in regions where water supply previously proved unfeasible
- **Generating electricity** from renewable sources
- **Ensuring access to electricity** in isolated regions as the product of local power transmission lines
- **Promoting sustainable transportation** through bioethanol production

Abengoa's projects must be in keeping with the company's mission and vision and, accordingly, with its sustainability-based business model as well. This requires having a methodology in place that enables the company to manage (prevent and mitigate) any potential negative impacts deriving from its projects, drawing up prevention and remediation measures appropriate to each specific situation.

The complex financial system that the company has faced in recent times, mainly due to the debt restructuring, has entailed a restriction on the financial and human resources available. Although the company is confronting this new stage with the moderation that the circumstances require, Abengoa continues with its **firm commitment** to **society** and to **contributing benefits in the communities where it operates**.

Mechanisms for protecting Human Rights

Abengoa integrates the principles governing the Universal Declaration of Human Rights of the United Nations, the rights of the Global Compact, the SA8000 standard and the OECD guidelines into each of the initiatives that it undertakes throughout its value chain, irrespective of the geographies where it performs its activity. The company likewise categorically condemns all forms of child labour in accordance with the provisions of Convention 138 of the International Labour Organisation (ILO). *G4-15*

Because the company is present in 46 countries, prevention and control of possible violations of human rights must be carried out in an even more comprehensive way, if at all possible. Accordingly, Abengoa has **Common Management Systems**, which are applied to 100 % of the company without exception, which include **internal compliance standards** ultimately approved by the company chairman.

Furthermore, the company has a **Universal Risk Model (URM)** [1], which ensures proper prevention and management of the risks associated to violation of human rights throughout the value chain.

In addition, there are other mechanisms designed to protect Human rights, such as: *G4-58*

- **Code of conduct**: this sets out guidelines and measures to prevent incidents related to the violation of human rights or any other of the organisation's values, as well as demanding compliance with the very highest standards of honesty and ethical conduct, including procedures to deal with conflicts of professional and personal interests. *G4-56*
- **Internal and external whistleblowing** channels [2]
- Accession by suppliers to the **Code of Corporate Social Responsibility** [3]
- **Monitoring** of Abengoa **companies** considered material
- Non-financial **internal audits**
- **Monthly committee** meetings with the chairman

Note 1 Further information in the chapter on Risks.
Note 2 Further information in the chapter on Transparency.
Note 3 Further information in the chapter on Suppliers.

The company's relationship with communities

Abengoa believes that the good relationship it has with local communities, as well as respect and development in the areas where it operates, reaps benefits, referring to this method as "**social licence to operate**".

Since its inception, Abengoa's social engagement has been channelled through the Focus-Abengoa Foundation, which has been working for more than 25 years in furtherance of the social and cultural development of the communities where Abengoa operates.

From 2014 to 2016, the company reported its social performance in line with the criteria proposed by **the London Benchmarking Group (LBG) methodology**. This model defines a method to measure, manage, assess and disclose contributions, achievements and impacts of the company's social engagement with the community.

Social Development Program: PE&C	
	1. Social development
Objective	Abengoa is committed to the socioeconomic development of the communities and geographies where the company conducts its business.
Key initiatives	A flagship initiative of the company is the PE&C (People, Education and Communities. Committed to Development) programme. The programme embraces the mission of social development of the most vulnerable social groups through education. The programme, which was launched in 2005 in Argentina and is now present in nine countries (Argentina, Peru, Brazil, India, Mexico, Chile, Spain, Sri Lanka and Morocco), promotes integration through education of the most vulnerable social groups: children, women, senior citizens, disabled persons or families in a situation of poverty or social exclusion. Currently, the complex situation that the company is undergoing and the severe limitation of financial resources in recent months has meant the gradual and temporary reduction of the contributions made to social projects in the different regions. As part of the restructuring plan agreed with creditors and in order to limit the social engagement items based on the resources available in the different business units, each company has assessed its capacity to fund social development projects, maintaining, in some cases, their commitment to certain local social projects. In an effort to avoid the negative impact on these communities and disadvantaged groups, the company has worked hard to find partners and collaborators who could provide continuity to these projects until Abengoa can recover a solid economic position that allows it to continue working and giving support to them.

Social development in South Africa

Abengoa, as part of the commitment to provide value-added to the growth of communities where it operates, has worked intensively in South Africa in recent years.

In 2016, the Khi Solar One solar plant launched its management model based on the **promotion of** local **value** as a differentiating factor in the market, through socioeconomic and entrepreneurial programmes that are able to increase wealth in the long term and in a sustainable manner over time.

Accordingly, the socioeconomic programme establishes investment in education and entrepreneurship as a cornerstone for the consolidation of changes in present generations that will undoubtedly imply a positive impact on economic regeneration of their environment.

Actions carried out

- University scholarships for young people from local communities
  Ten students have been awarded scholarships at different universities of the country, through the financing of university fees, the course materials needed and a monthly income to cover all subsistence expenses.
  In order to encourage university education, the beneficiaries will see their scholarship renewed until the end of their studies as long as they pass their subjects.

- Paid training in Operation and Maintenance (O&M) tasks
  In this programme, students acquire the knowledge required to train as specialists in O&M of solar plants. Each student has an assigned tutor who monitors and supplements their training. In 2016, three participants joined the workforce and two other beneficiaries were recruited by companies in the sector.

- Local business regeneration
  Khi Solar One implemented an ambitious local business regeneration programme through a specialised economic consultant. The project offers free-of-charge consultancy and guidance services to local companies and entrepreneurs to obtain financial resources from financial institutions with which a collaboration agreement has been signed.
  The programme currently has 57 small- and medium-sized enterprises registered, 26 of which are at an advanced stage in the financing process.

- Technical training courses for local entrepreneurs and business persons
  In order to improve the operational and financial capacity of local entrepreneurs or business persons, the project offers courses in technical training and includes the study of accounting, operational management, suppliers and marketing, among others.
  So far, more than 30 Small- and Medium-Enterprises have participated in the training courses.

- Opening of a specialised centre
  In 2016, Khi Solar One opened a centre whose aim is to concentrate all activities aimed at boosting skills, as well as providing a space equipped with computer resources and meeting rooms to meet the infrastructure needs of local businesses. In addition, the economic consultant has a space enabled to assist local businesses through personalised advice.

Promotion of Education and culture	
	2. Education and research
Objective	Promoting education and scientific research on renewable energies and climate change.
Key initiatives	› Award for the best doctoral thesis on a topic related to Seville. The winner was Ramón Queiro Quijada, for his work "Municipal Patronage and Royal Patronage of Affordable Housing in Seville. Contributions to the shaping of the of the city through social housing 1913-1986." › I Conference on Museums, Art and Education, in conjunction with the University of Seville.
	3. Supporting art and culture
Objective	The Foundation is dedicated to preserving, sharing and disseminating art through initiatives and heritage revolving around the Baroque.
Key initiatives	1.- "Velázquez. Murillo. Seville [(1)]" exhibition, which has received more than 100,000 visitors during its opening to the public (November 2015 – April 2016). The exhibition has become the most visited exhibition in the history of the Focus-Abengoa Foundation. This cultural initiative is the first of the events planned to commemorate the 4th Centenary of Bartolomé Esteban Murillo. The prestigious curator Gabriele Finaldi proposed establishing a comparative vision between the two painters through 19 works from the Focus Abengoa Foundation's own collection and national and international loans. To this end, the Foundation had the special collaboration from the Prado Museum and the contribution of prestigious international museums such as the Louvre, National Gallery, Meadows, Kunsthistorisches, The Frick Collection, Wellington Collection, Dulwich Picture, Nelson-Atkings, Orleans Museum, and the Villar-Mir Cultural Fund. In addition, the "Velázquez. Murillo. Seville" exhibition has become the first one accessible for persons with cognitive difficulties, thanks to the application Es+Facil (It's Easier), developed by the "Autism of Seville" association. 2.- Cultural activities to complement the exhibition: the Foundation offers guided tours for educational centres; family visits organised by "Cogs of culture", as well as the possibility of arranging private tours.

(1) The exhibition was undertaken with the assistance of Cajasol, ABC and Heineken.

03.5 Natural capital

The market demands surrounding sustainable business management as the only way to develop economic activity are what mark Abengoa's commitments, as well as an opportunity for the continuity of its business.

The financial restructuring that the company has faced in the last year has led to a process of asset sales and redefinition of the business structure. The processes of optimising the organisation have also had a repercussion in environmental terms, subjecting the operational criteria to prioritisation of the main impacts that our activity generates on its environment. The variation of assets and the appreciable decrease in activity during this period has produced some distortions in the reported figures that affect to a greater or lesser extent the comparability of the information.

Due to the difficult and complex situation that has been experienced in recent times, the company has carried out a thorough review of its procedures and the resources used in order to optimise processes and maximise their performance. This has involved taking measures such as defining a basic environmental management system focused on the required aspects for control and environmental management of Abengoa companies and introducing common objectives.

Abengoa focuses its actions in terms of sustainability, based on the following principles:

- Integrating environmental management into the company's corporate strategy
- The commitment to environmental protection
- Efficient use of resources
- Reducing impacts on the environment in the life-cycle of products and services
- Encouraging correct management of waste
- Reduction of the effects of climate change
- Encouraging collaboration with other organisations to achieve greater awareness and sensitivity for environmental protection

Integrating environmental management into the company's corporate strategy, defining guidelines for implementing environmental management systems in its activities

The certification of its management models allows control of its processes to be ensured. At the close of 2016, the business's companies as a whole with Environmental Management Systems (EMS) introduced pursuant to ISO 14001 standard covered most of the group's activity.

This international standard ensures that all legal, contractual and good environmental management practices are identified and are subject to effective compliance controls.

Guaranteeing the commitment to environmental protection in all its activities, guiding them beyond compliance with prevailing legislation and taking into account the requirements of customers and other stakeholders

Abengoa has always been aware that its services and processes must be respectful of the environment and the preservation of natural resources. Its commitment to environmental protection goes beyond compliance with prevailing legislation.

Abengoa sees the **supply chain** as a key **factor in the management of sustainability**. For this reason, it has been working hand in hand with its suppliers and subcontractors for many years to involve them in its commitment to the environment and to share common objectives such as the fight against climate change.

Due to the special situation experienced, Abengoa removed the mandatory requirement of signing an agreement to implement a GHG reporting system, in which all suppliers were required to provide the emissions associated with each purchase order the company made. Since suppliers have been reporting this information for 8 years, the company has considerable knowledge of the **emissions associated with the main products and services** and the historical information stored in the company's management systems. For this reason, and to continue reporting this information, estimates will be made based on the use of emission factors per family of materials, defined based on these years of experience in the calculation and management of GHG emissions.

Encouraging the efficient use of resources and promoting the purchase of recycled and / or certified materials

Abengoa seeks to minimise the environmental impact of its activities and the use of the resources it employs.

−	+
337 Mm^3 (water collected)	**155 Mm^3** (desalinated water)
33,692 TJ (energy consumed)	**16,050 TJ** (energy produced)
5.8 $MtCO_2$ (emissions produced)	**51 %** (consumed energy from renewable sources)

Materials

The company is aware that its businesses are intensive in the use of raw materials, so it **seeks to minimise the negative impact associated with their consumption**. The main focus of work are the materials **it purchases for the development of its activities**. Accordingly, it has established an exhaustive control for their purchase and promotes the **acquisition of recycled or certified materials**.

In addition, Abengoa requests it suppliers to provide the safety data of the substances supplied for the purpose of considering the main environmental and health risks associated to the handling of these, as well as the regulatory requirements for proper transportation.

Water

Water is a basic resource of unequal access and distribution in the world geography. In this sense, Abengoa's management is aimed at its **rational, sustainable and efficient use**, avoiding competition with human consumption, minimising the effect on masses of protected water and addressing the risks related to its scarcity.

Water is essential for the development of Abengoa projects. Its application as a refrigerant at the facilities or the use as raw material in the desalination processes show the value that the water resource has in the performance of our activity.

Accordingly, the organisation has a commitment to efficiency in its use, promoting its minimisation and reuse.

The volume of water abstracted in 2016 was 345,302,034 m^3, representing a 43 % increase on the previous year. This increase is mainly due to the company's increased desalination capacity, with the full operation of the Ghana (Africa) and Tenés (Algeria) plants, which contributed to an increase in tonnage of 115 Mm^3 more than in 2015.

Consequently, the values of production of desalinated water have risen, reaching 154,690,662 m^3, 47 % more than in 2015.

G4-EN8

Water collection (m^3)	2016	2015	2014
River water	6,976,001	9,455,579	17,310,479
Seawater	336,653,375	221,199,378	161,825,953
Grid supply	1,256,693	3,336,161	7,857,499
Well water	369,382	4,378,293	10,008,679
Rainwater	4,611	3,665	297,405
Used water	41,972	3,854,598	3,949,218
Total	345,302,034	242,227,674	201,249,233

The percentage of water reuse has decreased compared to the previous year, reaching 1.08 % of the total consumption of our companies (excluding sea water consumption). The fall in value is justified by the sale of the bioethanol production plants, which represented the highest share of Abengoa's reused water. *G4-EN10*

Water reutilisation (m³)	2016	2015
Air-conditioning	295	295
Processing	7,307	409,115
Cooling	75,751	71,075
Others [1]	10,155	12,659
Total	93,508	493,144
Water reuse %	1.08	2.35

(1) Irrigation of green areas.

Likewise, in order to remedy possible damages caused by the use of water in its activities, Abengoa undertakes to perform correct treatment and discharge of the water used so that the final quality is within the limits established under legal regulations. The total volume of discharges in 2016 was 190,755,578 m³, of which 96 % corresponds to discharge of brine to the sea, taking the necessary measures to guarantee the minimum impact on the marine ecosystem.

G4-EN22

Discharges (m³)	2016	2015	2014
Discharged to surface water masses	182,934,628	121,599,041	94,421,928
Discharged to sewer networks or external facilities	85,306	600,880	1,115,880
Discharged due to soil infiltration	7,854	6,594	226,241
Disbursed or undefined land discharge	100,185	61,817	–
Delivered to third parties for reuse	7,627,604	8,229,846	7,455,368
Total	190,755,578	130,498,178	103,219,417

Intensity of water consumption	2016	2015	2014
Consumption of water / sales (m³ / k€)	228.68	66.4	28.1

Energy

As regards the pillars of its own business philosophy, Abengoa **promotes the use of renewable energy sources**, as well as the promotion of measures aimed at increasing efficiency indices in our activities.

In 2016, direct energy consumption stood at 30,085,591 GJ, of which 51 % came from renewable sources. Elsewhere, intermediate energy consumption stood at 1,002,023 MWh.

Compared to previous years, there has been an overall reduction of 51 % in energy (direct and intermediate), coinciding with the reduction in activity that the company experienced in 2016. The main decline is in the consumption of natural gas in production of bioethanol, as a result of selling the five plants of Abengoa Bioenergy in the USA and the cessation of activity of the Rotterdam bioethanol plant in the first half of the year.

G4-EN3

Direct energy consumed ((GJ)	2016	2015	2014
Natural Gas	12,662,200	32,108,747	64,897,055
Biomass	15,372,412	15,907,281	16,688,290
Oil derivatives	2,023,164	2,682,318	2,241,744
Biofuels	25,677	63,410	75,887
Others	2,138	1,187	24,560
Total direct energy	30,085,591	50,762,943	83,927,536

Intermediate energy consumed (MWh)	2016	2015	2014
Electrical power	704,696	3,483,537	3,409,157
Thermal power	297,326	1,356,158	1,359,623
Total intermediate energy	1,002,022	4,839,695	4,768,780

G4-EN5

Intensity of energy consumption	2016	2015	2014
Energy consumption / sales (GJ / €k)	22.3	9.7	12

Reducing impacts on the environment in the life-cycle of products and services produced by the company, including the supply chain and production of raw material

One of Abengoa's main activities is the production of energy from renewable sources, actively contributing to mitigation of climate change and the transition towards an emission-free energy model. In 2016, the company's restructuring process has led to a reduction in our energy generation business, resulting in a 69% decrease in energy production compared to the previous year:

G4-EN3

Type of energy (GJ)	2.016	2.015	2.014
Biofuels	8,763,890	43,903,987	57,175,927
Electrical power	6,659,421	8,584,401	28,371,617
Thermal Power	619,121	–	15,882,830
Biomass	7,426	6,981	122,410
Total	16,049,858	52,495,369	101,552,784

Since 2008 Abengoa has created an inventory of Greenhouse Gases (GHG), whose management is carried out through an internal tool integrated in the SIGS (Integrated System of Sustainability Management) information systems. Financial restructuring has involved, as described above, changes in procedures to maximize its efficiency. To this end, in 2016, emissions from supplies have been estimated using the historical emission factors we have built with the help of our suppliers over the last eight years.

G4-EN15, G4-EN16, G4-EN17

GHG emissions (tCO_{2eq}) (1)	2016	2015	2014
Scope 1	1,044,098	2,135,808	3,802,197
Scope 2	418,938	637,810	564,254
Scope 3	2,306,639	4,075,808	3,437,861
Total	3,769,675	6,849,426	7,804,312

(1) The historic data from Scope 1 have been correct in order to disaggregate the emissions from the biomass.

Emissions from the biomass (tCO_{2eq})	2016	2015	2014
	2,025,292	3,289,005	3,445,101

To objectively quantify the evolution of GHG emissions, Abengoa uses ratios, i.e. analyses emissions from different indicators. The evolution of the emissions analysed compared to sales over the last three years is shown below:

G4-EN18

Emission intensity	2016	2015	2014
GHG emissions / sales (tCO_{2eq} / k€) (1)	3.8	1.8	1.5

(1) Biogenic emissions have been also considered.

Efficient offices

Abengoa promote energy efficiency in all its areas of activity, not only in its projects, but also in its offices and facilities. In this manner, the company has obtained LEED certification in its singular buildings of Campus Palmas Altas, Seville (Spain), which has the platinum LEED certification. The LEED certification (Leadership in Energy and Environmental Design), in its different levels, is an assessment method from the US which recognises the efficiency of so-called green buildings through objective design guidelines and quantifiable parameters.

The certification recognise the commitment acquired by Abengoa with the environment and in responsible management, as well as its involvement in the development of measures and initiatives that contribute to improving efficiency in the performance of its activity.

Abengoa and the circular economy

Efficiency in the use of resources through a circular economy system is the main alternative to an already outdated linear model of economic growth.

The company is aware that natural resources are finite so, in the face of the new business structure, the company began to work on integrating this new concept into the organisation's strategy and to focus attention on a sustainable use of resources throughout our value chain.

Encouraging correct management of waste, affecting its reduction at source and promoting its recovery and reuse

The expansion of the current economy based on consumption is causing an exponential growth in waste generation, making its management a problem that must be addressed due to its significant impact on the environment.

Waste

Regarding the generation of waste from our activities, in 2016 there were 41,646 t, 66 % fewer than in 2015. The main reason is the decrease in construction activities, the main contributors to waste generation within the company perimeter.

The total waste recovered in 2016 reached 13,139 t, representing 32 % of total waste produced. *G4-EN23*

G4-EN23

Treatment method	2016	2015	2014
Reutilisation	3,735	19,940	30,063
Recycling	6,855	26,679	9,944
Composting	2,033	2,035	3,896
Recovery	516	970	107
Incineration	150	410	10,487
Landfill (1)	23,560	18,464	8,068
Permanent storage	619	34,600	33,426
Others	4,178	17,816	26,561
Total (t)	41,646	120,914	122,552

(1) The data from 2015 have been corrected due to an error in the consolidation data from last year.

Waste generation by type	2016	2015	2014
Non-hazardous	37,344	111,010	111,087
Hazardous	4,301	9,903	11,464
Total	41,645	120,913	122,551

Promoting the adaptation and reduction of the effects of climate change

The activity performed by Abengoa is marked by its possible impact on climate change. Therefore, it takes into account all factors involved in the business that may impact its local environment, including the emissions associated with its products and services. Aware of its responsibility, the company carries out various initiatives that contribute to alleviating these impacts and that cover each of the areas that are part of the organisation.

Risks and opportunities *G4-EC2*

Abengoa publishes the company's performance in relation to risks and opportunities associated with climate change through the Carbon Disclosure Project (CDP), a non-profit organisation that manages the global outreach system for investors, companies, cities, states and regions, in order to manage their impact on the environment.

> In 2016 Abengoa was again awarded an A rating in an "A to E" scale by the Carbon Disclosure Project (CDP) Southern Europe, for its leadership in the fight against climate change.
>
> Specifically, Abengoa was awarded in the category "*Best Voluntary Responder*" of the Iberia region (Spain and Portugal) in 2016, for the best performance in terms of climate change.

The company analyses the environmental and climate change risks to which the projects are exposed, as well as the implementation of the necessary measures to mitigate these.

The **environmental risks** of greatest impact for the company are:

- Uncertainty regarding new environmental regulation
- The changes in the conditions of the physical environment
- Vulnerability to natural catastrophes
- Use of crops as raw material in the bioethanol production process competing with food

To control and manage these, Abengoa establishes mitigation mechanisms, such as increasing safety coefficients in the design of projects considering the most unfavourable meteorological and environmental parameters, or research focused on the use of alternative raw materials for the production of ethanol.

In addition, the Global Risk Management System allows us to detect **new business opportunities** such as:

- Increase of renewable energies business, if regulations governing fossil fuels become more stringent
- Increase of water demand caused by the potential rise in temperatures or greater number of sunlight hours through decreased rainfall
- Lobbying from stakeholders to introduce measures against climate change, through consolidated collective awareness in environmental terms

Encouraging collaboration with other organisations to achieve greater awareness and sensitivity for environmental protection and sustainable economic development

G4-16

Mutual cooperation with associations, forums and working groups, as well as active participation in environmental initiatives is key to achieving a greater impact on making society aware of the responsibility the parties have to protect the environment.

In 2016, the company has collaborated with the following organisations:

Carbon pricing Leadership Coalition

Abengoa is a member of the Carbon Pricing Leadership Coalition (CPLC), a joint initiative of 20 governments and more than 90 companies and other organisations, whose common aim is to foster systems and mechanisms to fix carbon prices through rates or the creation of CO2 markets worldwide, in support of the Paris Agreement.

As a result of this commitment, Abengoa has continued to develop its mechanisms for **calculating internal carbon prices in 2016**, to align them with the emerging climate regulation as a result of the Agreement and with the evolution of the business itself.

This year, two internal carbon pricings differ for the first time: one applicable to our businesses in countries with mature systems for taxing GHG emissions and another for countries that do not have these mechanisms:

For the company, this new internal calculation mechanism makes it possible to foresee the impact of the new climate change policies as a result of the Paris Agreement and its possible derivation in CO_2 levies in the different geographic areas where we operate.

These prices also incorporate the cost of the actions developed by the company to reduce emissions.

Spanish Group of Green Growth (GECV)

The purpose of this group is to share with society and public administrations its vision regarding the implementation of an economic growth model in line with the Barcelona Declaration, as well as to contribute to the generation and dissemination of the necessary knowledge to enable the required changes for sustainable development to be achieved.

Abengoa has belonged to the GECV since its inception. In 2016, the company assisted in preparing the reports presented at the Marrakech Summit held in November 2016, highlighting the position of the Spanish Group of Green Growth with regard to climate policy and energy transition.

Caring for Climate (C4C)

An international initiative of the United Nations Global Compact promoted by Ban Ki-moon in 2007 that brings together leading companies worldwide in the management of climate change. C4C proposes to its members a framework of action in the fight against climate change and encourages them to contribute to the preparation of public policies that support the aim.

Abengoa joined the working group 'Caring for climate business leadership criteria on Carbon Pricing' in September 2014. The company currently sits on the Governing Board.

Climate Change Cluster

Abengoa has formed part of the Climate Change Cluster launched by Foretica, as Spain's only representative from the World Business Council for Sustainable Development (WBCSD) and the Spanish Business Council for Sustainable Development (CEEDS).

During 2016, Abengoa and other partner companies have worked to **lead the strategic positioning of climate change** in the management of organisations, talking and exchanging opinions and good practices, to be part of the global debate and to play a key part in the decisions taken at administrative level.

04. Governance, transparency, risk management and compliance

Corporate governance

2016 turned into a year of extraordinary difficulty and complexity for Abengoa, due to the combination of different circumstances that occurred during the company's restructuring process.

Abengoa renewed its Board of Directors, which, like the previous one, will be governed and will thoroughly comply with the principles of efficiency and transparency established in the main recommendations and existing standards, as well as by the International Corporate Governance Network (ICGN) or the Good Governance Code of Listed Companies at the National Securities Market Commission (CNMV). We believe that applying these guidelines in decision-making not only favours proper management of the company's operations, but also improves its profitability and contributes to sustainable development wherever the company performs its activity.

In March 2016, the new **Corporate Governance policy** was approved, which is based on the **following principles**:

(i) Compliance with current legislation, seeking to **assume the best national and international practices** in matters of **good corporate governance** and adapting both the internal rules that govern the performance of Abengoa and its governing bodies as well as the mechanisms introduced for internal control to the very highest standards in this issue, always in accordance with the corporate reality.

(ii) **Achieving the social interest**, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising the economic value of Abengoa.

(iii) **Transparency in management of the company**, ensuring that the information transmitted to the market is always truthful and correct.

(iv) The **participation of Abengoa shareholders**, with respect to the principle of equal treatment of shareholders who are in the same circumstances, attempting to promote their involvement in corporate life and introducing mechanisms for effective and recurrent communication with them. To this end, the Board of Directors of Abengoa has approved a policy of communication and contacts with shareholders, institutional investors and proxy advisers to establish the basis for communication and its channels.

(v) Adapting both the **composition of the company's management body** and its operating and organisational standards to the most advanced corporate governance practices, ensuring that its structure and composition enable the effective functioning of that body and in accordance with the reality of Abengoa.

The Board of Directors assures the regulatory compliance, applying due diligence to ensure that the company complies with all regulatory and legal requirements that apply in the countries in which it operates.

For the purpose of disclosing its corporate governance performance to its stakeholders, Abengoa has published a Corporate Governance Report every year since 2009.

Governing bodies

At the date of this report, the Board of Directors [1] comprises six directors: five men and one woman. Of these, five are independent and one executive. The chairman, Gonzalo Urquijo Fernández de Araoz, sits on the Board of Directors of other listed companies, Vocento, S.A., Gestamp Automoción, S.A. and Fertiberia. Likewise, José Luis del Valle Doblado sits on the Board of Directors of Lar España Real Estate SOCIMI, S.A.

G4-34, G4-LA12

Name	Type of director	Position
Mr. Gonzalo Urquijo Fernández de Araoz	Executive director	Executive chairman
Mr. Manuel Castro Aladro	Independent director	Independent lead director Member of the Audit Commission
Mr. José Wahnon Levy	Independent director	Chairman of the Audit Commission
Ms. Pilar Cavero Mestre	Independent director	Chairwoman of the Appointments and Remuneration Commission
Mr. José Luis del Valle Doblado	Independent director	Member of the Audit Commission
Mr. Ramón Sotomayor Jáureguie	Independent director	Member of the Appointments and Remuneration Commission

The CV of all members of the governing bodies of Abengoa are available on the company's website.

At 31.12.2016 the Board of Directors also included Javier Targhetta Roza as independent director, who resigned his position in January 2017 for personal reasons.

G4-38, G4-39

This Board is the governing body of Abengoa. In accordance with good governance practices, the strengthening and efficiency in the development of the board's duties requires specialised commissions. Accordingly, the Abengoa Board of Directors is assisted by the Appointments and Remuneration and Audit commissions.

The two commissions are composed exclusively of independent nonexecutive directors and are assisted by a secretary who is not a board member.

Note 1 For further information, please refer to the Corporate Governance Report.

In 2016, the **Board met on 32 occasions**, at which it addressed the most significant operational issues and those situations that required management responses. Chief among the items dealt with was the **financial and recapitalisation restructuring process** that began in November 2015, following notification to the court of the communication set out in article 5bis of the Insolvency Act[2], informing the court that negotiations had commenced with the company's main creditors to reach a refinancing agreement.

This restructuring process was carried out during 2016, requiring close monitoring by the Board of Directors until its closure in March 2017.

The Board also reviews the tasks assigned to the different commissions and commissions whose functions depend on the Board. In this regard, the Board of Directors is responsible for **approving**, among other issues, **the company's general strategies and policies and, more specifically, the strategic or business plan, as well as management targets, the investments and financing policy, the Corporate Social Responsibility policy**[3] and **the risk management and control policy**, which nevertheless is supervised by the Audit Commission.
G4-35, G4-42, G4-43, G4-47

The Board regulations set out that the principle of equal treatment must apply in relations with shareholders in the same position and be guided by the corporate interests. Accordingly, to create the appropriate mechanisms to be aware of proposals from shareholders related to social management, organising informative meetings on the company's progress and opening the channels required for the regular exchange of information with groups of shareholders[4].

The company has a shareholder portal, accessible from the website, through which shareholders can send their enquiries. *G4-37, G4-49, G4-50*

In addition, the Regulations determine that one of the independent directors must be appointed to, among other issues, gather together and coordinate the concerns of non-executive directors, request the calling of the Board of Directors or the inclusion of new items on the agenda, maintaining contact with investors and shareholders to find out their points of view and their concerns, in particular in issues of corporate governance of the company, and overseeing the chairman assessment process.

In addition to the provisions of the aforementioned Regulations, on 30 March 2016 the Board approved the policy of communications and contacts with shareholders and institutional investors. This can be consulted on the company's website www.abengoa.com.

Appointments and Remuneration Commission

The Appointments and Remunerations Commission[5] is composed exclusively of independent non-executive directors, which confers greater objectiveness in the performance of its duties. Its main purpose is to **inform or propose**, as appropriate, to the Board of Directors with regard to the **appointments**, **re-elections**, **resignations and remuneration** of the Board and of its positions, as well as with regard to the general policy on remunerations and incentives[6] of its members and of senior management, which is also approved at the General Meeting of Shareholders.
G4-51, G4-52

By the same token, every year this commission verifies the continuity of the conditions required for designation of a director and the nature or type assigned. It is the body responsible for selecting profiles that best represent the needs of the different stakeholders among professionals from different fields and of renowned national and international prestige The procedure for selecting them is based on merits and on the intention to cover any vacancy with professional profiles that are not linked to any specific interests. All this in accordance with the provisions of the director selection policy approved by the Board on 30 March 2016. In addition, it ensures that when new vacancies are filled the selection procedures are not biased by gender, religion, race, etc.

We should point out that members of the Board of Directors of Abengoa were appointed by the General Meeting of Shareholders on 22 November 2016 and, in compliance with the undertakings assumed within the framework of the restructuring agreement signed on 24 September 2016, were proposed by the Appointments and Remuneration Commission on the basis of the selection and proposal made by the consultancy firm Spencer Stuart.

In this regard, Spencer Stuart and the Appointments and Remuneration Commission assessed the capabilities and merits of the various candidates and proposed those candidates considered most appropriate taking into account the characteristics of Abengoa and its current circumstances.

Note 2 More detailed information about the article can be found in the 2015 Integrated report.
Note 3 The Corporate Social Responsibility policy was unanimously approved at the Board of Directors on 27 July 2015.
Note 4 Further information in the chapter on financial capital.

Note 5 Further information on pages 30-32 of the Corporate Governance Report.
Note 6 No outsourced consultants have taken part in determination of the remuneration policy.

This committee is also tasked with **assessing performance** of the Board of Directors, examining and organising the succession of the chairman and CEO, notifying appointments and removals of senior managers, and reporting on gender diversity issues.
G4-40, G4-44

Audit Commission

In compliance with the requirements set out in the good governance regulations, the Audit Commission [7] comprises non-executive and independent directors that provide greater objectivity in the performance of its duties. From its independent standpoint, it **ensures that companies are responsible in their actions**, guaranteeing ethical behaviour.

The functions of the Commission and its statutory powers can be summarised as follows: monitoring and resolving conflicts of interest; reporting to the Board on the financial statements of the company; communicating changes in accounting criteria; overseeing the internal audit functions; being aware of the financial reporting process and supervising the internal control systems; and interacting with the auditors to identify issues that could jeopardize its independence. In addition, it is responsible for supervising the risk control system based on the functions of internal auditing and risk management, compliance with the corporate governance rules and the Corporate Social Responsibility policy. *G4-41, G4-42, G4-45, G4-46, G4-47*

The Commission meets at least four times a year and is assisted by the Secretary of the Board of Directors.

Both the Commission on Strategy and Technology and the Investment Commission and the International Advisory Council were eliminated by the end of 2016 to simplify the structure of the organisation.

Note 7 Further information on pages 28-30 of the Corporate Governance Report.

Transparency and anti-corruption

Abengoa builds its **strategy** based on the values that govern its corporate culture: **honesty, integrity, good judgment and professional rigor**. *G4-56*

The application of these values is the individual responsibility of all employees of the organisation and the commitment to ensuring these values implies the introduction of mechanisms and processes that guarantee transparency, a cornerstone that governs Abengoa's relationship with its stakeholders.

Through a system of continuous improvement, management tools are regularly assessed to maximise coverage of risks related to unethical practices by employees, suppliers or partners.

The company's chairman, as the spearhead figure and responsible for promoting the values of the organisation, is actively involved in the preparation, dissemination and compliance with internal ethical standards.

In 2016, the organisation has made changes in matters related to its Corporate Governance, as well as in the design and implementation of new policies and procedures aimed at reinforcing corporate values, commitment to stakeholders, and strengthening the control environment, thus mitigating the risk of fraud throughout the company.

Practices for preventing corruption

Abengoa has **mechanisms and procedures** in place **to prevent and detect fraudulent and corrupt practices**. These mechanisms have been **incorporated** into the **common management systems** and are updated continuously to ensure a balance between business opportunities, appropriate risk management and the execution of processes.

In addition to the internal procedures and standards, every year the organisation targets major resources at the prevention and detection of corrupt practices through the prevention and detection of fraud plan, and the compliance area. Furthermore, the regulatory compliance department, in conjunction with the non-financial audit department, the risk management unit and the Corporate Social Responsibility area (CSR), extends its framework of action, in a crosscutting way, to all of the company's activity lines.

Anti-corruption law

Abengoa adheres to local and international laws on anti-corruption, particularly the provisions of the US Foreign Corrupt Practices Act (FCPA). The FCPA regulates the actions of all companies that, independently of their country of origin, perform activity in the United States.

Abengoa's common management systems are designed to ensure and watch over compliance by company employees, executives and directors.

The fraud prevention and detection plan and compliance developed within the Internal Audit area aims to watch over compliance with this standard in the performance of the activity. In 2016 a total of 18 forensic audit reports were drawn up [1] which include, among other aspects, reviews and analyses of the risks related to corruption in those companies that have been considered material.

The internal audit work on fraud prevention and detection determined that in 2016 no incidents of corruption were detected. *G4-SO5*

Code of conduct

G4-56, G4-SO4

Abengoa has a **Code of Professional Conduct** that defines working relations for employees, senior managers and directors within the company as well as relations with stakeholders. Likewise, it establishes the guidelines of conduct that must govern the company's activity and the prohibitions based on the values that define the organisation's corporate philosophy.

The company's geographic diversification means developing our activity in very diverse legal settings, whose cultural particularities must likewise be addressed. However, there are principles and methods of conduct that must be heeded by all members of the organisation, because they represent the cornerstone on which our business culture is based, and are included in compliance programmes that are part of our management system.

The ultimate goal of the Code of Professional Conduct is to **promote open and transparent professional rigor**, setting a standard of conduct applicable to the entire workforce, without exception. It therefore represents an express statement of values, principles and guidelines of conduct that should guide the behaviour and consolidate the culture of everyone in the group in the performance of their professional activity.

Knowledge of the Code of Conduct by persons linked to the organisation is key to the practical application of its principles. The document is available on the **Abengoa intranet** where it can be consulted by employees, and also on the **company's website** (www.abengoa.com), to facilitate its dissemination to the value chain and to its stakeholders.

Currently, and due to the transformation that the organisation is undertaking to redesign the business model, we wish to take this opportunity to reiterate, even more so if possible, our **commitment to compliance**, **ethics** and **transparency** both in products as well as processes undertaken at Abengoa, promoting trust as the core value of our company. Accordingly, in 2016, the company carried out a comprehensive review of the Code of Conduct, resulting in a new code that came into force on 27 April 2017 after its approval by the Executive Committee of the Board of Directors.

The updating of the Code will be guaranteed by the Commission, answering to the Board of Directors and comprising the Compliance Director, the Director of Internal Audit and the Director of Corporate Social Responsibility.

Note 1 Forensic audit is the audit task that focuses on prevention, detection and investigation of financial fraud.

Whistleblowing channels

G4-57, G4-58

The **whistleblowing channels** are an **essential** part of Abengoa's **commitment** to **fighting corruption** in all those practices that contravene the voluntarily assumed laws or standards, as they represent a mechanism through which all stakeholders of the company can **confidenciality and anonymously** report any irregular conduct they detect during the performance of their professional tasks.

Abengoa's two whistleblowing channels -the internal one and the external one-, which have been operational since 2007, have been set up in accordance with the specific requirements of the Sarbanes-Oxley Act.

- **Internal**: available to all employees so they can report any complaints or claims.
- **External**: intended to enable anyone outside the company to report irregularities, fraudulent acts or conduct that contravenes Abengoa's Code of Conduct. The channel is available on the Abengoa website.

The policy for channelling complaints defines the parameters and conditions in which all the information received is treated. There is a specific guarantee of the **utmost confidentiality** for whistleblowers, also enabling information to be submitted anonymously **without any** risk of **reprisals** for any claim made in good faith.

The whistleblowing channels are therefore **available to all employees and stakeholders of the company** and enable complaints and concerns about Abengoa's management to be submitted, as well as any information on breaches of the Code of Conduct or any conduct contrary to ethics, legality and the company's governing standards. In addition, the whistleblowing channel is also employed by users to enquire about the company's conduct guidelines or internal rules.

In 2016, the whistleblowing channels recorded allegations of breach of the Code of Conduct and irregular actions by some employees. All communications and information received were processed in accordance with the internal procedures established for this purpose.

The breakdown by geographical area of the complaints received is as follows:

G4-LA16, G4-SO11

	2016 (%)	2015 (%)
Latin America	22	52
Africa	17	19
Europe	44	14
North America	6	10
Asia and Middle East	11	5
Total	100	100

Claims and complaints submitted are investigated by members of the Internal Audit team. Their conclusions are reported to the Audit Committee, delegated by the Board of Directors and, in turn, to the Chairman of the Board.

The confidentiality or, where appropriate, anonymity and objectivity are preserved at all stages of the analysis. The company's internal protocol sets out that the response time should not exceed 48 hours from when the claim or complaint is received.

In addition to the whistleblowing channels, any infraction may be reported directly to the Chief Compliance Officer, and to supervisors, directors and duly-authorised personnel.

Audits for preventing and detecting fraudulent activity

Since 2012 Abengoa has had a Fraud Prevention and Detection Work Plan, whose objectives are to identify and mitigate the main fraud risks to which the company is exposed and to investigate the complaints received through the available channels. In this regard, the tasks associated with fraud prevention audits are carried out on the basis of an action plan that includes those geographic areas or more sensitive business segments, as well as the review of areas with greater risk in the financial statements.

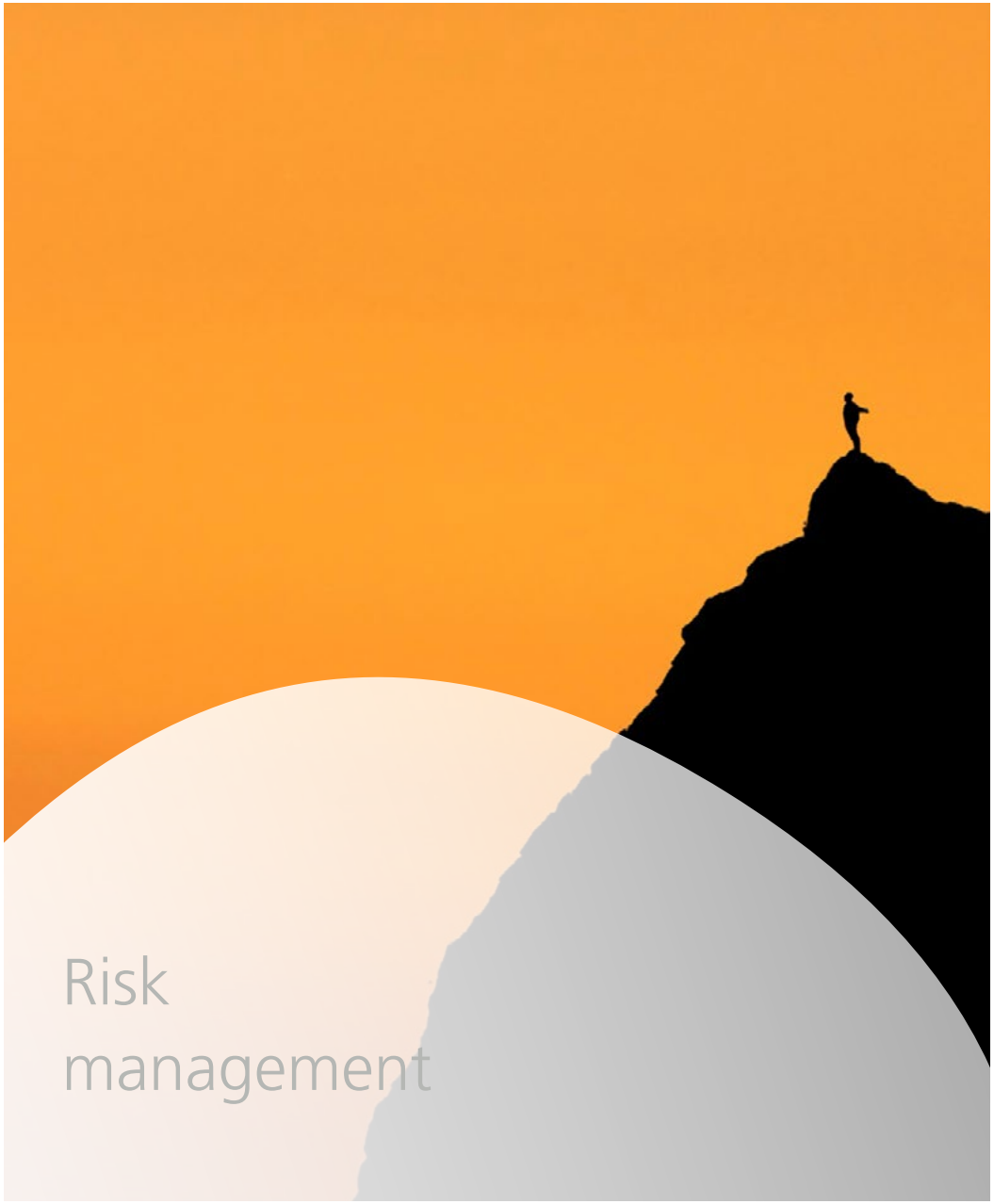
During 2016, **the fraud prevention audit plan included 18 actions**, adapting the level of investigation to the materiality of the risks identified in corruption matters.

G4-SO3

During a stage prior to conducting the audits, the Fraud Prevention and Detection Work Plan contains an analysis for the purpose of designing an annual audit and review plan that covers all geographic regions where Abengoa performs its activity. In addition, the permanent updating system to which the audit plan is submitted turns it into a living tool, incorporating the results and conclusions of the work carried out in response to each of the completed works.

In relation to the prevention of financial risks, fraudulent activities and money-laundering, Abengoa's policy on investments made in tax havens is based strictly on justified business and economic criteria that are completely separate from other motivations, such as obtaining tax benefits or tax exemption.

Abengoa also conducts activities in other geographic areas which, though not included on the list of tax havens by Spanish National Tax Agency (AEAT), are nevertheless considered by international observatories and organisations to be territories whose tax system is more advantageous than the Spanish regime. The company has subsidiaries in Delaware (USA), Holland, Luxembourg, Uruguay, Singapore and Switzerland. All of them are fully based on strictly economic or business rationale, or simplification of commercial and administrative processes, and under no circumstances are motivated by tax evasion, money-laundering or the financing of illicit activities.



Risk management

At Abengoa we are keenly aware of the importance of properly managing the risks that may arise, enabling us to comply with the strategic plan and achieve the business objectives set.

Thus, the company shows its commitment to risk management as one of the main and **essential** functions for decision-making.

Abengoa believes that a robust system of **risk management** and **its integration into the business** is a source of **competitive advantage** and acts as a key tool in achieving the objectives and compliance with quality standards demanded by customers, minimising any emerging risks.

Thus, risk management begins with the identification and parameterization of the risks that may affect any business opportunity prior to its commencement, establishing its tolerance to risk and likelihood of occurrence.

Once these risks have been identified and parameterized, the Risk Management Department defines the most appropriate mitigation measures for each type of risk. This enables the organisation to reduce the likelihood of occurrence and its impact on the organisation, as well as allowing the action plans to be anticipated in cases where the risk materializes. *G4-14*

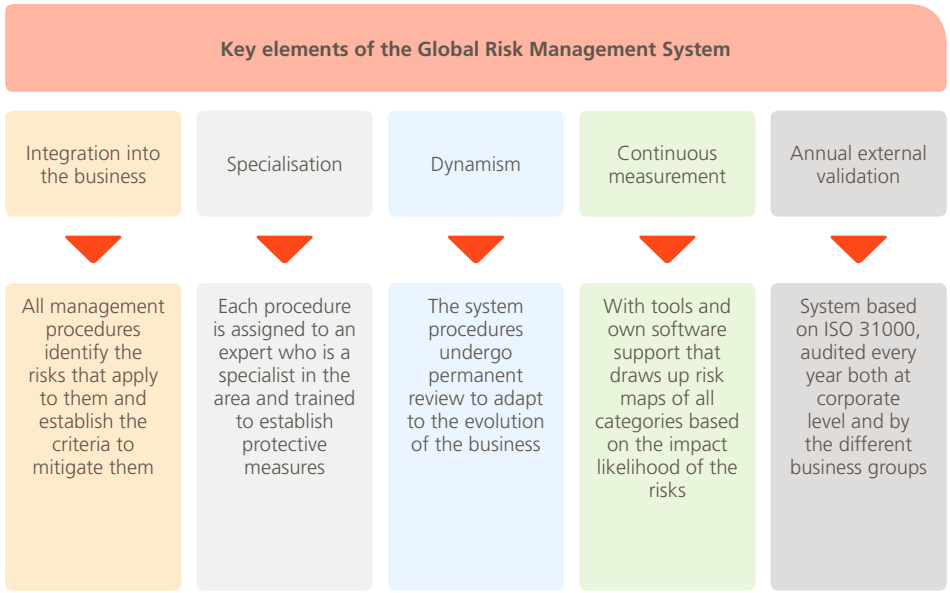
Risk management policy

The principles that regulate Abengoa's risk management policy are:

- Risks must be **managed at all levels of the company**, without exception.
- Decisions always have a **shared responsibility and consensus**.
- Abengoa's risk management system forms an integral part of:
  - The organisation's **strategic planning** process.
  - The definition of **business objectives**.
  - **Daily operations** to achieve those objectives.
- Risk management includes **identification, assessment, response**, **monitoring** or follow-up and **reporting** in accordance with the procedures targeted at that end.
- The risk **responses** must be **consistent** and fully suited to business conditions and the economic environment.
- Management should **periodically evaluate** the assessment of its risks and the responses that have been designed.
- There will be regular **monitoring** and reporting in accordance with the activities of identification, assessment, response, monitoring and reporting that includes Abengoa's Risk Management System.

Risk Management System

The **Risk Management System (RMS)** of Abengoa is characterized by a global, comprehensive, dynamic and systematic approach, and it allows **control and identification of risks**, the creation of a **common culture** that facilitates the achievement of objectives in this area, and has the **capacity** for both **performance** and **adaptation**.



The RMS of Abengoa is based on three pillars:

- **Common Management Systems** specifically designed to anticipate and manage business risks.
- **Internal control procedures** which, designed in accordance with the Sarbanes-Oxley Act (SOX), aim to mitigate the risks arising from financial reporting and improving the reliability of this.
- **Universal Risk Model** (URM), an internal Enterprise Risk Management (ERM) methodology that help to gauge, based on impact and probability indicators, the level of the main risks affecting Abengoa in each one of the categories (strategic, financial, operational, legal and regulatory). The tool generates risk maps in real time, enabling us to design efficient responses that are aligned with business objectives.

The importance of a risk department in crisis situations

The Company's Risk Management department has been directly involved in the design of the Feasibility Plan (FP) which has enabled the successful restructuring of the organisation. Furthermore, during this period a thorough process of identifying risks susceptible to affecting both the company as well as subsidiaries and projects has been carried out, with daily monitoring of the same. In this process, special emphasis has been placed on covering those risks that could have a significant impact on the restructuring process, as well as on its feasibility plan.

Lastly, the RMS has helped identify and mitigate the risks associated with business opportunities, tenders submitted and contracts signed during that stage, ensuring its alignment with the risk profile of Abengoa.

Integration of risk management into the organisation's strategy

Abengoa's Universal Risk Model (URM) enables it to identify and evaluate 20 risks classified as strategic, including the risk of inadequate strategy planning and/or execution, errors in budget preparation and monitoring, deficiencies in the distribution of R&D and innovation expenditure, significant changes in demand or inadequate consideration of socio-political changes.

From the international perspective of its operations, Abengoa is aware of the potential impacts on the company's business of the materialisation of any of the country-type risks in the geographical areas where it operates. To mitigate this risk, the organisation has introduced a **methodology for classification of countries** that allows for the execution of a pre-established set of measures depending on the classification of the country. As a mandatory step, the risk classification by country is included in the strategic plan of the organisation, so that specific requirements and measures to be applied are taken into consideration depending on each classification.

Evolution of risks

The company's Feasibility Plan and the process of divesting the biofuel businesses drastically **reduce Abengoa's exposure to the following risks**, specifically associated to the divestiture:

- **The fluctuating price** of raw materials and end product
- The **impact of regulation** in the **biofuels market**
- **Sales volumes** affected by the level of **crude** oil prices, as well as incidents or physical damages at production plants

Given that Abengoa's activity will focus mainly on construction projects for third parties (EPC), in whose sector Abengoa maintains a position of leadership and competitiveness, because of its high technological *know-how* acquired during more than seven decades of experience, the **major risks** to which Abengoa will be exposed are those **implicitly involved in the engineering and construction activity**, and which include:

- The risks of **delays and additional costs** in the case of complex technical projects
- **Impacts of nature** in areas where such projects take place
- Impacts through the risk of **changes to laws** and
- Acts of **political violence** in countries where the projects are carried out

Meanwhile, and as provided for in the Company's Feasibility Plan, Abengoa will reduce its participation in projects of a concession-type infrastructure activity, therefore **reducing** its **exposure to the risks** associated with such activity, inter alia:

- **Regulatory risk** affecting a regulated tariff
- Exposure to **interest rates** and capital **contribution needs** not covered

Risk monitoring

The regular holding of risk committees with the presidency of the company ensures that both the Executive Committee (EC) and the Presidency have the necessary knowledge of the main risks associated with the organisation as a whole and each of the projects and business in particular. This ensures that **strategic decisions** are taken with the **maximum guarantees of success**.

During 2016, there has been **a daily committee** to monitor the Feasibility Plan with **Senior Management**. In addition, there have been weekly internal committees to monitor Corporate Risk Management with the heads of Risk Management of each business unit. *G4-46, G4-47*

Likewise, the Audit Commission is also in charge of overseeing the risk control system, on the basis of internal auditing and risk management functions.

Since 2013, Abengoa has had its own **Corporate Compliance Program (CCP)** with the aim of **preventing, detecting and sanctioning any conduct** that **might result in company or employee liability**.

The Abengoa Regulatory Compliance program and the subject-specific programs are directly integrated into the company's management model through: the rules of good corporate governance; a specific risk analysis; its implementation through training and supervision in a process of continuous improvement.

The CCP has the following self-regulatory programs voluntarily put in place by the company to adapt to legal requirements, to underscore its commitment to ethical practices and to prevent and detect unlawful conduct.

1. Anti-corruption program

Abengoa voluntarily complies with the principles established by the US Foreign Corrupt Practices Act, FCPA and implements these principles through its own code of conduct, as well as internal manuals for employees when performing contracts for third parties.

The company also shares and subscribes to each point of the document of the United Nations Convention against Corruption, which was approved by the General Assembly of the UN on 31 October 2003 and which aims, *inter alia*, to:

- Promote and strengthen **measures to prevent and combat** corruption efficiently;
- Promote, facilitate and support **international cooperation** and **technical assistance** in the prevention of and fight against corruption, including in asset recovery; and
- Promote **integrity**, accountability and proper management of public affairs and public property.

It requires all employees to act in full compliance with the anticorruption laws or standards applicable or undertaken to ensure that Abengoa maintains the trust of customers and authorities, to protect its businesses from any breach and the responsibility that entails and thus safeguard its reputation.

2. Money-laundering

Abengoa voluntarily accepts the principles and obligations set out in the regulations applicable in issues of prevention of money laundering and terrorist financing[1]. This program is mandatory for all employees, as well as supervision and control by managers, without exception.

3. Antitrust

Abengoa operates in a competitive market with competitive prices and with clear and transparent conditions in each of the jurisdictions in which it operates.

All staff, without exception, are responsible for compliance with the rules applicable to the same. Employees are not entitled to carry out, authorise or tolerate conduct that would violate the anti-trust rules or Abengoa's policy on the matter. Employees must take reasonable steps to ensure that other employees under their authority and/or responsibility are aware of and comply with this policy.

4. Criminal compliance

Under this program of compliance, both the company and the individual may be responsible for the offences perpetrated. Criminal liability of the artificial person also requires the subordinate to have been able to perpetrate the crime through a lack of supervision and control.

The purpose of the Compliance program is the implementation of sufficient control methods to exercise proper control. This regulation is mandatory for the entire workforce, and the management and directors are responsible for supervision and control of its proper application, without exception.

All actions of employees must therefore be governed by rigour, order and responsibility.

Geographical and functional scope

The CCP is instrumented through the company's Common Management Systems, and is therefore an **integrated element that is compatible** with the remaining **internal policies and controls**. It is coordinated, inter alia, with the Universal Risks Map (URM) the SAP controls and with the internal authorisation management system.

The CCP defines the main actions involving detection, prevention, surveillance and control that are subsequently carried out by the Compliance Unit. Led by the Regulatory Compliance director, who reports quarterly to the Board of Directors and answers directly to the CEO, it is instrumented through control processes introduced by the organisation to prevent any unlawful conduct that might occur.

The Compliance Program **applies to all companies controlled by Abengoa**, regardless of the countries or the activities performed, including employees, middle management, senior management, and third parties acting directly and expressly on behalf of the organisation or its directors.

All of these individuals, without exception, must comply with the regulations that the company has assumed and where breach could result in economic or administrative sanctions, leading to civil or criminal liability or otherwise tarnish the company's reputation.

Note 1 Directive 2005/60/EC from the European Parliament and Council; Directive 2006/70/EC; EEC Regulation No. 1781/2006 from the European Parliament and the Council; Law 10/2010 of 28 April and Royal Decree 304/2014 of 5 May of the Implementing Norm of the previous law, both from the Kingdom of Spain, and others such as Law 27693 of 2002 of Peru; the 1986 US Money Laundering Control Act; the United Nations Convention against Illicit Traffic in Narcotic Drugs and Controlled Substances, among others.

The scope of the program is gradually being extended to include suppliers, collaborators and other stakeholders.

The CCP was developed based on the model proposed by the Open Compliance and Ethics Group (OCEG), as a means of attaining excellence in managing key processes involved in corporate governance, risk management and compliance.

As a consequence of publication of the UNE-ISO 19600 on Compliance Management Systems of April 2015 and the International Standard Anti-Bribery Management Systems ISO 37101 of October 2015, as well as the publication currently under consultation of the PNE 19601 on Criminal Compliance Management Systems (and its forthcoming publication as UNE 19601), the company is undertaking a thorough review of its compliance systems to adapt its tools to the requirements of the standard and the recommendations of the International standards on compliance.

The whistleblowing channels are a fundamental part of Abengoa's commitment in its fight against corruption in all those practices that contravene the voluntarily assumed laws or standards, as they represent a mechanism through which all stakeholders of the company can anonymously report any irregular conduct they detect during the performance of their professional tasks.

Internal organisation and resources

The aim of the CCP is to spearhead the consolidation of an **ethical culture** in the organisation that marks the conduct of all employees, as well as those agents with whom Abengoa establishes contractual relations. Accordingly, the CCP has efficient instruments of prevention and control that safeguard the conduct in the performance of the activity, and disciplinary measures, pursuant to applicable local legislation, that punish any conduct contrary to the standard or the self-regulatory policies of the company.

Prevention instruments

Risk Map	Code of Conduct	Company policies	Training
Number of risks identified	Notifications received	Number of policies	Hours of training on the program
From the different business areas of Abengoa, in conjunction with the set of cross-cutting applicable regulations, both of a mandatory and voluntary nature, possible risks of non-compliance are analyzed, weighing the importance with the probability of its occurrence, prompting a risk map (1) or matrix. Afterwards, current controls and/or those which should be implemented or completed are analyzed with the aim of ensuring the company is equipped with the adequate processes to properly control situations of risks and the factors that may lead to them			This process, subject to ongoing improvement thanks to the feedback obtained through monitoring and regular audits, is shared with employees through training courses where respect towards legality is promoted

Detection instruments

The control instruments are intended to provide continuous oversight of compliance with established regulations in order to forestall the occurrence of unlawful acts or any other illicit conduct within the company and to evaluate the existence of new risks

Compliance Officer	Whistleblowing channels

Disciplinary measures

Disciplinary measures are intended to ensure compliance with the norms of conduct established by Abengoa. An internal sanctions system has therefore been implemented and encompasses all members of the company, including both officers and employees, upholding applicable local labor law in each case

(1) Further information in the section on Risk management.

The key instruments of prevention that the company employs are the **Universal Risks Map** (URM), **Code of Conduct**, internal **policies and procedures**, **Mandatory Rules** and **training**, all of which are integrated into the Common Management Systems and the whistle-blower channel.

The Regulatory Compliance Program and Unit focus their activity through the **Regulatory Compliance director**, who has access to all sources of internal company information (audits, reports or internal reporting, contracts, accounting information, etc.) necessary for the performance of his duties.

The director also is responsible for having **full knowledge** of the **legal rules of application** at Abengoa, and to **encourage the upright conduct** of all company employees, disseminating the necessary legal knowledge among those to whom it applies. However, each area is directly responsible for compliance with the rules applicable to them in their activity (tax, labour, quality etc).

The Board of Directors is responsible for ensuring the actions of all employees through every management level. To control this, it expressly approves the Compliance Program, and intervenes in the definition of the scope and content of each area as well as control of the common management systems. **Senior management** is responsible for **leading by example and for transmitting** the same **values** to its subordinates, **monitoring** the implementation thereof in the performance of the activity.

Main activities carried out in 2016

As a consequence of the standstill agreement period that the company has been involved in since 2016, a large part of the organisation's activity has been targeted at guaranteeing the restructuring process and at preserving the organisation's assets.

In this regard, Compliance management has taken part in reviewing the processes undertaken during this stage to check that they are adapted at all times to prevailing legality and in particular to ensuring that directors and senior management maintain **due diligence** in social management. So, for example, we have reviewed the significant processes of selling assets, recruiting outsourced advisers, take-up of corporate resolutions, official requests for information from regulatory authorities, etc.

Furthermore, the Compliance Unit has intensified supervision of those activities that within the restructuring stage have been more sensitive, or which have had a **higher risk rating** with regard to potential effects on the company, while other controls have been reduced through ceasing the activity for which they were designed to protect (business, operations).

One of the objectives set in **2017** has been the **review of the company's Code of Conduct**, **adapting** it to **Abengoa's new situation** and to the commitment shown by the new administration and supported by senior management in issues of compliance and transparency.

This review will lead to the **creation of a Committee to Monitor the Code of Conduct** to report regularly to the board of directors or executive committee with regard to the issues at hand.

Taking into consideration the final resolution of the restructuring that took place in March 2017, among the key principles of the Compliance Unit is that of reviewing the risk map, where appropriate adapting this to the new operational level of the company; geographical areas and business lines.

05. About this report

Principles governing this report

For the past 14 years, Abengoa has been publishing its Corporate Social Responsibility Report (CSRR), in which it describes the company's main activities and impacts, strategy and business model, changes in perimeter and structure, as well as its goals and objectives.

For the second consecutive year, Abengoa has published an integrated report with information on its performance, in response to the organisation's undertaking to align its business strategy with non-financial aspects.

In 2016, the organisation has adapted the publication of its report to the company's existing circumstances. Thus, Abengoa has prepared its report **pursuant to the guidelines of the G4 Global Reporting Initiative (GRI)**, in accordance with the essential option. Furthermore, Abengoa remains committed to the principles of the **AA1000 Accountability Principles Standard - APS (2008)** and provides information on progress in fulfilling the 10 principles of the **United Nations Global Compact**, which govern the company's strategy.
G4-3, G4-28, G4-29, G4-30 y G4-32

Principles governing report contents *G4-24, G4-25, G4-26 y G4-27*

Principle	Who defines it?	How is it defined?	How does Abengoa apply it?
Inclusivity /Stakeholder engagement	AA1000 (APS) / GRI / IR	This refers to the manner in which the company considers stakeholder engagement in designing and developing its strategy.	Abengoa considers stakeholder engagement to be of key interest in all levels of the organisation, in particular in the course of company activity, in designing business strategy and through the different consultation channels available.
Relevance / Materiality	AA1000 (APS) / GRI / IR	The company should provide information that is relevant to its stakeholders; that is to say, information that influences stakeholder decisions and which has an impact on company business.	Using the channels of communication with stakeholders, and analysing the sectoral documents of the period, Abengoa analyses the most relevant issues to provide a response to their reporting expectations.
Responsiveness	AA1000 (APS)	This refers to the way an organisation addresses stakeholder issues that affect the organisation's sustainability performance.	In addition to the responses provided to stakeholders through the channels the company has in place for this purpose, Abengoa considers its Integrated Report to be a key instrument in addressing stakeholder concerns. The report provides in-depth coverage of the issues deemed most significant by company stakeholders, and includes the Responsible Management Balance Sheet (RMBS).
Context of sustainability / Strategic focus and future orientation	GRI / IR	This report should present the organisation's performance in the wider context of sustainability, affording a strategic vision for creating value.	Abengoa focuses its report so that it explains how the company has responded to the global challenges and the company's present situation. The report also describes how, through company activity and performance, Abengoa seeks to minimise the negative impacts and maximise the positive impacts deriving from company operations.
Completeness	GRI	This report should include topics reflecting the company's main impacts in the realm of CSR and their corresponding degree of coverage.	Since 2012, Abengoa has carried out an exercise to identify relevant issues and their level of coverage. To do this, it has considered its entire value chain (from suppliers to customers).
Balance	GRI	The report should reflect positive and negative aspects of the organisation's performance.	Abengoa continues to work towards providing the information (both positive and negative) derived from company management processes. This report has attempted to provide in-depth information on the company's present situation and the changes that are taking place to achieve the solidity indexes that the organisation has enjoyed in recent years. Special attention has also been paid to the language used in each chapter to facilitate the reader's understanding.

Principles governing report contents *G4-24, G4-25, G4-26 y G4-27*

Principle	Who defines it?	How is it defined?	How does Abengoa apply it?
Comparability and consistency	GRI / IR	The organisation should select, compile and disclose information systematically in order for the information to be comparable with other organisations and to show its evolution over time.	Indicators deemed most relevant by the company reported for the purpose of enabling information to be compared with that reported by its main competitors. Additionally, the report presents data from the last two years (with a comparable scope) to make historical information on the company's performance available to the reader. The complicated situation that the company has experienced in recent times has led us to restrict the scope of the report to the essential conformity option, which includes the relevant indicators, based on the analysis of materiality carried out.
Accuracy	GRI	The reported information should be sufficiently accurate and detailed for the stakeholders to be able to assess the organisation's performance.	The independent review this report has undergone ensures the accuracy of the quantitative data, and provides assurance of proof and suitable content for the qualitative information included.
Timeliness	GRI	The organisation should present its report according to a regular schedule so that information is available in time for stakeholders.	Since 2002, Abengoa has published its CSR Report annually. Likewise, through relevant facts and publications on its website, the company informs stakeholders of relevant information on the company.
Clarity	GRI	The organisation should make information available in a way that is accessible and understandable to stakeholders.	Given the complexity of its activity, the company has directed efforts over the years to showing its activity in an illustrative manner, using simple, clear and understandable language.
Reliability and completeness	GRI / IR	The organisation shall compile, analyse and disclose information and processes used in the preparation of the report in a way that they can be subject to examination of quality and materiality criteria.	As explained in this chapter of the report, the company has a CSR management system that brings together all norms, policies and performance regarding non-financial information.
Connectivity of information	IR	The report should show the interrelatedness and dependencies between the components that affect the organisation's ability to create value over time.	The report reveals how the different social, environmental and economic aspects increase the company's capacity to generate value in the long term.
Conciseness	IR	The report should be concise.	In order to make a more concise report, Abengoa has worked to include certain information in the appendix, so that the report contains only the most relevant information.

Scope of the information included in the Integrated Report 2016
G4-13, G4-17, G4-18, G4-22

Unless specified otherwise in the text or in the data reported, all information on all performance indicators included in the report refer to **activity conducted in 2016** by the companies **under the control of Abengoa** (reflected in the annual accounts) and which have a social, environmental and economic impact both **within and outside the corporation's perimeter**. With the aim of facilitating comparability in the information reported, also included are data pertaining to the two previous years.

Due to the acquisitions and divestitures carried out over the course of the year, the consolidation perimeter differs to that of 2015. The main differences are, among others, the sale of the Bioethanol plants in the USA (Indiana, Illinois, Nebraska, and York) and the sale of the stake in the Ashalim and Shams Power Company project [1].

Focusing the report on materiality *G4-19, G4-20, G4-21*

An analysis of materiality helps Abengoa to **identify and delve deeper into aspects that are relevant** when **designing and drawing up enterprise responsibility challenges** in accordance with the **expectations of stakeholders**.

The study adheres to the requirements established by the G4 standard of the Global Reporting Initiative (GRI), a framework which identifies the impact these matters have on the geographies in which the company operates throughout its value chain as one of the main values.

In 2016, the organisation paid special attention to the consequences that the sale of assets and the refinancing of debt have had in the countries where Abengoa conducted its activity.

For this reason, Abengoa's analysis of materiality in recent years has been affected by the limited resources during the restructuring process. However, the efforts to respond to stakeholders led to a simplified materiality procedure that allows the company to comply, once again this year, with the **principles of inclusiveness, relevance and responsiveness set out under the AA1000 standard**.

The materiality analysis for this report was developed in three phases:

1. Identifying relevant issues of the previous period: based on the examination of materiality from the preceding year, the GRI standard, those defined by the SASB [2].

2. External assessment of relevant issues: through identification of those issues that have required most attention in the communication channels available and the information collected from the frequent questions that the stakeholders sent to Communications and Investors Relations Departments.

3. Internal assessment of relevant issues: identification of the issues that the managers of the company's main areas have considered relevant, both for the organisation as well as its stakeholders.

Issues that were considered relevant in 2015 show similarities with respect to the results of 2016, justified by the length of the restructuring process, which led to a significant pause in the company's activity.

Relevant issues 2016
› Financing
› Attracting and retaining talent
› Ability to adapt to change
› Transparency in communications to the market
› Business ethics and anticorruption

Note 1 See the divestments and sales of assets in note 6.2 of the Annual Accounts, published on the Abengoa website.

Note 2 Sustainability Accounting Standards Board is a nonprofit entity which has developed a guide about the presentation of sustainability-related information for companies, including the prioritization of relevant indicators for certain sectors.

To identify the issues of most interest or concern, the patterns of behaviour of stakeholders have been analysed using the company's **main communication tools**, based on the results obtained in 2015. In 2016, the Abengoa website received 1,481,428 visits, distributed as follows:

Section	Visits	Percentage (%)
www.abengoa.es	458,461	30.95
www.abengoa.com	277,661	18.74
Compañía	28,464	1.92
Company	41,657	2.81
Innovación	7,700	0.52
Innovation	2,052	0.14
RSC	10,644	0.72
CSR	6,763	0.46
Accionistas e inversores	62,068	4.19
Shareholders & Investors	75,880	5.12
Sala de Prensa	17,233	1.16
Press Room	20,266	1.37

Likewise, in the press analysis carried out, the most risky issues for Abengoa were:

- Terms of the company's restructuring for financial creditors and bondholders
- Deadlines for accession to the financial restructuring plan
- Progress of the restructuring process throughout the year
- Deadlines for approval of the standstill agreement

Although in 2015 the press expressed a clear concern about transparency in communications and corporate governance of the company, this year has been marked by the publications surrounding the process of restructuring the organisation and its financial consequences.

Furthermore, the key communication managers were interviewed with the stakeholders and the information requests were analysed in the company's most frequently used mailboxes (Investor Relations and Communication).

In 2016 the shareholder's mailbox (ir@abengoa.com) handled 4,068 requests, mainly classified into four groups:

- The impact of the restructuring on their investments in the company
- The terms offered to financial creditors
- Consequences for shareholders
- Procedure for taking part in the restructuring under the different terms offered

Elsewhere, the communication mailbox (comunicacion@abengoa.com) received over 43,000 enquiries. As an e-mail address used by the media, the most recurring subject matters correspond to those specified in the press analysis.

Lastly, the identification of relevant internal issues was conducted through interviews with those **responsible for the main areas of the company**, focusing on the issues that aroused greater interest during 2016, with further information available throughout the chapters of this report.

When taking into consideration the internal prioritisation performed by company heads and the external prioritisation analysed by various stakeholders, the topics identified as being most important were as follows:

- Financing
- Attracting and retaining talent
- Ability to adapt to change
- Transparency in communications to the market
- Business ethics and anticorruption

In 2015, the importance of customising the most relevant issues within the **value chain** led to a study based around three strategic axes, which has been maintained in this period:

- Global management and responsible governance
- External value creation
- Internal value creation

The value chain is updated annually in order to take into account structural changes or changes in company strategy and to progressively supplement any processes or geographies deemed to pose greater risk. *G4-23*

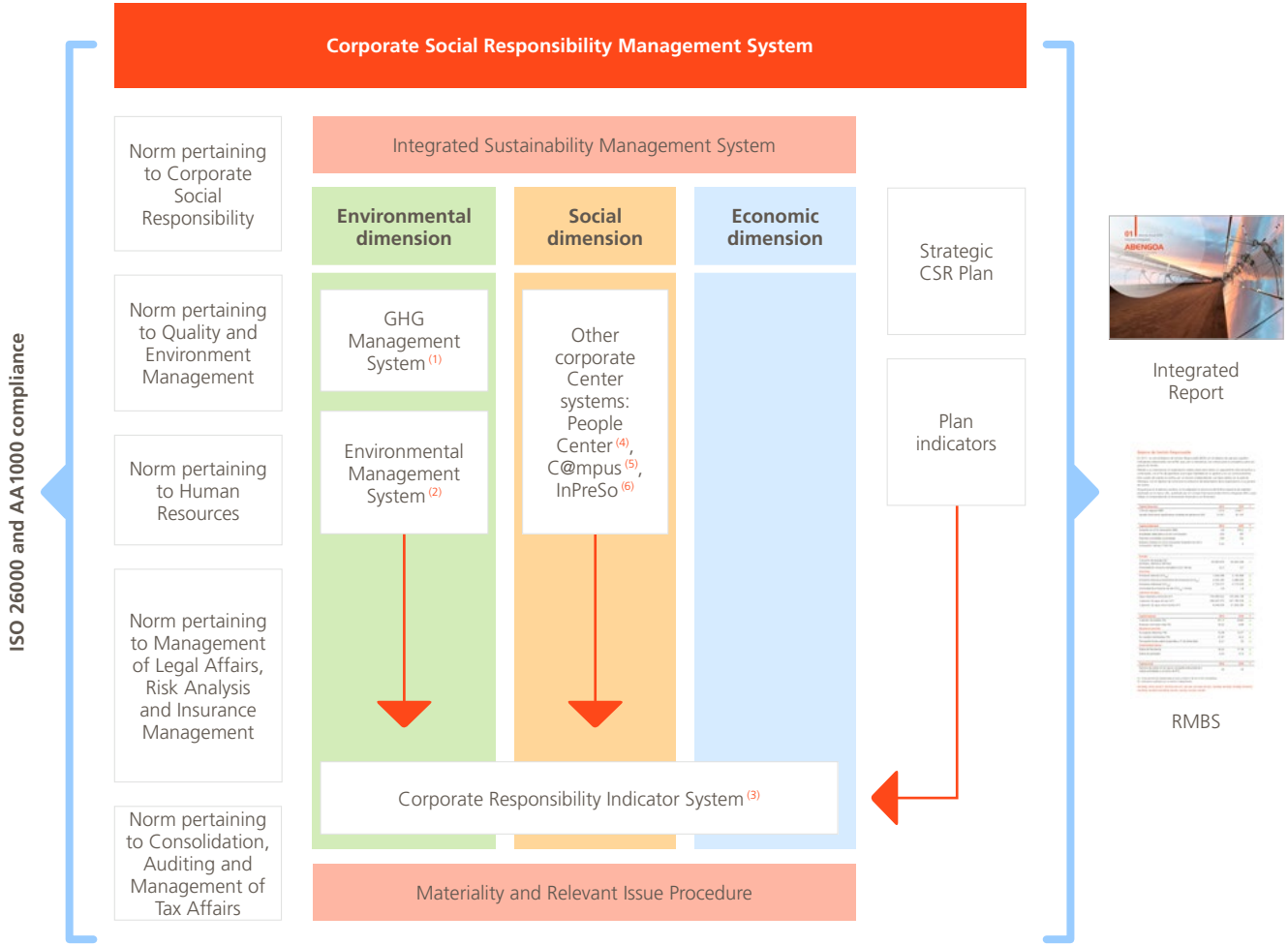
Corporate Social Responsibility Management System

The purpose of Abengoa's Corporate Social Responsibility Management System [3] is to control non-financial information in order to facilitate responsible management of the company by minimising negative impacts of day-to-day operations and maximising positive impacts.

The system reflects the mission, vision and values of Abengoa and is based on the policies defined by the company, as well as the public commitments that have been acquired throughout its history. This system has also been designed in accordance with the ISO 26000:2010 [4].

The "Integrated Sustainability Management System" computer tool brings together all Abengoa non-financial information, which facilitates management thereof and affords the company a robust internal control system that ensures information quality.

Illustrated below are the different components that provide input to the system:



Note 3 Corporate Social Responsibility Management System: this considers those relevant indicators for management of the company's performance in the three areas of CSR (social, environmental and economic).

Note 4 ISO 26000:2010: an International standard that sets out the action guidelines for all types of organisations in areas related to social responsibility, the environment, human rights and the rights of consumers.

(1) Greenhouse Gas (GHG) Management System: managing the GHG emissions associated with Abengoa products and services, including supplier emissions.
(2) Environmental Management System: managing the facility-level impact of Abengoa operations on the environment.
(3) Corporate Social Responsibility (CSR) Management System: covering indicators that are relevant for the company in the three dimensions comprising CSR: environmental, social and economic.
(4) People Center: computer tool that manages all of the information pertaining to employee contracts and payroll.
(5) C@mpus: used to manage training at Abengoa.
(6) InPreSo: contains information relating to employee health and safety and hours worked.

How Abengoa ensures information quality

It is essential for Abengoa to have **reliable and rigorous information** readily available to enable the company to accurately determine the impact of its operations. To this end, Abengoa **has devised a set of internal controls that are part of the CSR management system** applied to the different tools used for reporting and consolidating non-financial information.

On an annual basis, a plan is drawn up by the CSR department for internal auditing of non-financial information that covers, according to a materiality analysis, the tasks to be performed during the period. It also defines the risks and controls that are inspected by the non-financial internal audit function, exclusively dedicated to verifying the information related to the three aspects of CSR. *G4-33*

Due to the difficult and exceptional situation the company has experienced over the last year and given that in 2016 the scope and the frequency of reporting have been reduced, the exhaustive or remote audits have been temporarily suspended and will be reactivated in 2017 to comply with the goal of ensuring the quality of non-financial information.

06. External verification

Independent verification report of Integrated Report *G4-33*

KPMG Asesores, S.L.
Pº. de la Castellana, 259 C
28046 Madrid

Independent Assurance Report to the Management of Abengoa, S.A.

(Free translation from the original in Spanish.
In case of discrepancy, the Spanish language version prevails.)

To the Management of Abengoa, S.A.

In accordance with our engagement letter, we performed a limited assurance review on the non-financial information contained in the Integrated Report of Abengoa, S.A (hereinafter Abengoa) for the year ended 31 December 2016 (hereinafter "the Report"). The information reviewed is limited to the indicators of the Responsible Management Balance Sheet and in the GRI index identified with the symbol "✓".

Management responsibilities

Abengoa management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) of the Global Reporting Initiative as described in point G4-32 of the GRI Content index of the Report. Management is also responsible for the information and assertions contained within the Report; for determining Abengoa's objectives in respect of the selection and presentation of sustainable development performance, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

These responsibilities include the establishment of appropriate controls that Abengoa management consider necessary to enable that the preparation of indicators with a limited assurance review would be free of material errors due to fraud or errors.

Our responsibility

Our responsibility is to carry out a limited assurance review and to express a conclusion based on the work performed, referring exclusively to the information corresponding to 2016. We conducted our engagement in accordance with International Standard on Assurance Engagements ISAE 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and the Standard ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements", issued by the International Auditing and Assurance Standards Board (IAASB) and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement.

KPMG applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Internal Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

KPMG Asesores S.L., a limited liability Spanish company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

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Procedures performed

Our limited assurance engagement consisted of making enquiries of management and persons responsible for the preparation of information presented in the Report, and applying analytical and other evidence gathering procedures. These procedures included:

- Verification of Abengoa´s processes for determining the material issues, and the participation of stakeholder groups therein.
- Interviews with management and relevant staff at group level and selected business unit level concerning sustainability strategy and policies and corporate responsibility for material issues, and the implementation of these across the business of Abengoa.
- Evaluation through interviews concerning the consistency of the description of the application of Abengoa´s policies and strategy on sustainability, governance, ethics and integrity.
- Risk analysis, including searching the media to identify material issues during the year covered by the Report.
- Review of the consistency of information comparing General Standard Disclosures with internal systems and documentation.
- Analysis of the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Review of the application of the Global Reporting Initiative's G4 Sustainability Reporting Guidelines requirements for the preparation of reports in accordance with core option.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of Abengoa.
- Verification that the financial information reflected in the Report was audited by independent third parties.

Our multidisciplinary team included specialists in social, environmental and economic business performance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is lower than that of a reasonable assurance engagement. This report may not be taken as an auditor's report.

Conclusions

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this Independent Review Report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Based on the limited assurance procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that Integrated Report of Abengoa, S.A. for the year ended 31 December 2016, have not in all material respects, been prepared and presented in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) as described in point G4-32 of the GRI Index, including the reliability of data, adequacy of the information presented and the absence of significant deviations and omissions.

Under separate cover, we will provide Abengoa management with an internal report outlining our complete findings and areas for improvement.

Purpose of our report

In accordance with the terms of our engagement, this Independent Assurance Report has been prepared for Abengoa in relation to its Integrated Report and for no other purpose or in any other context.

KPMG Asesores, S.L.

José Luis Blasco Vázquez

2 June 2017

07. GRI index

- Indicators related with the key aspects for the company and its stakeholder.
- ✔ Indicators verified by a third independent part.

General standard disclosures	Chapter	Page or direct respond	Omissions	
1. Strategy and analysis				
G4-1	A message from the chairman	4-5		•
G4-2	A message from the chairman	4-5		•
2. Organizational profile				
G4-3	About this report	76		•
G4-4	Industrial capital, Appendix	22-25, 102-107		•
G4-5	Abengoa today	8		•
G4-6	Abengoa today, Community	8, 48		•
G4-7	Financial capital	19		•
G4-8	Abengoa today, Industrial capital, Appendix	8, 9, 25-26, 102-107		•
G4-9	Abengoa today, Management of capitals, Financial capital, Human capital	7, 8, 15, 19, 33		•
G4-10	Human capital, Community	33-35, 48		•
G4-11	Human capital	36		•
G4-12	Suppliers	46		•
G4-13	A message from the chairman, About this report	4-5, 78		•
G4-14	Risk management	68		•
G4-15	Management of capitals, Suppliers, Community	14, 47, 49		•
G4-16	Management of capitals, Natural capital	14, 57-58		•
3. Identified material aspects and boundaries				
G4-17	About this report	78		•
G4-18	About this report	78		•
G4-19	About this report	78		•
G4-20	About this report	78		•
G4-21	About this report	78		•
G4-22	About this report	78		•
G4-23	About this report	79		•

General standard disclosures	Chapter	Page or direct respond	Omissions	
4. Stakeholder engagement				
G4-24	About this report, Appendix	76-77, 100-101		•
G4-25	About this report	76-77		•
G4-26	About this report, Appendix	76-77, 100-101		•
G4-27	Financial capital, About this report	18, 76-77		•
5. Report profile				
G4-28	About this report	76		•
G4-29	About this report	76		•
G4-30	About this report	76		•
G4-31	Back cover	110		•
G4-32	About this report	76		•
G4-33	About this report, External verification	81, 83-84		•
6. Governance and commitments				
G4-34	Corporate governance	61		•
G4-35	Corporate governance	62		•
G4-36	Management of capitals	14		•
G4-37	Corporate governance	62		•
G4-38	Corporate governance	61		•
G4-39	Corporate governance	61		•
G4-40	Corporate governance	63		•
G4-41	Corporate governance	63		•
G4-42	Corporate governance	62-63		•
G4-43	Corporate governance	62		•
G4-44	Corporate governance	63		•
G4-45	Corporate governance	63		•
G4-46	Risk management, Corporate governance	63, 70		•
G4-47	Risk management, Corporate governance	62-63, 70		•
G4-48	GRI index	It is the Board of Directors that reviews it, following a review by the chairman and the CEO.		•
G4-49	Corporate governance	62		•
G4-50	Financial capital, Corporate governance	18, 62		•
G4-51	Corporate governance	62, Corporate Governance Report.		•
G4-52	Corporate governance	62		•

General standard disclosures	Chapter	Page or direct respond	Omissions	
G4-53	GRI index	Corporate Governance Report 2016: "As a result of the commission made by the Board of Directors, the remuneration policy of the Directors of Abengoa is prepared, discussed and formulated within the Appointments and Remuneration Committee, with the resulting proposal being submitted to the Board of Directors for submission to the approval of the company's Meeting of Shareholders."		•
G4-54			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	
G4-55			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
7. Ethics and integrity				
G4-56	Management of capitals, Community, Transparency and anti-corruption	13, 49, 64, 65		•
G4-57	Transparency and anti-corruption	66		•
G4-58	Community, Transparency and anti-corruption	49, 66		•

Economic performance

Management approach and indicators	Chapter	Page or direct respond	Omissions	
Economic performance				
G4-DMA	Management of capitals	15		
G4-EC1	Management of capitals	15		•
G4-EC2	Natural capital	57		•
G4-EC3	Human capital, GRI index	Abengoa provides its employees with social benefits in order to increase their quality of life and make it possible to reconcile family and professional life. 39	Part is included within social benefits. The value of social benefits is not included because the breakdown of this information is confidential.	•
G4-EC4	Management of capitals	15		•

	Management approach and indicators	Chapter	Page or direct respond	Omissions	
	Market presence				
	G4-DMA				
	G4-EC5	No material			
	Indirect economic impacts				
	G4-DMA				
	G4-EC7	No material			
	G4-EC8	No material			
	Procurement practices				
	G4-DMA				
	G4-EC9			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•

Environmental performance

	Management approach and indicators	Chapter	Page or direct respond	Omissions	
	Materials				
	G4-DMA				
	G4-EN1			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	G4-EN2			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	Energy				
	G4-DMA	Management of capitals, Natural capital	15, 54, 55		
✔	G4-EN3	Management of capitals, Natural capital	15, 54, 55		•
	G4-EN4			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	G4-EN5	Management of capitals, Natural capital	15, 54		•

	Management approach and indicators	Chapter	Page or direct respond	Omissions	
	G4-EN6			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	G4-EN7			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	Water				
	G4-DMA	Management of capitals, Natural capital	15, 53		
✔	G4-EN8	Management of capitals, Natural capital	15, 53		•
	G4-EN9	No material			
	G4-EN10	Natural capital	53		•
	Biodiversity				
	G4-DMA				
	G4-EN11	No material			
	G4-EN12	No material			
	G4-EN13	No material			
	G4-EN14	No material			
	Emissions				
	G4-DMA	Management of capitals, Natural capital	15, 55		
✔	G4-EN15	Management of capitals, Natural capital	15, 55		•
✔	G4-EN16	Management of capitals, Natural capital	15, 55		•
✔	G4-EN17	Management of capitals, Natural capital	15, 55		•
	G4-EN18	Management of capitals, Natural capital	15, 55		•
	G4-EN19			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	G4-EN20			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	G4-EN21			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	Effluents and waste				
	G4-DMA	Natural capital	54, 56		
✔	G4-EN22	Natural capital	54		•
✔	G4-EN23	Natural capital	56		•

Management approach and indicators	Chapter	Page or direct respond	Omissions	
G4-EN24			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
G4-EN25	No material			
G4-EN26	No material			
Products and services				
G4-DMA				
G4-EN27	No material			
G4-EN28	No material			
Compliance				
G4-DMA				
G4-EN29		During 2016, no significant fines or penalties for non-compliance with environmental legislation and regulations have been recorded.		•
Transport				
G4-DMA				
G4-EN30	No material			
General				
G4-DMA				
G4-EN31	No material			
Supplier environmental assessment				
G4-DMA				
G4-EN32			The complex situation faced by the company in 2016 has involved the temporary suspension of the comprehensive analyses of the supply chain risks. They will resume in the coming months.	•
G4-EN33			The complex situation faced by the company in 2016 has involved the temporary suspension of the comprehensive analyses of the supply chain risks. They will resume in the coming months.	•
Environmental grievance mechanisms				
G4-DMA				
G4-EN34	No material			

Social performance

	Management approach and indicators	Chapter	Page or direct respond	Omissions	
	Labor practices and decent work				
	Employment				
	G4-DMA	Management of capitals, Human capital	15, 35, 39		
✔	G4-LA1	Management of capitals, Human capital	15, 35		•
	G4-LA2	Human capital, GRI index	Abengoa provides its employees with social benefits in order to increase their quality of life and make it possible to reconcile family and professional life. 39		•
	G4-LA3			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	Labor/management relations				
	G4-DMA				
	G4-LA4			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	Occupational health and safety				
	G4-DMA	Management of capitals, Human capital	15, 36, 37, 38		
	G4-LA5	Human capital	36		•
✔	G4-LA6	Management of capitals, Human capital	15, 37, 38		•
	G4-LA7			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
	G4-LA8	Human capital	36		•
	Training and education				
	G4-DMA	Management of capitals, Human capital	15, 38		
✔	G4-LA9	Management of capitals, Human capital	15, 38		•
✔	G4-LA10	Human capital	38		•
	G4-LA11	Human capital	38		•
	Diversity and equal opportunity				
	G4-DMA	Human capital, Corporate governance	33-35, 61		
	G4-LA12	Human capital, Corporate governance	33-35, 61		•

Management approach and indicators	Chapter	Page or direct respond	Omissions	
Equal remuneration for women and men				
G4-DMA				
G4-LA13			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Supplier labor practices evaluation				
G4-DMA				
G4-LA14			The complex situation faced by the company in 2016 has involved the temporary suspension of the comprehensive analyses of the supply chain risks. They will resume in the coming months.	•
G4-LA15			The complex situation faced by the company in 2016 has involved the temporary suspension of the comprehensive analyses of the supply chain risks. They will resume in the coming months.	•
Labor practices grievance mechanism				
G4-DMA	Transparency and anti-corruption	66		
G4-LA16	Transparency and anti-corruption	66		•
Human rights				
Investment				
G4-DMA				
G4-HR1	No material			
G4-HR2			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
No discrimination				
G4-DMA				
G4-HR3			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Freedom of association and collective bargaining				
G4-DMA				
G4-HR4			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•

Management approach and indicators	Chapter	Page or direct respond	Omissions	
Child labor				
G4-DMA				
G4-HR5			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Forced or compulsory labor				
G4-DMA				
G4-HR6			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Security practices				
G4-DMA				
G4-HR7			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Indigenous rights				
G4-DMA				
G4-HR8			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Assessment				
G4-DMA				
G4-HR9			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Supplier human rights assessment				
G4-DMA				
G4-HR10			The complex situation faced by the company in 2016 has involved the temporary suspension of the comprehensive analyses of the supply chain risks. They will resume in the coming months.	•
G4-HR11			The complex situation faced by the company in 2016 has involved the temporary suspension of the comprehensive analyses of the supply chain risks. They will resume in the coming months.	•

Management approach and indicators	Chapter	Page or direct respond	Omissions	
Human rights grievance mechanisms				
G4-DMA				
G4-HR12			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Society				
Local communities				
G4-DMA	Management of capitals	15		
G4-SO1	Management of capitals	15		•
G4-SO2			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Anti-corruption				
G4-DMA	Management of capitals, Transparency and anti-corruption	65, 67		
G4-SO3	Transparency and anti-corruption	67		•
G4-SO4	Transparency and anti-corruption	65		•
G4-SO5	Transparency and anti-corruption, GRI index	The internal audit work on fraud prevention and detection determined that in 2016 no incidents of corruption were detected. 65		•
Public policy				
G4-DMA				
G4-SO6	GRI index	In 2016 no contributions have been made to political parties in any of the geographies where the company is present.		•

Management approach and indicators	Chapter	Page or direct respond	Omissions	
Anti-competitive behavior				
G4-DMA				
G4-SO7	GRI index	1. The European Commission launched an inspection into Abengoa, S.A., Abengoa Bioenergía, S.A. and Abengoa Bioenergy Trading Europe B.V. for possible involvement in anti-competitive agreements or actions allegedly intended to tamper with the results of Platts' end-of-day price calculations (CDD), as well as for preventing one or more companies from taking part in the price valuation process. The proceeding is still under way without any notice of charges having been notified to date. The company is actively collaborating with the European Commission. 2. The National Markets and Competition Commission (CNMC) launched an enquiry into Negocios Industriales y Comerciales, S.A. (Nicsa) and its parent company, Abengoa S.A., and into other companies in the sector, as it believed it had uncovered signs of anti-competitive practices in the fixing of prices and commercial and distribution conditions of the market for distribution and sale of low and medium voltage cables. In its motion for a resolution, the CNMC considers that such actions constitute an infringement of the Competition Act. At present, the pleadings are being prepared in the light of the Motion for a Resolution. 3. Moreover, last January, the CNMC sent a request for information to several companies in the railway sector, including Instalaciones Inabensa, S.A., regarding possible anti-competitive behaviour in the procurement of manufacturing, installation, supply, maintenance and improvement of electrification systems and electromechanical railway equipment. The company is actively collaborating with the CNMC, which is still investigating.		•
Compliance				
G4-DMA				
G4-SO8	GRI index	During 2016, no significant fines or penalties for non-compliance with legislation and regulations have been recorded.		•

Management approach and indicators	Chapter	Page or direct respond	Omissions	
Supplier assessment for impacts on society				
G4-DMA				
G4-SO9			The complex situation faced by the company in 2016 has involved the temporary suspension of the comprehensive analyses of the supply chain risks. They will resume in the coming months.	•
G4-SO10			The complex situation faced by the company in 2016 has involved the temporary suspension of the comprehensive analyses of the supply chain risks. They will resume in the coming months.	•
Grievance mechanisms for impacts on society				
G4-DMA	Transparency and anti-corruption	66		
G4-SO11	Transparency and anti-corruption	66		•
Product responsibility				
Customer health and safety				
G4-DMA				
G4-PR1	No material			
G4-PR2	GRI index	During 2016, there have been no recorded breaches of regulations or voluntary codes related to the impacts of products and services on health and safety during their life cycle.		•
Product and service labeling				
G4-DMA				
G4-PR3	No material			
G4-PR4	GRI index	During 2016, there have been no recorded breaches of regulations or voluntary codes related to information and labelling of products and services.		
G4-PR5			The company's situation in 2016 has made it difficult to gather some indicators. This information was not available at the close of this report.	•
Marketing communications				
G4-DMA				
G4-PR6	GRI index	The company does not have banned or litigated products. See Industrial Capital to consult the list of products and Company services.		•

Management approach and indicators	Chapter	Page or direct respond	Omissions	
G4-PR7	GRI index	During 2016, there have been no recorded breaches of regulations or voluntary codes related to marketing communications.		•
Customer privacy				
G4-DMA				
G4-PR8	GRI index	During 2016, there have been no recorded breaches arising from the regulations concerning marketing communications.		•
Compliance				
G4-DMA				
G4-PR9	GRI index	During 2016, there have been no recorded breaches arising from the regulations concerning marketing communications.		•

Propietary indicators

	Indicator	Chapter	Page or direct respond	Omissions	
✔	ID1	Management of capitals, Industrial capital	15, 27-30		•
✔	ID2	Management of capitals, Industrial capital	15, 27-30		•
✔	ID3_4	Management of capitals, Industrial capital	15, 27-30		•

08. Appendix

Abengoa communication channels with its social partners *G4-24, G4-26*

From Abengoa to suppliers

- Corporate website
- Specific site dedicated to the financial restructuring process. Information on process developments, FAQs and specific supplier contact
- Structured procedure for gauging supplier effectiveness
- Safety management system tool
- Periodic visits to suppliers
- Annual report
- LinkedIn, Twitter and Instagram

From suppliers to Abengoa

- Structured procedure for taking in supplier information and opinions
- Abengoa Easy Management (AEM) computer application for managing company decision making and action plans
- Safety management system tool
- Stakeholder mailbox
- Specific site dedicated to the financial restructuring process. Information on process developments, FAQs and specific supplier contact
- External whistleblowing channels
- Interviews
- CSR mailbox
- LinkedIn, Twitter and Instagram

From Abengoa to society

- Corporate website
- Annual report
- Focus-Abengoa Foundation website
- Press releases
- Corporate Social Responsibility Department
- Gatherings with NGOs and academic institutions
- Open-house events
- Trade fairs, forums and conferences
- Corporate blog
- LinkedIn, Twitter and Instagram

From society to Abengoa

- Press releases
- Communication Department
- Corporate Social Responsibility Department
- Gatherings with NGOs, the media and academic institutions
- Trade fairs, forums and conferences
- Stakeholder mailbox
- Corporate blog
- CSR mailbox
- External whistleblowing channels
- Opinion survey
- Interviews
- LinkedIn, Twitter and Instagram

From Abengoa to local communities

- Corporate website
- Annual report
- Focus-Abengoa Foundation website
- Press releases
- Corporate Social Responsibility Department
- Gatherings with NGOs and academic institutions
- Open-house events
- Trade fairs, forums and conferences
- Corporate blog
- LinkedIn, Twitter and Instagram

From local communities to Abengoa

- Corporate Social Responsibility Department
- Gatherings with NGOs and academic institutions
- Open-house events
- Trade fairs, forums and conferences
- Corporate blog
- CSR mailbox
- Beneficiary assessment of community engagement programs
- External whistleblowing channels
- Interviews
- LinkedIn, Twitter and Instagram

From Abengoa to customers

- Corporate website
- Specific site dedicated to the financial restructuring process. Information on process developments, FAQs and specific customer contact
- Focus groups with customers
- Safety management system tool
- Advertising and marketing
- Trade fairs, forums and conferences
- Periodic visits paid to customers
- Annual report
- LinkedIn, Twitter and Instagram

From customers to Abengoa

- Satisfaction surveys
- Troubleshooting report computer application
- Abengoa Easy Management (AEM) computer application for managing company decision making and action plans
- Safety management system tools
- Stakeholder mailbox
- CSR mailbox
- Specific site dedicated to the financial restructuring process. Information on process developments, FAQs and specific customer contact
- Training sessions on products
- External whistleblowing channels
- Interviews
- LinkedIn, Twitter and Instagram

Main references *G4-4, G4-8*

Energy

	Technology	Power	Location	Status	Activity in 2016
Solúcar Platform	Thermosolar, tower and parabolic trough and photovoltaic	183 MW	Seville (Spain)	In operation	Operation and maintenance of the Solnova 1, Solnova 3 and Solnova 4 plants (50 MW each) and the first two commercial plants in the world to use tower technology PS10 (11 MW) and PS20 (20 MW)
Photovoltaic plants in Andalusia	Solar photovoltaic	Casaquemada 1.9 MW; Seville PV, 1.2 MW; Linares PV, 19.9 MW; Las Cabezas PV, 5.6 MW; and Copero PV, 1.9 MW	Casaquemada and Seville PV are located on the Solúcar Platform; Linares PV in Jaén; Las Cabezas PV, in Las Cabezas de San Juan (Seville), and Copero PV in Dos Hermanas (Seville)	In operation	Midway through the year the company sold these facilities as part of its divestment plan. However, Seville PV was operated and maintained by Abengoa until January 2017, while the others were operated and maintained until July 2016
Solar platform of Extremadura	Thermosolar parabolic trough	200 MW	Logrosán, Cáceres (Spain)	In operation	Operation and maintenance of the four Solaben 1, 2, 3 and 6 plants, 50 MW each
Castilla La Mancha solar platform	Thermosolar parabolic trough	100 MW	Ciudad Real (Spain)	In operation	Operation and maintenance of the two Helios 1 and 2 plants, 50 MW each
El Carpio solar platform	Thermosolar parabolic trough	100 MW	El Carpio, Córdoba (Spain)	In operation	Operation and maintenance of the two Solacor 1 and 2 plants, 50 MW each
Écija solar platform	Thermosolar parabolic trough	100 MW	Écija, Seville (Spain)	In operation	Operation and maintenance of the two Helioenergy 1 and 2 plants, 50 MW each
Kaxu Solar One	Thermosolar parabolic trough	100 MW	Pofadder, Northern Cape (South Africa)	In operation	Operation and maintenance of the plant. It has already begun to produce electricity and to sell to the state-owned company Eskom
Xina Solar One	Thermosolar parabolic trough	100 MW	Pofadder, Northern Cape (South Africa)	Under construction	The project is currently involved in the development of the commissioning tests, and we can highlight the recent synchronization of the steam turbine
Khi Solar One	Tower thermosolar	50 MW	Upington, Northern Cape (South Africa)	In operation	Construction completed. Commissioning, commercial start-up and commencement of the operation and maintenance phase of the largest thermosolar plant using this technology in the African continent
Solana	Thermosolar parabolic trough	280 MW	Gila Bend, Arizona (USA)	In operation	Operation and maintenance of the plant
Mojave Solar	Thermosolar parabolic trough	280 MW	Barstow, California (EE.UU.)	In operation	Operation and maintenance of the plant
Cerro Dominador	Tower thermosolar and photovoltaic tecnology	210 MW	Municipality of María Elena, Antofagasta (Chile)	Under construction	Working on the assembly of the heliostats on the thermosolar part of the platform, as well as the booster and disconnecting substations
Ashalim solar plant	Thermosolar parabolic trough	110 MW	Ashalim (Israel)	Under construction	Abengoa transferred its stake in the project. We continue with the assembly of the solar field
Agua Prieta solar plant	Thermosolar parabolic trough	14 MW	Agua Prieta, Sonora, (Mexico)	Under construction	On the point of completing the solar field, which will be integrated into a combined cycle plant, thus representing the first solar-gas hybrid plant in Mexico and Latin America

	Technology	Power	Location	Status	Activity in 2016
Hassi R'Mel	Solar-gas hybrid	150 MW (20 MW from the solar field)	Hassi R'Mel (Algeria)	In operation	Operation and maintenance of the plant and asset management
Ain Beni Mathar	Solar-gas hybrid	470 MW (20 MW from the solar field)	Ain Beni Mathar (Morocco)	In operation	Operation and maintenance of the plant
Waad Al Shamal combined cycle	Gas-solar combined cycle	1,270 MW + 50 MW from the solar field	Turaif (Saudi Arabia)	Under construction	Detail engineering of the plant has been developed as well as the start-up and assembly of the main equipment in the field. Project developed together with General Electric
Morelos Combined Cycle Plant	Combined cycle	720 MW	Cuautla, Morelos (Mexico)	Under construction	Pending completion of the latest commissioning tests to formalise provisional acceptance
Norte III combined cycle	Combined cycle	924 MW	Ciudad Juárez, Chihuahua (Mexico)	Under construction	Termination of the detail engineering at the plant and commencement of the first civil engineering works. Part of the divestment plan of Abengoa
Villaricos cogeneration	Cogeneration	21.7 MW	Almería (Spain)	In operation	Operation and maintenance of the plant and asset management
Nuevo Pemex cogeneration	Cogeneration	300 MW	Tabasco (Mexico)	In operation	Maintenance of the plant
A3T cogeneration	Cogeneration, transmission system and compression system	260 MW	Tabasco (Mexico)	Under construction	Completed 91 % of the expansion project of Nuevo Pemex Cogeneration. Transmission system, with 80 % completed. And 26 % of the compression system has been completed
Dead Sea Works cogeneration	Cogeneration	220 MW	Sdom (Israel)	Under construction	Specific engineering and construction works and transfer of the systems for the start-up tests and equipment testing
Tres Mesas wind farm	Wind power	148.5 MW	Cd Victoria, Tamaulipas (Mexico)	Completed	Project completed. Abengoa was responsible for the Balance of Plant (BOP), consisting of civil and electromechanical works for the construction of the wind farm
Campo Palomas wind farm	Wind power	70 MW	Departamento de Salto (Uruguay)	Completed	Project completed. Abengoa was responsible for the construction of this wind farm. As part of the company's divestment plan, in 2016, this project was sold to Invenergy Wind

Water

	Technology	Capacity	Length	Location	Status	Activity in 2016
Desalination plant in Cartagena	Reverse osmosis	65,000 m^3/d		Cartagena (Spain)	In operation	Operation and maintenance of the plant
Desalination plant in Almería	Reverse osmosis	50,000 m^3/d		Almería (Spain)	In operation	Operation and maintenance of the plant
Desalination plant in Skikda	Reverse osmosis	100,000 m^3/d		Skikda (Algeria)	In operation	Operation and maintenance of the plant
Desalination plant in Honaine	Reverse osmosis	200,000 m^3/d		Honaine (Algeria)	In operation	Operation and maintenance of the plant
Desalination plant in Ténès	Reverse osmosis	200,000 m^3/d		Ténès (Algeria)	In operation	Plant under concession. Abengoa is currently responsible for its operation and maintenance as well as asset management

	Technology	Capacity	Length	Location	Status	Activity in 2016
Desalination plant in Accra	Ultra filtration + reverse osmosis	60,000 m³/d		Accra (Ghana)	In operation	Plant under concession. Abengoa is currently responsible for its operation and maintenance as well as asset management
Desalination plant in Chennai	Reverse osmosis	100,000 m³/d		Chennai (India)	In operation	Plant under concession. Abengoa is currently responsible for its operation and maintenance as well as asset management
Desalination plant in Qingdao	Reverse osmosis	100,000 m³/d		Qingdao (China)	In operation	Technical assistance services
Desalination plant in Agadir	Reverse osmosis	100,000 m³/d		Agadir (Morocco)	Under development	Plant under concession. Project development
Carpapata III hydroelectric plant	Hydraulic infrastructures (hydroelectric plant). Power: 12.8 MW			Region of Junín (Peru)	Under construction	Construction progress
Small hydroelectric plants of the Canal de Aragón and Catalonia	Hydraulic infrastructures (11 small hydroelectric plants). Power: 7.5 MW			Spain	In operation	Operation and maintenance and asset management
Cerrato hydroelectric plant	hydraulic infrastructures (hydroelectric plant). Power: 4.3 MW			Spain	In operation	Asset management
Irrigation area of the Canal de Navarra 1st phase	Hydraulic infrastructures (irrigation). Area: 23,611 ha			Spain	In operation	Asset management
Denizli supply and sanitation	Hydraulic infrastructures (supply and sanitation network)		400 km	Denizli (Turkey)	In operation	Completion of works
Roorke sanitation	Hydraulic infrastructure (sanitation network)		30 km	Roorkee, Uttarakhand State (India)	Under construction	Contract award and commencement of construction
Independencia Lima supply and sanitation	Hydraulic infrastructures (supply and sanitation network)		128 km of drinking water pipeline, and 110 km in sewage networks	Lima (Peru)	Under construction	We are installing 128 km of drinking water pipeline and 110 km of sewer network and more than 12,000 connections to provide 20,000 Peruvians with access to drinking water and the sewerage network
Nueva Planta Protisa supply	Hydraulic infrastructures (supply network)		4 km	Cañete, Lima (Peru)	Under construction	We are installing a pipeline with a land component and an underwater component, which will serve as drainage for the new paper mill that the client is building in Cañete
Extension and improvement of the drainage and sanitation system of Montevideo	Increase of the capacity of the existing drainage system through the construction of a stand-by tank and all of the works required for the reinforcement pipes	12,800 m³ (stand-by tank)		Montevideo (Uruguay)	Under construction	Completion of tank construction. At the moment, the architecture and urban conditioning works of the land above the tank are taking place
Cleaning and maintenance of the Montevideo sewer network	Of the sewer network and cleaning and repair works			Montevideo (Uruguay)	In progress	

	Technology	Length	Flow	Power	Location	Status	Activity in 2016
El Zapotillo aqueduct	Hydraulic infrastructures (integrated water resources management system that includes a supply network, a water treatment plant and pumping system)	Supply network:139 km of large gauge pipes and 40 km of a distribution circuit	Transported: 5.6 m^3/s Treatment plant: 3.8 m^3/s	Pumping stations: 24 MW	Jalisco y Guanajuato (Mexico)	Under construction	Engineering and construction of the plant under a concession
San Antonio supply	Hydraulic infrastructures (supply system with pipes, wells, tanks and pumping stations)	225 km	168.970 m^3/día		San Antonio, Texas (USA)	Under construction	Partial divestments by Abengoa in the concession of this project after which it maintains 20 % of its interest
Aceguá sanitation	Wastewater treatment plant, pumping systems and sanitation network	Supply network: 9 km	Wastewater treatment plant: 5.0 L/s of average flow and 9.0 L/s of maximum flow		Aceguá, Region of Cerro Largo (Uruguay)	Under construction	In 2016 we commenced the first stage that refers to the preparation of the executive project

Bioenergy

	Description	Capacity	Location	Status	Activity in 2016
Fulcrum Sierra BioFuels Plant	Biorefinery for production of biofuel using municipal solid wastes	10 million gallons of biofuel / year	Nevada (USA)	Under construction	Detail engineering and design of the main mechanical systems and equipment

Transmission and infrastructures

Projects in		
Europe	Spain	Abengoa continues to develop several important projects in the transmission and distribution sector, and is one of the leading sector companies in Spain. Work continues on electrical maintenance and instrumentation in various industrial plants. In the railway sector, it continues with the project of installation and maintenance of systems of protection, security and landlines along a stretch of 51 kilometres of railway between the provinces of León and Asturias, as well as the catenary and substations installation works for the administrator of railway infrastructures (ADIF) in Spain. Deployments have been made of networks of mobile, radio and fibre-optic operators, as well as the installation of telecommunications structures or GSM-R installation. Work continues on manufacturing electronics and equipment with integrated electronics for the traffic, defence and transportation, energy and telecommunications sectors, among others. In this area, it is worth noting the contract award for repair of the feeder project, the laying of underground lines and the replacement of the current sections and disconnectors of the US military base in Morón de la Frontera, Seville, (Spain) for the Air Force of the USA.
	Belgium	Liège Hospital › Activity area: transmission and infrastructures › Location: Liège (Belgium) › Status: first provisional contract award in 2016. Final contract award received in 2017 › Activity in 2016: engineering and construction
	France	For the last 14 years, Abengoa has been working for the public French operator responsible for the transmission systems in France. In 2016, it has worked on overhead and underground lines and high voltage electrical substations. As a significant project, we highlight the campaign to change high-capacity conductors on 400 kV lines throughout the Rhone valley. The company has also performed catenary and traction substation projects for the French railway company, in various parts of the country. It continues with construction of part of the International Thermonuclear Experimental Reactor (ITER) project with the installation of the seven bays of two 400/22 kV substations
	United Kingdom	As part of the 2014-2019 framework contracts for the English railway operator, engineering and installation work continues on both catenary and traction substations on different railway lines in and around London.
	Denmark	Abengoa has begun work on the electromechanical facilities of a new 56,000 m^2 hospital complex in the town of Herlev. It is a hospital complex that is included within the country's hospital investment programme, with 825 beds, an area of 56,000 m^2 and a coverage of 435,000 patients in 2018.
	Ukraine	The construction of a 765 kV line along 187 km continues.
Africa	South Africa	We are continuing to work on the construction of a 400 kV 84-km-long power transmission line for the country's main power company.
	Morocco	Abengoa continues to build three 400 kV transmission lines in Oujda and a 225 kV transmission line in the Ouarzazate area for the country's electrical operator. In the area of communications, a project consisting of LV and MV electrification of GSM stations has been contracted with the main Moroccan telecommunications operator. Furthermore, we are working for the second largest Moroccan telecommunications operator in the GSM network deployment project throughout Morocco.
Asia	Oman	In 2016, the construction of 132/33 kV substations in Samad and Sinaw were contracted, as well as associated high-voltage power lines, for the Omani power company. We are also continuing with the civil engineering, assembly and start-up of the 132/33 kV Al Dreez substation.
	Saudi Arabia	Works continue for the construction of the 450 km high-speed line between the cities of Mecca and Medina.
	The United Arab Emirates	The supply and assembly works corresponding to a Faya-Shamkha electric transmission line were carried out in 2016.
	Kuwait	Construction of a 132 kv transmission line in Shagaya has been completed.

Projects in		
America	Costa Rica	Work has been completed on the construction of two electrical substations and two 230 kV lines.
	Argentina	The contract awarded in 2015 (transformer station and 220 kV power line for the Gerdau steelworks) has reached its maximum execution volume during 2016. And work continues on the Mar del Plata transporter project (500 kV transformer station and 132 kV lines) awarded by the state to Abengoa at the end of 2014.
	Chile	We can highlight the development of the following projects: › Supply of the electrical system for the project of lines 6 and 3 of the Santiago Metro. › 2x220 kV lines / Los Cóndores - Ancoa. › Increased capacity of the line 1x220 kV Cardones - Carrera Pinto - Diego de Almagro. › Busbar switching 500 kV Alto Jahuel substation. › Busbar switching 500 kV Ancoa substation. › Busbar switching 500 kV Charrúa substation. › Complete switching of the Rahue substation.
	Mexico	The construction of 317 LT 1902: substations and offsets of the Northwest 2nd Phase, located in Los Mochis, Sinaloa, has been completed and consists of the execution and commissioning of four substations of 230 and 115 kV. Work has also been carried out on four 230 kV transmission lines along 21.1 km and two 230 kV substations in the state of Chihuahua. Currently, the project, which will evacuate the electric power of the North III combined cycle plant, is under construction and is 17 % completed.
	Peru	Work continues on construction of the following projects: › 40 km of transmission line in 220 kV, and 67 km in 138 kV, in the regions of Moquegua and Tacna, for Southern Peru Copper Corporation. › 60 km and 75 km in 500 kV, in Moquegua, for Kallpa Generation and Engie, respectively. › Lastly, the largest project in the company's mining sector continues, the scope of which will help increase Shougang Hierro Peru's iron ore concentrate production capacity by 10 Mt per year through the construction of more than 10 km of conveyor belts, 15 transfer houses, the secondary crushing plant, and the assembly of the largest stacker and reclaimer assembled in Peru.
	Uruguay	Abengoa has finalized the convention centre and fairground of Punta del Este in the community of Maldonado. In addition, it has an important portfolio of works in execution for public and private clients, which includes: › The new port terminal of Capurro - Montevideo, which will have 1,000 m of dock on stilts with its corresponding works for shelter, berthing and defence for fishing vessels. › The rehabilitation works of two sections of railroad tracks, which involve the replacement of approximately 330 km of rails with the placement of sleepers and the corresponding reinforcement of the bridges. › The first project of public-private participation in the country that consists of a penitentiary centre of more than 42,000 m^2 distributed over 25 buildings located in Punta de Rieles - Montevideo. › The multi-functional complex Antel Arena, which hosts sporting events, musical, theatrical and social shows. › Several works of hospital infrastructure.

09. Glossary

Operating terms	
A	Ampere
bar	Bar
bsh	Bushel
BTU	British thermal unit
CO_2	Carbon dioxide
DGS	Distilled Grains and Solubles
EPC	Engineering, Procurement and Construction
ETBE	Ethyl Tertiary Butyl Ether
g	Gram
gal	Gallon
GHG	Greenhouse Gas
h	Hour
ha	Hectare
Hz	Hertz
ISCC	Integrated Solar Combined Cycle
J	Joule
km / h	Kilometer per hour
L	Liter
m	Meter
m/s	Meter per second
m^2	Square meter
m^3	Cubic meter
N	Newton
Pa	Pascal
ppm	Parts-per-million
s	Second
t	Metric ton
V	Volt
VA	Volt-ampere
VAr	Volt-ampere reactive
W	Watt
We	Electric watt
Wh	Watt hour
Wth	Thermal watt

Financial terms	
€	Euro
$	US Dollar
BRL	Brazilian Real
CAGR	Compound Annual Growth Rate
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
GDP	Gross Domestic Product
PCAOB	Public Company Accounting Oversight Board
ROE	Return On Equity
SOX	Sarbanes Oxley Act

Prefixes according to the International Metric System		
m	Mili	10^{-3}
c	Centi	10^{-2}
d	Deci	10^{-1}
h	Hecto	10^{2}
k	Kilo	10^{3}
M	Mega	10^{6}
G	Giga	10^{9}
T	Tera	10^{12}

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Contact

This report is available on the: www.abengoa.com.

Your opinion really matters to us because it helps us keep doing things better each year. Therefore, should you have any comments regarding Abengoa's Integrated Reporting or Corporate Social Responsibility policy at Abengoa, we would appreciate your addressing them to:

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03 Annual Report 2016

Corporate Governance

ABENGOA

Innovative technology solutions for sustainability

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A. Ownership structure

A.1 Complete the following table on the company's share capital:

Date of last modification	Share capital (€)	Number of shares	Number of voting rights
27-10-2016	1,834,252.65	941,805,965	9,171,263,234

Indicate whether there are different classes of shares with different associated rights:

Yes

Class	Number of shares	Nominal unit	Number of voting rights	Different rights
A	83,125,831	0.02	100	Without different rights
B	858,680,134	0.0002	1	See section H "Other Information of Interest" at the end of the report

A.2 Breakdown of direct and indirect holders of significant shareholdings in the company as of the end of the financial year, excluding directors:

Name or company name of shareholder	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct owner of shares	Number of voting rights	
Inversión Corporativa, I.C, S.A.	4,100,673,689	Finarpisa, S.A.	546,518,300	50.67 %
Finarpisa, S.A.	546,518,300		–	5.96 %

Indicate the most significant changes in the shareholding structure that have occurred during the financial year:

N/A

Personal or corporate name of the shareholder	Date of the transaction	Description of the transaction
N/A	N/A	N/A

A.3 Complete the following tables about members of the board of directors of the company who have voting rights over company shares:

Personal or corporate name of the director	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct owner of shares	Number of voting rights	
Gonzalo Urquijo Fernández de Araoz	0	0	0	0
Manuel Castro Aladro	0	0	0	0
José Luis del Valle Doblado	0	0	0	0
José Wahnon Levy	0	0	0	0
Ramón Sotomayor Jáuregui	0	0	0	0
Javier Targhetta Roza	0	0	0	0
Pilar Cavero Mestre	0	0	0	0

% total of voting rights held by the board of directors	0,000

Complete the following tables about members of the company's board of directors with rights over company shares:

Not Applicable

Personal or corporate name of the director	Number of direct rights	Derechos indirectos		Number of equivalent shares	% of total voting rights
		Direct owner	Number of voting rights		
Gonzalo Urquijo Fernández de Araoz	0	0	0	0	0
Manuel Castro Aladro	0	0	0	0	0
José Luis del Valle Doblado	0	0	0	0	0
José Wahnon Levy	0	0	0	0	0
Ramón Sotomayor Jáuregui	0	0	0	0	0
Javier Targhetta Roza	0	0	0	0	0
Pilar Cavero Mestre	0	0	0	0	0

A.4 Indicate, if applicable, any family, contractual or corporate relations between owners of significant shareholdings, insofar as these are known to the company, unless they bear little relevance or arise from ordinary trading or course of business:

Name or related corporate name	Relationship type	Brief description
Inversión Corporativa, I.C, S.A.	Societal	Inversión Corporativa, I.C, S.A holds 99.99% shares in Finarpisa, S.A.
Finarpisa, S.A.		

A.5 Indicate, if applicable, the commercial, contractual, or corporate relationships between significant shareholders and the company and/or its group, unless they are immaterial or result from the ordinary course of business:

N/A

Name or related corporate name	Relationship type	Brief description

A.6 Indicate whether any private (para-corporate) shareholders' agreements affecting the company pursuant to the provisions of sections 530 and 531 of the Spanish Companies Law (Ley de Sociedades de Capital) have been reported to the company. If so, briefly describe them and list the shareholders bound by the agreement:

Yes

Participants of the agreement	% of share capital affected	Brief outline of the agreement
Finarpisa, S.A. Inversión Corporativa, I.C., S.A. First Reserve Corporation	50.67 %	On 10 October 2011, Inversión Corporativa IC, SA and Finarpisa SA entered into an agreement that regulated the exercise of their respective voting rights in the general meetings of Abengoa in relation to the proposal, appointment, ratification, re-election or substitution of a director to represent the former shareholder of the company, First Reserve Corporation. This agreement was communicated to the CNMV as a relevant fact on 9 November 2011, under record no. 153062. By virtue of said agreement, Inversión Corporativa IC, SA and Finarpisa SA jointly agreed: (i) (i) that during Abengoa's Board of Directors' meeting their proprietary directors will vote (a) on the appointment of the candidate proposed to said board to serve as director designated by the investor based on the co-opting procedure; and (b) the proposal to recommend to the shareholders of Abengoa, that during the next General Shareholders Meeting they appoint, as the case may be, a replacement for the director designated by the investor on the Board of Directors. (ii) to vote in the corresponding General Shareholders Meeting of Abengoa for the appointment of the candidate proposed by the Investor; (iii) as long as First Reserve Corporation or any of its related entities retains Abengoa class B shares or any other instrument convertible in, or exchangeable for, Abengoa class B shares, they cannot propose or ask the Board of Directors to recommend to shareholders any kind of changes to the company bylaws which may adversely affect the equality rights of class B shares and class A shares regarding to the distribution of dividends or other similar distributions as envisaged in the bylaws.
Finarpisa, S.A. Inversión Corporativa, I.C., S.A.	50.67 %	On 27 August 2012, Inversión Corporativa IC, SA and its subsidiary, Finarpisa S.A., amended the aforementioned shareholders' agreement with the Abengoa shareholder, First Reserve Corporation. The amendment to this agreement was communicated to the CNMV as a relevant fact on 27 August 2012, under record no. 172757. The amendment consisted of including in the undertaking described under section (iii) of the agreement of 10 October 2011 the additional obligation of Inversión Corporativa, I.C., S.A. and Finarpisa, S.A. to vote against the proposals for changes to the bylaws described in foregoing section (iii) that were submitted by another shareholder or by the Board of Directors.
Abengoa, S.A. Inversión Corporativa, I.C., S.A.	50.67 %	On 27 August 2012, Abengoa, S.A. entered into a shareholder agreement with its main shareholder, Inversión Corporativa, I.C., S.A. The agreement was communicated to the CNMV as a relevant fact on 27 August 2012, under record no. 172756. By virtue of said agreement, Inversión Corporativa, I.C., S.A., either directly or indirectly through its subsidiary Finarpisa S.A., agrees: (i) to vote in favour of the agreements regarding points 2nd, 3rd, 4th, 5th, 6th and 7th on the agenda of the General Shareholders Meeting held on 30 September 2012, as long as it is first verified that the aforementioned agreements are approved by the majority of the shareholders of class A other than those of Inversión Corporativa; (ii) not to exercise its voting rights except up to a maximum of 55.93 % in cases in which, as a result of the exercise of the rights of conversion of class A shares into class B shares expected to be included in the corporate bylaws, the total percentage of the voting rights it holds are increased over the company's entire voting rights; (iii) that the percentage of the number of shares with voting rights held at all times (whether such shares are class A or class B) over the Company's total number of shares not be at any time lower than one quarter of the percentage of the voting rights that said shares may allocate to Inversión Corporativa in relation to the company's total number of voting rights; and that, should such be the case, class A share should be transferred or converted into class B, in the amount deemed necessary to sustain such proportion.

Indicate whether the company is aware of the existence of concerted actions among its shareholders. If so, briefly describe them:

N/A

Participants of concerted action	% of share capital affected	Brief description of the concerted action

Expressly indicate whether any of such agreements, arrangements, or concerted actions have been modified or terminated during the financial year:

On 23 December 2016 the Company communicated to the Spanish Securities Market Commission, through a relevant fact under record number 246416, the termination of the investment agreement entered into with First Reserve Corporation (FRC) on 3 October 2011, given that, on that date, FRC did not hold any class B shares of the Company or other securities that could be exchanged or converted into class B shares and, therefore, had no stake in the Company's share capital. As a result of such termination, the aforementioned shareholders' agreements between FRC and other shareholders referred to herein, which came about from the investment with FRC, forfeit their raison d'être.

A.7 Indicate whether there is any individual or legal entity that exercises or may exercise control over the company pursuant to section 5 of the Spanish Securities Market Act (Ley del Mercado de Valores). If so, please identify:

Yes

Name or company name
Inversión Corporativa, I.C, S.A.

Comments
At the close of the financial year, Inversión Corporativa, I.C, S.A. directly owns 44.71 % of the share capital in Abengoa, S.A.; and indirectly 5.96 % through its subsidiary Finarpisa S.A. Inversión Corporativa, I.C, S.A. it holds an interest of 99.99 % in Finarpisa S.A.

A.8 Complete the following tables on the company's treasury stock:

At financial year end:

Number of direct shares	Number of indirect shares (*)	% Total on share capital
5,662,480 (Class A Shares)	0	6.174 %
0 (Class B Shares)	0	0 %
5,662,480 (Total Shares)	0	6.174 %

(*) Held through:

Name or corporate name of the direct holder of shares	Number of direct shares
Total:	

Explain any significant changes, pursuant to the provisions of Royal Decree 1362/2007 that have occurred during the financial year:

Not Applicable

Explain any significant changes

Communication date	Total of direct shares acquired	Total of indirect shares acquired	% total over share capital

A.9 Describe the terms and conditions and current timeframes that shareholders confer upon the Board of Directors to issue, repurchase, or transfer treasury stock:

The Ordinary General Shareholders Meeting held on 29 March 2015 authorised the Board of Directors to buy back the Company's shares, of any of the classes of shares stipulated in the company bylaws, either directly or through its subsidiary or investee companies up to the maximum permitted by current laws at a rate set between one hundredth part of a euro (€0.01) as a minimum and twenty Euros (€20) as maximum, with the specific power of substitution in any of its members. Said power shall remain in force for five (5) years from that date, subject to article 144 et seq of the Spanish Companies Act. The authorization expressly includes the acquisition of shares that must be delivered directly to the company's employees or company officers, or as a consequence of the option rights to which they are entitled. Thus, the authorisation conferred upon the Board of Directors for the same purposes, by virtue of the decision taken at the Ordinary General Shareholders meeting held on 6 April 2014, was specifically revoked.

During 2016 there were no transactions with treasury stock.

A.9 bis Estimated floating capital:

	%
Estimated free-float	43.15

A.10 Indicate whether there are any restrictions on transferring shares and/or any restrictions on voting rights. In particular, disclose the existence of any restrictions that might hinder a takeover of the company through the acquisition of its shares in the market.

There are no statutes restricting the transfer of assets or voting rights. However, in the context of the financial restructuring of the Company, its significant shareholders made a commitment of not to transfer their shareholding in the Company until the restructuring operation is completed.

Description of restrictions

A.11 Indicate whether the general shareholders meeting agreed to implement neutralisation measures to prevent public takeovers pursuant to the provisions of Law 6/2007.

No

If applicable, explain the approved measures and the terms under which the restrictions may be ineffective:

A.12 Indicate whether the company has issued securities that are not traded on a regulated market within the European Community.

No

See Section H "Other Information of Interest"

If applicable, specify the different classes of shares, if any, and the rights and obligations attaching to each class of shares.

B. General meeting

B.1 Indicate and, if applicable, describe whether there are differences with the minimum requirements set out in the Spanish Companies Act in connection with the quorum needed for the general shareholders meeting.

No

	% of quorum different to that set out in article 193 of the Spanish Companies Act for general cases	% of quorum different to that set out in article 194 of the Spanish Companies Act for special cases
Quorum required in 1st call		
Quorum required in 2nd call		

Description of the differences

B.2 Indicate and, if applicable, describe any differences with regard to the system contemplated in the Spanish Companies Act for the adoption of corporate resolutions:

No

Describe how they differ from the rules set out in the Spanish Companies Act.

	Qualified majority other than that established in article 201.2 of the Spanish Companies Act for the cases set out in section 194.1 of the Spanish Companies Act	Other instances in which a qualified majority is required
% established by the entity for the adoption of resolutions		

Describe the differences

B.3 Indicate the rules applicable to the amendment of the company's bylaws. In particular, disclose the majorities required for amending the bylaws, and, where applicable, the legal provisions for the protection of partner rights regarding the amendment of the by-laws.

Amendments in the Company's by-laws are governed by the Spanish Companies Law, specifically in its Articles 285 and following, and by the Company's internal corporate governance regulations.

The by-laws and the rules and regulations of the general meeting (Articles 29 and 13 respectively) provide a special quorum that may enable the ordinary or extraordinary general meeting to validly agree on bond issuance, on capital increase or decrease, on changing, merging or splitting of the company and, in general, on any amendments whatsoever to the bylaws, thus requiring, on the first call, the convening of shareholders, present or represented, with at least fifty percent of the subscribed share capital with voting rights. In the second call to meeting, it will be sufficient for twenty-five percent of the share capital to be present or represented. In the event of the attendance of shareholders with less than twenty-five percent of the subscribed capital with voting rights, decisions may only be taken with the favourable votes of two thirds of the capital present or represented in the Meeting.

Article 8 of the bylaws establishes certain rules and regulations for the purpose of protecting minority shareholders in bylaw amendment matters:

"[…] (B.4) Separate voting in matters regarding the amendment of bylaws or agreements and other operations that may negatively affect class B shares.

Bylaw or agreement amendments that may directly or indirectly damage or negatively affect the pre-emptive rights or privileges of class B shares (including any amendments to the precautionary bylaws regarding class B shares or any agreements that may damage or negatively affect class B shares in comparison with class A shares, or that may benefit or favourably affect class A shares in comparison with class B shares) shall require, in addition to being approved pursuant to the stipulations of these bylaws, the approval of a majority of class B shares in circulation at the time. For explanatory but by no means limiting purposes, said precaution shall entail as follows: the elimination or amendment of the precautions set forth herein on the principles of proportionality between the number of shares representing class A shares, those of class B and those of class C (if previously issued) over the total of the company's shares in the issuance of new shares or securities or instruments that may give rise to conversion, exchange or acquisition, or in any other manner, that may suppose a right to receive the company's shares; the partial or total exclusion, of a non-egalitarian nature for shares of class A, class B and class C (as the case may be), of the pre-emptive and other analogous rights that may be applicable by Law and by these bylaws; the repurchase or acquisition of the company's own shares that may affect class A shares, class B shares and class C shares (as the case may be), in non-identical manner, in terms and conditions,

in price or otherwise therein, and which may exceed what is produced under the framework of ordinary operation of treasury stock or which may cause amortization of shares or the reduction of capital in non-identical manner for class A, class B or class C shares (as the case may be); the approval of the company's structural modification that does not amount to treatment identity in all of its aspects for class A and class B shares; the exclusion of the shares of the company from trading on any secondary stock exchange or securities market except through the presentation of an offer of acquisitions for the exclusion from trading as envisaged in the considerations for the class A, class B and class C shares (as the case may be); the issuance of class C or of any other class of preferred or privileged shares that may be created in future.

For that purpose, separate voting rights shall not be required for the various existing classes of shares to decide on whether to totally or partially exclude, as the case may be, the pre-emptive and other analogous rights that may be applicable pursuant to the Law and to these bylaws, simultaneously and identically for class A, class B and, as the case may be, class C shares."

[…]

"(C.6) 6.2 Separate voting in matters regarding the amendment of bylaws or agreements and other operations that may negatively affect class C shares.

Notwithstanding Article 103 of the Spanish Companies Law, amendments of bylaws or agreements that may directly or indirectly damage or negatively affect the pre-emptive rights or privileges of class C shares (including any amendments to the precautionary bylaws relating to class C shares or to any agreement that may damage or negatively affect class C shares in comparison with class A and/or class B shares, or that may benefit or favourably affect class A and/or class B shares in comparison with class C shares) shall require, in addition to approval pursuant to the stipulations of these bylaws, approval by a majority of class C shares in circulation at the time. For explanatory but by no means limiting purposes, said precaution shall entail as follows: the elimination or amendment of the precaution set forth herein on the principles of proportionality between the number of shares representing class A shares, those of class B (if previously issued) and those of class C over the total of the company's shares in the issuance of new shares or securities or instruments that may give rise to conversion, exchange or acquisition, or otherwise, that may suppose a right to receive the company's shares; the partial or total exclusion, of a non-egalitarian nature for shares of class A and/or class B and class C of the pre-emptive and other analogous rights that may be applicable by Law and these bylaws; the repurchase or acquisition of the company's own shares that may affect class A and/or class B shares with regards to class C shares, in non-identical manner, in terms and conditions, in price or in any other manner, and which may exceed what is produced under the framework of ordinary operation of treasury stock or which may cause amortization of shares or reduction of capital in non-identical manner for class A, class B (as the case may be) and class C shares; the approval of the company's structural modification that does not amount to treatment identity in all of its aspects for class A, class B shares (as the case may be) with regards to class C; the exclusion of the shares of the company from trading on any secondary stock exchange or securities market except through the presentation of an offer of acquisitions for the exclusion from the trading as envisaged in the considerations for class A, (class B as the case may be) and class C shares; the issuance of any other class of preferred or privileged shares that may be created in future.

Notwithstanding the provisions of article 293 of the Spanish Companies Act, whatever the case may be, the Company's agreements on capital increase under whichever modality and under any formula that may give rise to the first issuance of class C shares shall, in addition to its approval in accordance with the legal provisions and with article 29 of these bylaws, require the approval of the majority of class B shares that may be in circulation.

See Section H "Other Information of Interest"

B.4 Give details of attendance at general meetings of shareholders held during the financial year referred to in this report and also those in the previous financial year:

	Attendance data				
			% of absentee voting		
Date of General Shareholders meeting	% of physical presence	% of proxy	Electronic voting	Other	Total
22-11-2016	6.86	51.29	0.080	0.06	58.29
30-06-2016	6.58	52.51	0.01	0.64	59.74
10-10-2015	64.40	3.33	0.00	0.40	68.13
29-03-2015	64.65	6.78	0.00	0.31	71.74

B.5 Indicate whether there are any bylaw restrictions requiring a minimum number of shares to attend the general shareholders meeting:

Yes

Number of shares required to attend the general shareholders meeting	375

See Section H "Other Information of Interest"

B.6 Section deleted.

B.7 Indicate the URL and method for accessing the company's website to access information regarding corporate governance and other information regarding general meetings of shareholders that must be made available to the shareholders through the company's website.

The address of the Abengoa SA website is www.abengoa.com/es and all the necessary and updated information relating to shareholders meetings can be found under the section of shareholders and investors.

The full path to follow is:

http://www.abengoa.es/web/es/accionistas_y_gobierno_corporativo/juntas_generales/

In compliance with the provisions of article 539.2 of the Spanish Companies Act, Abengoa maintains an electronic forum for shareholders in order to facilitate communication between shareholders regarding the convening and holding of all the general meetings of shareholders. In accordance with the regulations on the electronic forum for shareholders, Shareholders may send the following prior to each general meeting:

- Proposals intended for inclusion as part of the agenda outlined in the call for the general shareholders meeting.
- Request for the inclusion of said proposals.
- Initiatives to reach the required percentage to exercise minority voting rights.
- Requests for voluntary representation.

C. Structure of the company's governing body

C.1 Board of directors

C.1.1 Maximum and minimum number of directors stipulated in the company by-laws:

Maximum number of directors	16
Minimum number of directors	3

C.1.2 Complete the following table identifying the members of the board:

Personal or corporate name of director	Represent..	Category of the director	Seat on the board	Date of first appointment	Date of last appointment	Election procedure
Gonzalo Urquijo Fernández de Araoz		Executive	Chairman	22/11/2016	22/11/2016	Voting in Shareholders Meeting
Manuel Castro Aladro		Independent	Coordinating Director and Member	22/11/2016	22/11/2016	Voting in Shareholders Meeting
José Luis del Valle Doblado		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting
José Wahnon Levy		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting
Ramón Sotomayor Jáuregui		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting
Javier Targhetta Roza		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting
Pilar Cavero Mestre		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting

Total number of directors	7

Indicate the vacancies on the board of directors during the reporting period:

Personal or corporate name of the director	Category of the director at the time of removal	Leaving date
José Luis Aya Abaurre	Proprietary	12/02/2016
José Domínguez Abascal	Other External	18/04/2016
Claudi Santiago Ponsa	Proprietary	25/05/2016
Javier Benjumea Llorente	Executive	30/06/2016
Antonio Fornieles Melero	Executive	22/11/2016
Joaquín Fernández de Piérola Marín	Executive	22/11/2016
Alicia Velarde Valiente	Independent	22/11/2016
José Joaquín Abaurre Llorente	Proprietary	22/11/2016
Inayaba, S.L. (represented by Ana Abaurrea Aya)	Proprietary	22/11/2016
José Borrell Fontelles	Independent	22/11/2016
Mercedes Gracia Díez	Independent	22/11/2016
Ricardo Hausmann	Independent	22/11/2016
Ricardo Martínez Rico	Independent	22/11/2016
Ignacio Solís Guardiola	Proprietary	22/11/2016

See Section H "Other Information of Interest"

C.1.3 Complete the following tables on the directors and their different categories:

Executive directors

Personal or corporate name of the director	Position within the company structure
Gonzalo Urquijo Fernández de Araoz	Chairman

Total number of executive directors	1
Total % of directors	14.29 %

External proprietary directors

N/A

Personal or corporate name of the director	Individual or company name of the significant shareholder represented by the director or that has proposed the director's appointment
0	N/A

Total number of proprietary directors	0
Total % of the Board	0 %

Independent external directors

Personal or corporate name of the director	Profile
Manuel Castro Aladro	He has a Business Administration and Management degree from the Universidad Pontifica de Comillas (ICADE), and an International Executive MBA from the University of Chicago. He began his career at Arthur Andersen and later, in 1992, moved to the banking sector. In 1998 he joined BBVA where he held various positions related to business development until 2009, the year he was appointed Group Chief Risk Officer, a position he held until 2015. Since 2015 he has been independently advising banks and investment funds on issues related to risk management and investments.
José Luis del Valle Doblado	He has a Mining Engineering degree from the Universidad Politécnica de Madrid and a degree in Nuclear Engineering from the Massachusetts Institute of Technology (MIT), as well as an MBA from Harvard University. He has approximately 35 years' experience at Banco Central Hispanoamericano, Santander Central Hispano, where he participated in the merger between the two banks. He has also held various positions at Iberdrola, where he was CEO of Scottish Power, and was appointed Director of Strategy and Development in 2002. In 2014 he was appointed non-executive chairman of GES Insurers and Reinsurers and Lar Spain, and is an independent director of Ocaso Seguros.
José Wahnon Levy	He has a Business Administration and Management degree from the Universidad de Barcelona and a Law degree from the Universidad Complutense de Madrid as well as a Doctorate from Harvard Business School. He started his career at Pricewaterhouse Coopers, a firm of which he became a partner in 1987, responsible for the financial institutions division between 1975 and 2003 and for the audit division from 2003 until he left the firm in 2007. He was subsequently a director at several enterprises tied to the Deposit Guarantee Fund.
Ramón Sotomayor Jáuregui	He has an in Industrial Engineering degree from the University of Portsmouth and an MBA from Rutgers University. He began his professional career at Ercross Spain and later joined the ThyssenKrupp Group, where he held various positions including CEO for Southern Europe, Africa and the Middle East from 2011-2015. He has also been an independent director of several companies among which are Velatia and Levantina Natural Stone.
Javier Targhetta Roza	He has a Mining Engineering degree from the Universidad Politécnica de Madrid and a PADE in Business Administration through the IESE. He began his career in the metallurgical sector, where he joined the AIPSA project. In 1973 he joined the Sereland consulting firm, where he worked for 8 years. After his experience at Sereland he worked in the naval sector as chairman of the Compañía Transatlántico Española and Empresa Nacional Elcano. In 1990 he was appointed CEO of Rio Tinto Minera, a company that was acquired in 1993 by Freeport McMoran, a position he still holds to date.
Pilar Cavero Mestre	She holds a Law degree from the Universidad Complutense de Madrid, as well as a programme of Leadership of Services Companies from Harvard. She began her career at the Asociación de Cajas de Ahorros en España, and then in 1986 she joined the legal practice sector. In 1990 she joined Cuatrecasas where she has developed her professional career since being named partner in 1993. She is currently an honorific partner of the Practice, without executive functions, and is an independent director of Testa.

Total number of independent external directors	6
Total % of the Board	85.71 %

Indicate whether any director classified as independent receives from the company or its group any amount or benefit for items other than director remuneration, or maintains or has maintained during the last financial year a business relationship with the company or with any company of its group, whether in the director's own name or as a significant shareholder, director, or senior officer of an entity that maintains or has maintained such relationship.

No

If applicable, include a reasoned statement of the director regarding the reasons for which it is believed that such director can carry out the duties thereof as an independent director

Not Applicable

Personal or corporate name of the director	Description of the relationship	Reasoned statement

Other external directors

Identify the other external directors and describe the reasons why they cannot be considered proprietary or independent directors as well as their ties, whether with the company, its management, or its shareholders:

N/A

Personal or corporate name of the director	Reasons	Company, executive or shareholder with whom the connection is held

Total number of other external directors	
Total % of the Board	

Indicate the changes, if any, in the class of each director during the period in the category of each Director:

Personal or corporate name of the director	Date of change	Previous category	Current category
Antonio Fornieles Melero	1/3/2016	Independent	Executive
José Domínguez Abascal	1/3/2016	Executive	Other External

C.1.4 Complete the following table with information regarding the number of female directors for the last 4 financial years, as well as the status of such directors:

	Number of female directors:				% of total of directors of each category			
	Financial year 2016	Financial year 2015	Financial year 2014	Financial year 2013	Financial year 2016	Financial year 2015	Financial year 2014	Financial year 2013
Executive	0	0	0	0	0	0	0	0
Proprietary	0	0	1	1	0	0	14.28	14.28
Independent	1	2	2	2	14.29	33.33	40	50
Other External	0	0	0	0	0	0	0	0
Total:	1	2	3	3	14.29	15.38	18.75	20

C.1.5 Explain any measures adopted to include on the board of directors a number of women that allows for a balanced representation of men and women.

Explanation of the measures

In its Article 1, the regulations of the Appointments and Remuneration Committee provides the following:

"Article 1. Composition. Designation of its members". [...] "The Appointments and Remuneration Committee shall establish procedures and ensure that when new vacancies arise:

a) The selection process for board vacancies has no implicit bias against female candidates;

b) The company makes a conscious effort to include female candidates that meet the professional profile sought."

It is the responsibility of the Appointments and Remunerations Committee to notify the Board about any issues of gender diversity. It is also obliged to establish a representation target for the less represented sex on the Company's Board of Directors and draft guidelines on how to achieve this target

The Appointments and Remunerations Committee is also responsible for verifying compliance with the board members selections policy. It establishes that the selection process shall begin with an analysis of the needs of the Company and its group of companies, bearing in mind the following: (i) that the appointments are based on the diversity of knowledge, experience and gender within the Board of Directors; and (ii) that the Committee ensures that by the year 2020 the number of female board members shall amount to, at least, thirty percent of the total of the members of the Board of Directors.

Moreover, through the company's Gender Equality Framework Plan, in 2009, to ensure the practice of these values, Abengoa created the Equal Opportunity and Treatment Office (OITO) under the Gender Equality Framework Plan. The mission of this office is to advocate gender equality within the whole organisation, promoting, developing and managing the Gender Equality Plan and other plans associated with it

In addition, the Equal Opportunities and Treatments Committee was set up with the duty of a worldwide follow-up, with its subsequent development of aspects related with equal opportunities between men and women in the Abengoa Group. The Equal Opportunities and Treatments Committee is presided over by the Human Resource Director and integrated, as permanent members, by the heads of Human Resource in the various business units and geographical areas, as well as by the director of Corporate Social Responsibility.

Equal Opportunity and Treatment office (EOTO) within the Framework Plan

It also created an Equal Opportunity and Treatment Commission responsible for making a worldwide follow-up, with its subsequent development, on issues related to equal opportunities between men and women within the Abengoa Group. The Equal Opportunity and Treatment Commission is chaired by the Human Resources Director and integrated by the HR heads from the various areas and geographical locations of the business, as well as by the CSR director as permanent members.

C.1.6 Explain any measures approved by the appointments committee in order for selection procedures to be free of any implied bias that hinders the selection of female directors, and in order for the company to deliberately search for women who meet the professional profile that is sought and include them among potential candidates:

Explanation of the measures

The Appointments and Remunerations Committee is responsible for assessing the capabilities, knowledge and experience required on the Board, defining the necessary aptitudes and functions of the candidates for covering its vacancies, assessing the time and dedication needed for the appropriate execution of their jobs.

The Appointments and Remunerations Committee objectively and transparently assesses the potential candidates based on merit criteria, promoting male and female equality and rejecting all kinds of direct or indirect discrimination based on gender.

In the context of restructuring Abengoa and pursuant to the terms and conditions of the Restructuring Agreement that the Company signed on 24th September 2016, Abengoa's Board of Directors was completely modified, both in number and composition, at the Extraordinary General Meeting of Shareholders held on 22nd November 2016.

En the selection process for new members of the Board of Directors, all of them independent except one, the Appointments and Remunerations Committee, for that purpose, using the proposal of Spencer Stuart, strived for the inclusion of women among other candidates and, at least, one woman among those finally selected.

If there are few or no female directors despite any measures adopted, describe the reasons for such result:

Explanation of the reasons

The members of the Board of Directors of Abengoa were appointed by the General Shareholders Meeting on 22 November 2016 and, in compliance with the undertakings assumed under the restructuring agreement signed on 24 September 2016, were proposed by the Appointments and Remuneration Committee on the basis of selection and proposal carried out by the consulting firm Spencer Stuart.

In this regard, Spencer Stuart and the Appointments and Remuneration Committee assessed the capabilities and merits of the various candidates and proposed those candidates considered most appropriate taking into account the characteristics of Abengoa and its current circumstances.

C.1.6 bis Explain the conclusions of the appointments committee regarding verification of compliance with the director selection policy. Particularly, explain how said policy is promoting the goal that the number of female Board of Directors represents at least 30% of all members of the Board of Directors by 2020.

The policy for selecting directors sets out that, when making such a selection, this shall be based on analysing the needs of the Company and of its group of companies, further taking into account (i) that the appointments must favour diversity of expertise, experience and gender on the Board of Directors; and (ii) that by 2020 the number of female directors must represent at least 30% of all members of the Board of Directors. External advisors may be brought in to assist with the selection of directors.

In accordance with the directors' selection policy, said directors must be persons respectable in the society, qualified and with recognised expertise, competence, experience, qualifications, training, availability and commitment to their duties, seeking to ensure that the composition of the Board of Directors is diverse and balanced.

The Extraordinary General Shareholders meeting held on 22 November 2016, following a positive report issued by the Appointments and Remuneration Committee in the case of the executive director and at its proposal in the case of independent directors, renewed the composition of the Board of Directors by appointing the current directors of Abengoa, among which there directors with financial, industrial and legal profiles.

As described in the mandatory reports of the Board of Directors in this respect, the appointment proposals were formulated within the framework of the obligations assumed by the company under the agreement for the restructuring of the financial debt and recapitalisation of the group of companies of which Abengoa is the parent company. This involves the undertaking to submit a proposal for approval by an Extraordinary General Shareholders meeting with regard to renewal of the composition of the company's Board of Directors, by replacing all directors with people that comply with the conditions to be considered as independent external directors of the Company, based on the candidate proposal put forward by Spencer Stuart, a firm that specialises in providing human resource consultancy services, to enable the Company's Board of Directors to comprise a majority of independent external directors.

The selection of directors, made by the firm, Spencer Stuart, and on which the Appointments Committee bases its reports and proposals, took into account (i) the company's needs at a time of financial difficulties; (ii) the required diversity of profiles, combining people with an industrial profile, required for a greater understanding of the business, as well as financial and legal persons capable of understanding the complex financial situation the company was in; and (iii) the capability, demonstrated qualifications and experience of the different candidates, thus fulfilling the objectives set out in the policy for selection of directors and with the conditions it sets out when selecting candidates.

Based on previous considerations, the Appointments and Remunerations Committee concluded that the board member selection policy was satisfactorily applied in 2016

C.1.7 Explain the form of representation on the board of shareholders with significant holdings.

In 2016, the shareholders with significant shares were represented through proprietary directors that perform their duties on the basis of the Company's code of conduct and the remaining standards that apply to all members of the Board.

At the close of the financial year, after replacing former members of the Board of Directors with others holding the nature of independent or executive directors, the significant shareholders were no longer represented on the board by proprietary directors.

C.1.8 Explain, where applicable, the reasons why proprietary directors have been appointed at the proposal of shareholders whose shareholding interest is less than 3 % of share capital:

Not Applicable

Personal or corporate name of the shareholder	Justification

Indicate any failure to address formal requests for board representation made by shareholders with stakes equal to or exceeding that of others at whose request proprietary members were appointed. If so, explain the reasons why the request was not met:

N/A

Personal or corporate name of the shareholder	Explanation

C.1.9 Indicate whether any director has resigned from his/her position as such before the expiration of the director's term of office, whether the director has given reasons to the board and by what means, and in the event that the director gave reasons in writing, describe at least the reasons given thereby:

Name of director	Reason for withdrawal
José Luis Aya Abaurre	Passed away on 12 February 2016
José Domínguez Abascal	Submitted his resignation to the Board of Directors on 18/04/2016 for personal reasons.
Claudi Santiago Ponsa	Submitted his resignation to the Board of Directors on 25/05/2016 in light of the expected new shareholding body of the Company resulting from the restructuring process.
Javier Benjumea Llorente	Removed from office as an executive director through a resolution adopted by the Ordinary General Shareholders meeting on 30 June 2016 at the second call.
Antonio Fornieles Melero	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Joaquín Fernández de Piérola Marín	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Alicia Velarde Valiente	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
José Joaquín Abaurre Llorente	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Inayaba, S.L. (represented by Ana Abaurrea Aya)	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
José Borrell Fontelles	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Mercedes Gracia Díez	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Ricardo Hausmann	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Ricardo Martínez Rico	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Ignacio Solís Guardiola	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.

C.1.10 Indicate, where applicable, any powers delegated by any Chief Executive Officer:

Personal or corporate name of the director	Brief description
Gonzalo Urquijo Fernández de Araoz	General Powers that can be jointly exercised with other attorneys-in-fact of the Company

C.1.11 Identify, where applicable, any members of the board who are directors or officers of companies within the listed company's group:

Not Applicable

Personal or corporate name of the director	Corporate name of group entity	Post	Does he/she holds executive responsibilities

C.1.12 Provide details, where applicable, of company directors who also sit on the boards of other entities listed on different official stock markets to their group, of which the company is aware:

Personal or corporate name of the director	Corporate name of the listed company	Post
Gonzalo Urquijo Fernández de Araoz	Vocento, S.A.	Director
José Luis del Valle Doblado	Lar España Real Estate SOCIMI, S.A.	Chairman

C.1.13 Indicate and, if applicable, explain whether the regulations of the board have established rules regarding the maximum number of boards on which its directors may sit:

Yes

Explanation of the rules
Article 14 of the Board Regulations limits the number of boards on which company directors may sit.
"[...] Directors are obliged by virtue of their office, in particular, to:
[…]
(n) Participate actively and with dedication in the matters covered by the Board of Directors, and follow them up, gathering the necessary information. For the foregoing purposes, in order to ensure the adequate time allocation of the directors for the correct performance of their functions and without prejudice to the terms of article 16 herein below, which shall, in any event, be applicable, the directors may not simultaneously hold more positions in listed companies than those which are set out in one of the following combinations:
i. An executive position together with three non-executive positions.
ii. Five non-executive positions.
The term executive position shall be understood to mean a position for which management functions are performed
irrespective of the legal nature of the functions carried out.
The foregoing restrictions relate only to positions on the boards of directors of other listed companies, although if a director were to participate on the board of directors
of other unlisted companies and such participation were to involve a high degree of dedication, such director must immediately inform his intention and the Appointments and Remuneration Committee shall evaluate the authorisation to join such board of directors.
The executive positions or non-executive positions which are held within a single corporate group or in commercial companies in which the Company holds a shareholding of at least 10% of the share capital or of the voting rights shall be considered to constitute a single position".

C.1.14 Section deleted.

C.1.15 Indicate the overall remuneration of the board of directors:

Remuneration of the board of directors (in thousands of Euros)	2,782
Amount of remuneration for the concept of accumulated pension entitlements for current directors (in thousands of Euros)	0
Amount of remuneration for the concept of accumulated pension entitlements for former directors (in thousands of Euros)	0

C.1.16 Identify the members of the company's senior management who are not executive directors and indicate the total remuneration accruing to them during the financial year:

Name or Corporate Name	Post	Body	AD Date
Mr. Joaquín Fernández de Piérola	Managing Director	Executive Committee	From 22.11.16
Mr. Daniel Alaminos Echarri	General and Board Secretary	Executive Committee	From 22.11.16 (*)
Mr. Víctor Manuel Pastor Fernández	Finance Director	Executive Committee	From 22.11.16
Mr. David Jiménez-Blanco Carrillo de Albornoz	Director of Restructuring and Strategy	Executive Committee	From 22.11.16
Mr. Álvaro Polo Guerrero	Director of Human Resources	Executive Committee	From 22.11.16 (*)
Mr. Juan Carlos Jiménez Lora	Director of Appointments and Remunerations	Strategy Committee	Until 22.11.16
Mr. Armando Zuluaga Zilbermann	Director of Solar Business Group	Strategy Committee	Until 22.11.16
Mr. Germán Bejarano García	Director of Int. Institutional Relations.	Strategy Committee	Until 22.11.16
Mr. Antonio Vallespir de Gregorio	Director of the Bioenergía Business Unit	Strategy Committee	Until 22.11.16
Mr. Alfonso González Domínguez	Director of ICI Business Unit	Strategy Committee	Until 22.11.16
Mr. Enrique Borrajo Lovera	Director of Consolidation	Strategy Committee	Until 22.11.16

Name or Corporate Name	Post	Body	AD Date
Mr. Miguel Ángel Jiménez de Velasco Mazarío	Director of Regulations Compliance	Strategy Committee	Until 22.11.16
Mr. Jesús Ángel García-Quílez Gómez	Finance Director	Strategy Committee	Until 22.11.16
Mr. Teodoro López del Cerro	Technical General Secretary	Strategy Committee	From 23.08 Until 22.11.16
Mr. Pedro Almagro Gavilán	Director of Vertical de Agua	Strategy Committee	From 23.08 Until 22.11.16
Mr. Arturo Buenaventura Pouyfaucon	Director Abengoa Research	Strategy Committee	From 23.08 Until 22.11.16
Mr. Luis Enrique Pizarro Maqueda	Director of Internal Audits	Strategy Committee	Until 30.11.16
Mr. Enrique Aroca Moreno	Director of Simosa IT	Strategy Committee	Until 17.10.16
Ms. Ana Raquel Díaz Vázquez	Technical General Secretary	Strategy Committee	Until 31.05.16
Mr. Manuel Doblaré Castellanos	Director Abengoa Research	Strategy Committee	Until 31.05.16
Mr. Carlos Cosín Fernández	Director of Grupo de Negocio Agua	Strategy Committee	Until 06.05.16
Total Remuneration of Top Management (in thousands of Euros)			2,348 thousands of Euros

See Section H "Other Information of Interest"

C.1.17 Indicate the identity of the members of the board, if any, who are also members of the board of directors of significant shareholders and/or in entities of their group:

Not Applicable

Personal or corporate name of the director	Corporate name of significant shareholder	Post

Describe any significant relationships, other than the ones contemplated in the point above, of the members of the board of directors linking them to significant shareholders and/or companies within their group:

N/A

Name or company name of associated director	Name or company name of associated significant	Description of relationship

C.1.18 Indicate whether the regulations of the board was amended during the financial year:

Yes

Description of amendments
Pursuant to the resolution of the Board of Directors dated 30 March 2016 the Board regulations were amended to adapt their content to the Corporate Governance Recommendations included in the Good Governance Code of Listed Companies approved through a Resolution from the CNMV Board dated 18 February 2015. In particular articles 4, 6, 10, 11, 13, 14, 19, 20, 21, 23, 27 and 28 of the foregoing regulations were modified. Furthermore, at its meeting held on 13 June 2016 the Board of Directors of Abengoa unanimously agreed to amend article 30 of the Board regulations in order to complete the functions of the Investment Committee. Lastly, at its meeting held on 22 November June 2016, the Board of Directors of Abengoa unanimously agreed to amend articles 3, 14, 18, 20, 21, 27 and 28 and to revoke articles 29 and 30 of the Board regulations for the dual purpose of improving the degree of compliance with the recommendations in issues of corporate governance, as well as to adapt their content to the latest version of the by/laws resulting from the amendments approved by the shareholders general meeting held on that same day.

C.1.19 Indicate the procedures for the selection, appointment, re-election, evaluation, and removal of directors. Describe the competent bodies, the procedures to be followed, and the criteria applied in each of such procedures.

The Appointments and Remunerations Committee is the competent body for drafting, insofar as independent directors are concerned, and reporting on, in the case of all other directors, the proposal to be presented to the Board of Directors for appointment by co -opting or for subsequent submission before the General Shareholders meeting, as well as proposals for their re-election or discharge by the General Shareholders meeting, applying criteria of independence and professionalism set out in the Board regulations and the Commission regulations, and ensuring that they hold the recognised creditworthiness and suitable knowledge, prestige and professional experience to perform their duties pursuant to the provisions set out in the director selection policy.

With regards to the procedures for selecting and appointing independent directors, the Appointments and Remunerations Committee is the body in charge of selecting profiles that best represent the needs of the different stakeholders among professionals from different fields and of renowned national and international prestige. The procedure for selecting them is based on the principles of merits and capacity, promoting gender equality and rejecting all kinds of direct or indirect gender discrimination.

Thus, the Appointments and Remunerations Committee performs annual inspections to verify the sustenance of the conditions met for the appointment of a director and the nature and typology assigned to said member, and such information shall be included in the annual report on corporate governance. The Appointments Committee likewise strives to ensure that the selection procedures for filling vacancies refrain from implicit bias that may hinder the inclusion of females that fit the required profile among the potential candidates. Its functions also include reporting to the Board of Directors on appointments, re-elections, terminations and remuneration for senior management, as well as proposing to the Board the general remuneration policy and incentives for Directors and senior management, individual remuneration of Directors, the other contractual terms and conditions of each executive director and the basic contractual conditions for senior management, as well as informing the Board of Directors beforehand on all proposals to be submitted to the General Shareholders meeting for the appointment or dismissal of directors, even in cases of cooptation by the Board of Directors itself.

The performance appraisal of the Board of Directors and its Committees is overseen and organised by the Appointments and Remunerations Committee through substantiated reports filed with the Board during the meeting held in the following first quarter, after the closure of the financial year in question and after the accounting deadline and after issuance of the auditor's report or, at least, its draft, given its importance as assessment criteria. Based on the result of the assessment, the Appointments and Remunerations Committee proposes an action plan for correcting the identified shortcomings.

C.1.20 Explain the extent to which the self-evaluation of the board has given rise to significant changes in its internal organisation and regarding the procedures applicable to its activities:

There were no significant amendments made as a result of the annual evaluation of the Board.

Description of amendments
N/A

C.1.20.bis Describe the evaluation process and the areas evaluated by the board of directors, as it may be assisted by an external consultant, regarding diversity in its composition and powers, the operation and composition of its committees, the performance of the chairman of the board and chief executive officer, and the performance and contribution of each director.

On this report's preparation date the board of directors had not yet completed its annual assessment due to the special circumstances the company, and especially its administrative organ, went through in 2016. The administrative organ focused its attention mainly on negotiating the financial debt restructuring agreement which was finally agreed upon on 24 September 2016. Following the endorsement of the refinancing agreement the entire Board of Directors, including the executive board members, resigned. The current board members, out of which only one is an executive, were appointed in replacement of the preceding by the General Meeting of Shareholders held on 22 November 2016. As the governing body, they are in charge of managing the fulfilment of the terms and conditions of the effectiveness of the refinancing agreement and, in general, henceforth the exercise of the faculties of the company's management and administration. This singular situation, void of continuity in the composition of the organ, explains why the current board of directors, acting on the Appointments and Remuneration Committee's proposal, decided to engage external consultancy in the assessment of the board of directors and its committees, as well as individual board members.

The consultancy for which the external consultant would be engaged, which shall serve as reference for the current board of directors for assessing its functions in the 2016 financial year and initiatives that could improve their functions during the 2017 and subsequent financial years, shall focus, firstly, on analyzing the function of the board and its committees, and for that purpose, requesting information from all board members who may have performed duties in 2016 by obtaining responses from them through questionnaires issued to them with instructions that they must answer questions deemed especially relevant in relation to the functioning of the board; and, secondly, in assessing the participation and the individual performance of each one of the Company's board members, in light of the functions and duties that, based on the

different typologies to which they are ascribed, attributed to them by law and the internal regulations of the Company's corporate governance.

The external consultant shall be independent, and the Appointments and Remunerations Committee shall evaluate and specifically comment on said independence before it is engaged and prior to executing its duties.

The consultant's report, the Appointments and Remunerations Committee's report and the assessment that the administrative body may deduce from them shall be object of consideration and decision in a session of the board of directors prior to the holding of the 2017 ordinary general shareholders meeting

C.1.20.ter List any business relationships of the consultant or any company of its group with the company or any company of its group.

N/A

C.1.21 Indicate the circumstances under which the resignation of directors is mandatory.

In accordance with the provisions in article 13 of the Board of Directors' regulations, directors are removed from office when the term for which they were appointed comes to an end, and in all other cases deemed appropriate by law, the bylaws or the Board of Directors' regulations.

Directors are obliged to surrender their posts to the Board of Directors and to resign, if the board deems it convenient, in the following cases:

- a) If they fall within any of the grounds for incompatibility or prohibition as prescribed by the law.
- (b) If deemed severely liable by any public authority for infringing upon their obligations as directors.
- (c) If the Board itself requests it so for having infringed upon their obligations as board members.

  In the case of independent directors, the Board cannot ask them to resign prior to elapse of the statutory period for which they were appointed, unless (i) there has been a public takeover bid, a merger or other kind of similar corporate operation that involves a change to the company's share capital, and as a consequence of this there are changes required to the structure of the Board of Directors to maintain the proportionality between proprietary and non-executive directors; or (ii) that there are just grounds in the opinion of the Board following a report from the Appointments and Remuneration Committee.
- (d) When, in the case of proprietary directors, the shareholder they represent transfers all of their shareholding or reduces it to a level that requires a reduction to the number of proprietary directors, in the latter case by the corresponding proportion.
- (e) In those cases where their actions may harm the credit and reputation of the Company.

C.1.22 Section deleted.

C.1.23 Are qualified majorities, different from the statutory majorities, required to adopt any type of decision?

No

If applicable, describe the differences.

Description of the differences

C.1.24 Explain whether there are specific requirements, other than the requirements relating to directors, to be appointed chairman of the board of directors.

N/A

Description of requirements

C.1.25 Indicate whether the chair has the casting vote:

Yes

Matters in which there is a casting vote
In the event of ties.

C.1.26 Indicate whether the by-laws or the regulations of the board set forth any age limit for directors:

No

Age limit for chairperson ☐

Age limit for chief executive ☐ Age limit for director ☐

C.1.27 Indicate whether the by-laws or the regulations of the Board establish any limit on the term of office for independent directors that is different than the term provided by regulatory provisions:

No

Maximum number of terms

C.1.28 Indicate whether there are formal rules for proxy-voting at meetings of the board of directors, the manner of doing so, and especially the maximum number of proxies that a director may hold, as well as whether any restriction has been established regarding the categories of directors to whom proxies may be granted beyond the restrictions imposed by law. If so, give brief details.

Article 10 of the Board of Directors' regulations governs the delegation of voting rights in the following way:

"Members of the Board of Directors may only delegate their representation to another member of the Board. Non-executive directors may only be represented by other non-executive members of the Board of Directors. Representation of absent directors may be granted by means of written communication of any nature addressed to the Chairmanship, which is sufficiently competent to accredit the representation granted and the identity of the represented director."

C.1.29 Indicate the number of meetings that the board of directors has held during the financial year. Also indicate, where applicable, how many times the Board has met without the Chairman being present: Proxies granted with specific instructions shall be counted as attendance.

Number of meetings of the Board	32
Number of Board meetings without the Chairman attending	0

If the chair is an executive director, Indicate the number of meetings held without the presence in person or by proxy of any executive director and chaired by the lead independent director

Number of meetings	0

Indicate the number of meetings held by the different committees of the board of directors during the financial year:

Number of meetings of the executive committee	N/A
Number of meetings of the audit committee	11
Number of meetings of the appointments and remuneration committee	12
Number of meetings of the appointments committee	N/A
Number of meetings of the remuneration committee	N/A

C.1.30 Indicate the number of meetings that the board of directors has held during the financial year with the attendance of all of its members. Proxies granted with specific instructions shall be counted as attendance.

Number of meetings with the attendance of all directors	22
% of attendances of the total votes cast in the year	68.75

C.1.31 Indicate whether the annual individual accounts and the annual consolidated accounts that are submitted to the board for approval are previously certified:

No

Identify, if applicable, the person/persons that has/have certified the annual individual and consolidated accounts of the company for preparation by the board:

Name	Post
Enrique Borrajo Lovera	Consolidation Manager

C.1.32 Explain the mechanisms, if any, adopted by the board of directors to avoid any qualifications in the audit report on the annual individual and consolidated accounts prepared by the board of directors and submitted to the shareholders at the general shareholders' meeting.

The risk control system, the internal auditing services and the Audits Committee, to which the others report, are set up as frequent and regular monitoring and supervision mechanisms that prevent and, if appropriate, resolve potential situations which, if not addressed, could lead to incorrect accounting treatment. Thus, the Audits Committee receives regular information from the external auditor on the Audit Plan and on the results of its execution, and ensures that senior management acts on its recommendations.

The Board regulations and the internal regulations of the Audit Committee expressly set out in their articles 27(b) and 3.2, respectively, that the said Committee shall in all cases perform the duty of *"ensuring that the Board of Directors presents the annual accounts to the General Shareholders meeting without limitations or qualifications in the external audit report, and the chairman of the Audit Committee, together with the external auditor, must clearly explain to the shareholders the nature and scope of said limitations or qualifications, if applicable".*

C.1.33 Is the secretary of the board a director?

No

If the secretary is not a board member, complete the following table:

Name or company name of the secretary	Representative
Daniel Alaminos Echarri	N/A

C.1.34 Section deleted.

C.1.35 Indicate the mechanisms, if any, used by the company to preserve the independence of auditors, financial analysts, investment banks, and rating agencies.

Article 27 of the Board of Directors' regulations establishes that the role of the Audits Committee is to ensure the independence of the external auditor, which includes, among other matters, ensuring that the company and the auditor respect the regulations in force with regard to the provision of services other than those concerning auditing, the limits on the focus of the auditor's services, and in general, other regulations in place to ensure independence of auditors

In any case, every year, the external auditors shall issue the Audit Committee declarations of their independence from the company or companies related directly or indirectly, as well as the information on all kinds of additional services that may have been rendered by said external auditors or persons or companies associated with them pursuant to the accounts auditing regulations and the corresponding fees they may have received thereof.

At the same time, prior to issuing the accounts auditing report, the Committee shall also issue annual reports giving its opinion on the independence of the external auditor.

On the other hand, article 3.16 c.(iv) of the internal regulations of the Audits Committee orders the Audits Committee "to strive to ensure the remuneration of the external auditor for its work without compromising either its quality or independence".

With regards to financial analysts and investment banks, the company has an internal application procedure in place with three tenders for the procurement thereof. The contract is signed through a letter of appointment outlining the exact terms and conditions of the entrusted duty.

Insofar as rating agencies are concerned, at the close of 2016 financial year the Company has a rating from Moody-s and Standard and Poors. In both cases the job was formalized through their corresponding mandate letters.

C.1.36 Indicate whether the Company has changed the external auditor during the financial year. If so, identify the incoming audit firm and the outgoing auditor:

No

Outgoing auditor	Incoming auditor

If there has been any disagreement with the outgoing auditor, provide an explanation thereof:

N/A

Explanation of the disagreements

C.1.37 Indicate whether the audit firm performs other non-audit work for the company and/or its group. If so, indicate the amount of the fees paid for such work and the percentage they represent of the aggregate fees charged to the company and/or its group:

Yes

	Company	Group	Total
Fees for non-audit work (in thousands of Euros)	1.633	578	2,211
Fees for non-audit work/Total amount invoiced by the audit firm (in %)	65 %	4 %	40 %

C.1.38 Indicate whether the audit report on the annual accounts for the prior financial year has observations or qualifications. If so, indicate the reasons given by the chair of the audit committee to explain the content and scope of such observations or qualifications

No

Explanation of the reasons
N/A

C.1.39 Indicate the consecutive number of years for which the current audit firm has been auditing the annual accounts of the company and/or its group. In addition, indicate the percentage represented by such number of financial years audited by the current audit firm with respect to the total number of financial years in which the annual accounts have been audited:

	Company	Group
Number of consecutive financial years	5	5

	Company	Group
Number of years audited by the current audit firm / Number of years in which the company has been audited (%)	0.19	0.19

C.1.40 Indicate and, if so, explain whether there are procedures for directors to hire external consultancy services:

Yes

Describe the procedure
The Secretary of the Board of Directors performs the duties legally attributed. Currently, the position of secretary and legal adviser are one and the same, and this person is responsible for the valid call to meeting and the adoption of resolutions by the board of directors. In particular, the Secretary of the Board advises Board members on the legality of the deliberations and resolutions proposed and on compliance with the internal rules of corporate governance, which makes this person the guarantor of the principle of formal and material legality, which governs the actions of the Board. As the specialised body tasked with guaranteeing the formal and material legality of the Board's actions, the Secretary of the board has the full support of said board to perform his/her duties with complete independence of criterion and stability, and is also charged with safeguarding the internal regulations of corporate governance. Acting in their position or on behalf of the directors, he or she channels the external advice necessary for the proper formation of the Board. The Board of Directors has access to external, legal or technical consultants, depending on its needs, which may or may not be arbitrated through the Secretary of the Board The second paragraph of Article 19 of the Regulations of the Board of Directors sets out that: *"Through the Chairperson of the Board of Directors, Board Members shall be empowered to submit a proposal by majority to the Board of Directors to engage the services of a legal, accounting, technical, financial, commercial or any other kind of consultants deemed necessary in the interests of the Company to provide assistance in the exercise of their duties in dealing with specific problems of certain magnitude and complexity associated with the exercise of such duties".*

C.1.41 Indicate and, if so, explain whether there are procedures for directors to obtain information required to prepare for management-level meetings with sufficient time in advance:

Yes

Describe the procedure
Availability of the information before each Board meeting via an online platform that can be accessed by all of the directors. In addition, via this platform directors have access at all times to consult the internal regulations and basic legislation applicable to the role and responsibility of the Director, which offers them sufficient knowledge of the Company and its internal rules, as well as on issues that may be submitted to them for consideration.

C.1.42 Indicate and, if so, explain whether the company has regulations that require directors to inform the company and, if applicable, resign in cases in which they could damage the company's prestige and reputation:

Yes

Explain the rules
Article 13 of the Board of Directors' regulations sets out the following: *"Directors are obliged to surrender their posts to the Board of Directors and to formalise their resignation, if the board deems it convenient, in the following cases: (a) If they fall within any of the grounds for incompatibility or prohibition as prescribed by law; (b) If deemed severely liable by any public authority for infringing upon their obligations as Directors; (c) If the Board itself requests so due to a Board member having infringed upon his/her obligations as Director [...] (e) In those cases in which the actions thereof may prejudice the prestige or reputation of the Company. For the foregoing purposes, the Directors must inform the Board of Directors of any criminal actions for which they are being investigated as well as of any other legal proceedings in relation thereto. If the Director was to be finally accused of or if a court hearing was set down in relation thereto for any offence set out under commercial legislation, the Board of Directors shall examine the specific case and shall determine whether or not it is appropriate to request the director in question to resign from office".* Section (q) of Article 14 of the same Regulation also establishes the obligation of the directors *"to inform the company of all legal and administrative claims and of any other claims that, given their magnitude, may severely affect the reputation of the company. Accordingly, the directors must notify the Board of Directors of any criminal proceedings for which they are being investigated as well as any other legal proceedings in relation thereto".*

C.1.43 Indicate whether any board member has informed the company of being subject to prosecution or an indictment for any of the crimes envisaged in section 213 of the Companies Act:

No

Name of director	Criminal Case	Comments

Indicate whether the board of directors has analysed the case. If so, provide a duly substantiated explanation of the decision adopted regarding whether or not the director should remain in office or, if applicable, describe the actions taken by the board of directors up to the date of this report or that it plans to take

N/A

Decision taken / action taken	Reasoned explanation

C.1.44 Describe the significant agreements entered into by the company that go into effect, are amended, or terminate in the event of a change in control at the company as a result of a takeover bid, and effects thereof.

The Company has not implemented any significant agreements that entered into force, whether amended or expired as a specific result of a change of control in the Company deriving from a takeover bid.

Nevertheless, the company has signed agreements in which change of control clauses are set out, which are not necessarily triggered as a result of a takeover bid. For that purpose "control" is understood as the ability or power (be it by share ownership, power of attorney, contract, agency or any other way) to (i) vote for or control the vote of more than 50% of voting rights that may be exercised in the Company's general meeting; (ii) appoint or dismiss more than 50% or all members of the Company's governing body; or (iii) establish guidelines on the Company's operating and financial policies that must be complied with by administrators or equivalent staff; or ownership of more than 50% of capital in the form of common shares or any other type that, where applicable, hold voting rights. Said agreements may be terminated on the request of creditors in the event of a change of majority control.

Financial agreements that may be signed under the restructuring framework shall also include change of control clauses in the sense referred to in the preceding paragraph..

C.1.45 Identify on an aggregate basis and provide a detailed description of the agreements between the company and its management level and decision-making positions or employees that provide for indemnities, guarantee or "golden parachute" clauses upon resignation or termination without cause, or if the contractual relationship is terminated as a result of a takeover bid or other type of transaction.

In the event of the termination of the business contract of the Executive Chairman, Gonzalo Urquijo Fernández de Araoz (except if said termination is due to voluntary resignation, death or incapacity, or the non-performance of his obligations), entitles him to compensation equivalent to two years' fixed and variable salary, and one of the annual payments will be in fulfilment of a non-competition clause.

Elsewhere, senior management contracts for members of the Executive Committee (with the exception of Mr. Gonzalo Urquijo Fernández de Araoz, whose compensation is set out in the previous paragraph), Messrs Fernández de Piérola, Pastor, Jiménez-Blanco, Alaminos and Polo shall be entitled to compensation in the event of termination for an amount equivalent to one year's fixed salary plus variable remuneration, which will be two years in the case of a change of control or succession of the business. There shall be no compensation in the event the termination due to [unilateral termination or severe and culpable non-compliance of obligations by the senior director. Post-contractual non-competition commitment compensation is set as a fixed salary annuity plus variable understood as to be included in the amount of the compensation set forth above, if the need arises. In the event of voluntary termination of the contract by Abengoa, it will be necessary to give 6 months' advance notice and, if this is not fulfilled, the Company will compensate the other party by paying the amount of remuneration for the period not notified.

It should be stated that on 22 November 2016 Mr Fernandez de Piérola Marín resigned as a director, revoking all his functions and powers. On that same date, the Board of Directors appointed him CEO of the Group but agreed to (i) terminate his contract as executive director; and (ii) to sign a new contract in his capacity as CEO, a contract containing the indemnity clauses already described. In view of the above, since the relationship between the Company and Mr Fernández de Piérola has continued, no severance compensation has accrued.

Number of beneficiaries	7
Type of beneficiary	**Description of the agreement**
Executive Chairman	See previous paragraph
CEO	
General Secretary	
Finance Director	
Director of Human Resources	
Director of Strategy	
Forma Executive Chairman	

Indicate whether such agreements must be reported to and/or approved by the decision-making bodies of the company or its group:

	Board of directors	General shareholders' meeting
Body that authorises the clauses	Yes	No

	YES	NO
Is the general meeting informed of the clauses?	X	

C.2 Committees of the board of directors

C.2.1 Describe all of the committees of the board of directors, the members thereof, and the proportion of executive, proprietary, independent, and other external directors of which they are comprised:

Executive or delegated committee

Name	Post	Current
% of executive directors		
% of proprietary directors		
% of independent directors		
% of other external directors		

Explain the duties assigned to this committee, describe the procedures and rules of organisation and operation thereof, and summarise the most significant activities thereof during the year.

N/A

Indicate whether the composition of the executive committee reflects the participation of the different directors within the board based on their class:

N/A

If the answer is No, explain the makeup of your Executive Committee

Audit committee

Name	Post	Current
José Wahnon Levy	Chairman	Independent
José Luis del Valle Doblado	Member	Independent
Manuel Castro Aladro	Member	Independent

% of proprietary directors	0
% of independent directors	100
% of other external directors	0

Explain the duties assigned to this committee, describe the procedures and rules of organisation and operation thereof, and summarise the most significant activities thereof during the year.

In accordance with Articles 44 of the bylaws and 27 of the Board of Directors regulations, the Audit Committee shall be exclusively made up of External Directors appointed by the Board of Directors; most of whom must be independent directors. All of them, being members of the Committee shall appointed in light of their knowledge and experience in accounting, auditing or risks management, and at least, considering their knowledge and experience in accounting, auditing or both. The Board of Directors shall appoint the Committee Chairperson from amongst the independent board members within the committee. The post of Audit Committee Chairperson shall be held for a maximum of four years, after which he/she shall not be eligible for re-election as such for at least one year from the date of extinction, notwithstanding his/her continuation or re-election as member of the Committee.

The function of the Audits Committee is governed by the Company's bylaws, the Board of Directors regulations and the internal regulations of the Audit Committee itself.

The Audits Committee shall meet whenever necessary to carry out their duties or once every quarter, at least. The Committee shall also meet whenever convened by the Chairman, on his own initiative or at the request of any of the members, who may also suggest that the Chairman include a certain issue in the agenda of the following meeting,

The agreements established by the Audit Commission will be adopted in a fair fashion when the majority of the members present or represented in the meeting vote in favour thereof. In the event of a tie, the Chairman shall have the casting vote.

The following duties, among others, are assigned to the Audit Committee:

1. To report on the annual accounts, as well as on the quarterly and half-yearly financial statements that must be issued to the regulatory or supervisory bodies of the securities markets, with express mention of the internal control systems, verification of compliance and monitoring through internal audit and, when applicable, on the accounting criteria applied.
2. To ensure that the Board of Directors presents the accounts to the General Shareholders meeting without any limitations or qualifications in the external audit report, and the Chairman of the Audit Committee, together with the external auditor, must clearly explain to the shareholders the nature and scope of said limitations or qualifications, if applicable.
3. To inform the Board of Directors of any change in the accounting criteria, and any risks either on or off the balance sheet.
4. To inform the Board of Directors on monitoring the budget, the undertakings to increase and reduce financial borrowing, monitoring of the financial deleveraging policy and the dividend distribution policy and any amendments to these.
5. To inform the General Shareholders meeting about any matters or questions that arises on issues within its power.
6. To propose the appointment of external accounts auditors to the Board of Directors for subsequent submission before the General Shareholders meeting.
7. To supervise the internal audit services, which will functionally depend on the Committee Chairman. The Commission will have full access to internal auditing and will report on the selection, dismissal, renewal and removal process of its director, on the setting of his/her salary scale, as well as the budget for this department
8. To supervise the internal functions of control and risks management.
9. To know the process of financial information and of the systems of internal control of the Company.
10. To liaise with the external auditors in order to obtain information on any matters that could jeopardize their independence and on any other matters that may be in relation to the financial auditing process.
11. To summon the directors it deems appropriate to the meetings of the Committee to report on issues to the extent the Audit Commission deems fit.
12. To prepare an annual report on the activities of the Audit Committee and to include it in the management report.
13. Issue annual reports on operations with associated parties, which be publicly displayed on the Company's web page prior to the Ordinary Shareholders meeting
14. Supervise compliance with corporate governance regulations, the internal code of conduct on aspects of the stock market and other internal codes of conduct and the corporate social responsibility policy.

15. With respect to internal control and reporting systems:
    (a) To monitor the preparation process and the integrity of the financial reporting with regard to the Company and, where applicable, the group of which Abengoa is parent company (hereinafter, the "Group"), verifying compliance with legal requirements and the correct application of accounting criteria, and appropriately specifying the scope of consolidation.
    (b) To periodically review the internal control and risk management systems so that the main risks, including those of a tax nature, are identified, managed and properly disclosed, as well as to discuss significant shortcomings of the internal control system identified in the audit with the financial auditor.
    (c) To supervise and ensure the independence and effectiveness of the duties of internal audits, with full access thereto; to propose the selection, appointment, re-selection and dismissal of the head of internal audits; to propose the budget for said unit, and set the salary scale of its Director; to obtain the annual work plan together with incidents that may have occurred during the execution; approve the orientation and the work plans ensuring that the activity is focused mainly on the relevant risks of the Company, to obtain periodical information on said activities including a report at the end of each financial year, and information on the activities and the budget of the unit; and to ensure that senior management consider the conclusions and recommendations in its reports.
    (d) To establish and supervise a mechanism by which the staff may confidentially and, if necessary, anonymously report any irregularities, especially those of a financial or accounting nature, detected in the course of their duties, with potentially serious implications for the company.
    (e) To summon any Company employee or manager, and even order them to appear without the presence of any other senior officer.
    (f) The Audit Committee shall inform the Board, prior to the latter adopting the corresponding decisions, about the following matters:
        (i) The financial information that all listed companies must periodically disclose. The Committee must ensure that interim financial statements are drawn up under the same accounting principles as the annual statements and, to this end, may ask the external auditor to conduct a limited review.
        (ii) The creation or acquisition of shares in special purpose entities or entities resident in countries or territories considered tax havens, and any other similar transactions or operations which, due to their complexity, might impair the transparency of the Group.
        (iii) Related-party transactions
    (g) To supervise compliance with the Internal Code of Conduct in relation to the Securities Market and the Policy on the Use of Relevant Information and the rules of corporate governance

16. With regards to the external auditor
    (a) To propose the selection, appointment, re-selection and replacement of the external auditor, including the conditions of their hiring, to the Board of Directors to submit said proposal to the General Shareholders meeting for approval.
    (b) To be regularly informed by the external auditor on the progress and findings of the audit plan and to ensure that senior management follow up on its recommendations
    (c) To make sure the external auditor remains independent and, for that purpose:
        (i) The Company should notify the National Securities Market Commission of any change of auditor as a significant event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for these.
        (ii) The Committee must ensure that both Company and auditor respect the current regulations on providing services other than auditing, the limits on the focus of the auditor's services and, in general, other standards and regulations set out to ensure the independence of auditors
        In any case, every year the Committee should receive from external auditors the declaration of their independence from the Company or companies with a direct or indirect connection thereto, as well as information on additional services of any kind provided and the corresponding fees received from these companies by the external auditor or by the individuals or companies with a connection thereto in accordance with the provisions set out in legislation on financial auditing.
        (iii) If an external auditor resigns, the Commission must investigate the circumstances leading to the resignation.
        (iv) To ensure that the remuneration of the external auditor in return for its work does not compromise either its quality or independence.
    (d) To issue every year, prior to the issuance of the financial auditing report, a report stating the judgment on the independence of the financial auditor. This report should always state the value of the additional services provided and referred to in previous section (c).(ii), individually and consolidated, different to the legal audit and with regard to the independent status or to the governing auditing regulations.
    (e) To ensure that the Group's auditor is entrusted with conducting the audits for the individual group of companies
    (f) To ensure that the external auditor holds yearly meetings with the entire Board of Directors to inform them on the work done and on the progress of the accounting situation and the risks of the Company

The main interventions of the Audit Committee were as follows:

- Preparation of Abengoa's individual and consolidated accounts of its group for the 2015 financial year.

- Approval of the financial information for the second half of the 2015 financial year.
- Approval of the financial information for the intermediate periods of 2016 remitted to the CNMV
- Follow-up on the works carried out in the framework of the restructuring process.
- Approval of the feasibility plan prepared by Alvarez & Marsal as part of the restructuring process started and motivated by situation 5 bis.
- Identification and follow-up on the financial risks of the Company in light of the preparation of the 2016 Financial Statement.
- Approval of the verification Works undertaken by the external auditor
- Monitoring of accounting impacts derived from the restructuring agreement.

Identify the director of the audit commission who has been appointed in light of his/her knowledge and experience in accounting, auditing or both, and indicate the number of years that the Chairman of this committee has been carrying out the role.

Name of director with experience	José Wahnon Levy
Number of years in chairman role	0

Appointments and remuneration committee

Name	Post	Current
Pilar Cavero Mestre	Chairwoman	Independent
Javier Targhetta Roza	Member	Independent
Ramón Sotomayor Jáuregui	Member	Independent

% of proprietary directors	0
% of independent directors	100
% of other external directors	0

Explain the duties assigned to this committee, describe the procedures and rules of organisation and operation thereof, and summarise its most significant activities during the year.

This Committee shall comprise at least three directors, designated by the Board of Directors, at the Committee's proposal. All members of the Committee shall be non-executive directors, at least two of whom must be independent directors.

Pursuant to Articles 44 bis of the bylaws and 28 of the Board of Directors regulation, the Audits Committee shall exclusively compose of external directors appointed by the Board of Directors, the majority of whom shall be independent board members, making sure of their knowledge, aptitudes and the sufficient experience for the duties they may be entrusted. The Board of Directors shall appoint the chairperson of the Committee from amongst the independent board members in the committee.

The duties of the Appointments and Remunerations Committee shall be governed by the Company's bylaws, the Board of Directors regulations and the internal regulations of the Committee itself.

The Appointments and Remuneration Committee shall meet whenever necessary to carry out its duties, and at least once every six months. The Committee shall also meet whenever convened by the Chairman, on his own initiative or at the request of any of the members, who may also suggest that the Chairman include a certain issue in the agenda of the following meeting,

The agreements established by the Committee shall be valid when the majority of members present or represented in the meeting vote in favour thereof. In the event of a tie, the Chairman shall have the casting vote.

Its duties include the following:

1. To present proposals before the Board of Directors to appoint independent directors by co-opting or for submission for approval before the General Shareholders meeting, as well as proposals for their re-election or discharge by the General Shareholders Meeting.
2. To present proposals to appoint all other Directors by co-opting or for submission for approval before the General Shareholders Meeting, as well as proposals for their re-election or discharge by the General Shareholders Meeting.
3. To prepare an annual report on the activities of the Appointments and Remuneration Committee, to be included in the management report.
4. To assess the competencies, knowledge and experience required on the Board, define the aptitudes and capabilities required of the candidates to fill each vacancy and assesses the time and dedication required for them to properly perform their duties.

5 To examine and organise the succession of the Chairman of the Board of Directors and the Chief Executive of the Company and, where necessary, make proposals to the Board of Directors to ensure the planned and orderly fashion of said succession.
6. To report on the proposed appointments and dismissals of top executives when the highest executive proposes it to the Board of Directors and on the basic terms and conditions of their contracts.
7. To report issues of gender diversity to the Board. To establish a representation target for the least represented sex on the Board of Directors of the Company and to draft guidelines on how to achieve this target.
8. Propose the following to the Board of Directors:
   (i) The remuneration policy for directors, general directors or those with executive responsibilities reporting directly to the Board, and for executive committees or Chief Executives, for approval by the Company's General Shareholders meeting, and to periodically revise said policy and to ensure that the individual remuneration for each of them is proportional to what is paid to the other board members and managing directors of the Company.
   (ii) The individual remuneration of directors and the other contractual conditions of each executive director.
   (iii) The basic conditions of the contracts for senior management.
9. Ensure adherence to the remuneration policy of directors approved by the Company's General Shareholders Meeting.
10. Check with the Chairman or CEO of the Company, in particular when these are issues associated to Executive directors or senior management.
11. Organise, oversee and report on the annual performance appraisal of the Board of Directors and its committees and propose, based on the result of the appraisal, a plan of action to correct the identified shortcomings.
12. Analyse requests formulated by any director to take into consideration potential candidates to cover board vacancies.
13. Monitor and ensure the independence of the external consultant who, every three years, will assist the Board in its annual performance evaluation.
14. In those cases where this Committee obtains external advice to ensure that any conflicts of interest does not impair its independence.
15. Verify compliance with the director selection policy and report the findings to the Board of Directors.
16. Verify the information on director and senior officers' pay contained in corporate documents, including the annual directors' remuneration report.
17. Verify that the annual corporate governance report (i) provides an explanation on why proprietary directors appointed at the request of shareholders whose shareholding interest is less than 3 % of the capital, and (ii) sets out the reasons why, if appropriate, formal requests were rejected for a presence on the board from shareholders whose shareholding interest is equal to or higher than those whose request the proprietary directors were designated.

In 2016, the main interventions of the Appointments and Remunerations Committee were as follows:

- Proposal of the basic terms and conditions of contracts for top executives
- Approval of the remunerations policy for the company's top executives.
- Report on the termination of Mr. José Domínguez Abascal, the Executive Chairman.
- Favourable report on the proposal to appoint Mr. Antonio Fornieles Melero as Executive Chairman and Board of Directors Chairman
- Favourable report on the proposal to appoint Mr. Joaquín Fernández de Piérola Marín as Chief Executive Officer.
- Favourable report on the appointment of Inayaba S.L., represented by Ms. Ana Abaurrea Aya, as independent director in replacement of Mr. José Luis Aya Abaurre
- Favourable report on the proposal to appoint Ms. Alicia Velarde Valiente as Second Vice-Chairlady of the Board of Directors.
- Favourable report on the proposal to appoint Mr. Joaquín Fernández de Piérola Marín as First Vice-Chairman of the Board of Directors.
- Proposal on the business agreements of the Executive Chairman Mr. Antonio Fornieles Melero and of the CEO Mr. Joaquín Fernández de Piérola Marín.
- Favourable report on the Annual Report on Board members Remunerations.
- Approval of the Annual Report of the Appointments and Remunerations Committee
- Submission of the results of the annual assessment of the performance of the Board of Directors and its Committees to the Board of Directors for approval
- Favourable report on the Policy for the Selection of Board of Directors.
- Propose the Second Vice-Chairlady and Coordinating Board member's remuneration to the Board of Directors
- Propose the re-selection of Mr. Martínez Rico as independent board member of the Board of Directors, to the Board of Directors
- Propose the re-selection of Ms. Velarde Valiente as independent board member of the Board of Directors, to the Board of Directors
- Favourable report on the proposal of the Board of Directors' decision on proposing to the General Shareholders meeting to ratify the appointment of Messrs. Joaquín Fernández de Piérola Marín and Inayaba S.L. represented by Ms. Ana Abaurrea Aya.
- Proposal for the appointment of Messrs. Manuel Castro Aladro, José Luis del Valle Doblado, José Wahnon Levy, Ramón Sotomayor Jauregui, Javier Targhetta Roza,
- Gonzalo Urquijo Fernández de Araoz and Pilar Cavero Mestre as new board members
- Proposal to the Board of Directors with regard to Contracts of executive directors and senior officers.
- Reports to the Board on the appointment of Senior Officers.
- Proposal to the Board of Directors on remuneration of new directors until the next General Meeting.

C.2.2 Complete the following table with information regarding the number of female directors comprising the committees of the board of directors for the last four financial years:

	Number of female directors:			
	Financial year 2016 Number %	Financial year 2015 Number %	Financial year 2014 Number %	Financial year 2013 Number %
Executive committee	N/A	N/A	N/A	N/A
Audit committee	0 (0)	2 (50)	2 (66.66)	2 (40)
Appointments and remuneration commission	1 (25)	2 (50)	2 (66.66)	2 (40)
Appointments committee	N/A	N/A	N/A	N/A
Remunerations committee	N/A	N/A	N/A	N/A

C.2.3 Section deleted.

C.2.4 Section deleted.

C.2.5 Indicate, if applicable, the existence of regulations of the board committees, where such regulations may be consulted, and the amendments made during the financial year. Also indicate if any annual report of the activities performed by each committee has been voluntarily prepared.

Both the Audits Committee and Appointments and Remunerations Committee have their own internal operating regulations available on the Company's website.

The last amendment to both texts during the financial year took place on 30 March 2016 for the purpose of reflecting the same amendments previously operated in the Board Regulations to adapt its content to the recommendations of the Good Governance Code of Listed Companies approved through the Resolution of the Board of the CNMV on 18 February 2015.

These Committees prepare their own annual report on activities. The reports prepared for the 2015 financial year were made available to shareholders together with the call for the Ordinary General Shareholders Meeting held on 30th June 2016. In addition, that of the Audits Committee was published as part of the annual report for the 2015 financial year.

C.2.6 Section deleted.

D. Related-party transactions and intragroup transactions

D.1 Explain any procedures for approving related-party and intra-group transactions.

Procedure for reporting the approval of related-party transactions
The procedure for the approval of operations with associated parties is outlined in Articles 44 and 44 bis of the bylaws, and 4 and 27 of the Board of Directors regulations.
Before the Board of Directors takes the relevant decisions, the audit committee must inform said Board of the transactions with related parties.
Upon prior receipt of the Audit Committee report, the Board of Directors is required to approve the transactions carried out between the Company or companies in its group with directors, or with shareholders, individually or in partnership with others, involving a share legally considered as significant, including shareholders represented on the Company's Board of Directors or the Board of Directors of other companies belonging to the same group or with related parties.
The affected directors or those representing or connected to affected shareholders should abstain from the deliberation and voting process of the agreement in question. Only transactions that simultaneously meet the following three characteristics shall be exempt from this approval:
(i) (i) They are governed by standardised agreements applied on across-the board bases to a high number of clients;
(ii) they go through at prices or rates generally set by the person supplying the goods or services; and
(iii) their amounts do not exceed 1% of the company's annual revenue.
Only in duly justified emergency situations may decisions on previous matters be adopted by the delegates or individuals. Such decisions shall be ratified in the first Board meeting that is held following the adoption thereof
The Audits Committee shall prepare an annual report on the operations with associated parties, which shall be made public through the Company's web page prior to the Ordinary General Shareholders Meeting.

D.2 Describe those transactions that are significant due to the amount or subject matter thereof between the company or entities of its group and the company's significant shareholders:

Name or corporate name of significant shareholder	Name or corporate name of the company or entity of the group	Nature of the relationship	Type of transaction	Amount (thousands of Euros)
N/A	N/A	N/A	N/A	N/A

D.3 Describe those transactions that are significant due to the amount or subject matter thereof between the company or entities of its group and the company's directors or officers:

Name or corporate name of the directors or executives	Name or corporate name of the related party	Connection	Nature of the transaction	Amount (thousands of Euros)
Javier Benjumea Llorente	Blanca de Porres Guardiola	Spouse of Felipe Benjumea Llorente, brother of Javier Benjumea Llorente	Technical consultancy contract for the optimisation of CPA catering services between the company of the Simosa Group and Blanca de Porres Guardiola, contract that ended in 2016 but not renewed	95
Ricardo Martínez Rico	Equipo Económico, S.L.	Chairman of Equipo Económico, S.L.	Integral and strategic consultancy service agreement signed between Equipo Económico, S.L., Abengoa S.A., Abengoa Concessions, S.L. and Abeinsa Ingeniería y Construcción Industrial, S.A.	90
Felipe Benjumea Llorente	Felipe Benjumea Llorente	Former Executive Chairman and brother of an Executive Director	Consultancy agreement signed on 23 September 2015 between Felipe Benjumea Llorente and Abengoa, S.A. valid until 31 December 2016.	1,086 During the 2016 financial year, there were no amounts invoiced pursuant to this agreement.

See Section H "Other Information of Interest"

D.4 Report the significant transactions made by the company with other entities belonging to the same group, provided they are not eliminated in the preparation of the consolidated accounts and they are not part of the ordinary course of business of the company as to their purpose and conditions.

In any case, report any intra-group transaction with entities established in countries or territories considered to be tax havens:

Corporate name of entity of group	Brief description of the transaction	Amount (thousands of Euros)

D.5 Indicate the amount of transactions with other related parties.

Corporate name of entity of group	Brief description of the transaction	Amount (thousands of Euros)
EIG Global Energy Partners	Abengoa waives all rights it have over its investment in APW-1, with regards to its shares and credits it may hold with it,	375 millions of Euros
Atlantica Yield	The Company's recognition of a liability as a result of the impossibility of the preferred shares to comply with the terms and conditions in certain transmission lines in Brazil (ACBH) signed in 2014 financial year.	95 millions of Euros
Rioglass Solar	Conversion of convertible loan, entered into at close of 2015 financial year with the minority partner, Rioglass Laminar, by virtue of which it was given control of said company.	82 millions of Euros

D.6 Describe the mechanisms used to detect, determine, and resolve potential conflicts of interest between the company and/or its group, and its directors, officers, or significant shareholders.

In accordance with the provisions of the Board of Directors' Regulations, Directors are obliged to inform the Board of any situation of potential conflict in advance, and to abstain until the conflict is resolved.

D.7 Is more than one company of the group listed in Spain?

No

Identify the subsidiary companies that are listed in Spain:

Not Applicable

Listed subsidiary companies

Indicate whether they have publicly and accurately defined their respective areas of activity and any possible business relationships among them, as well as those between the listed dependent company and the other companies within the group:

Not Applicable

Describe the possible business relationships between the parent company and the listed subsidiary, and between the subsidiary and the other companies within the group:
See Section H "Other Information of Interest"

Identify the mechanisms established to resolve possible conflicts of interest between the listed subsidiary and the other companies within the group:

Not Applicable

Mechanisms for the resolution of possible conflicts of interest

E. Risk control and management systems

E.1 Explain the scope of the company's Risk Management System, including the system for managing tax risks.

Abengoa's Risk Management System is a global and dynamic system. The scope of action of this system covers the entire organization and its whereabouts on a more permanent basis, and compliance with it is compulsory for all the company's employees, managers and directors. It works comprehensively and continuously, consolidating this management according to the area, business unit or activity, subsidiaries, geographical areas and support areas at corporate level.

Abengoa's risk management system is designed to mitigate all the risks to which the company may be exposed as a result of its activities. The structure of Abengoa's risk management is based on three pillars:

- The common management systems specifically designed to mitigate business risks.
- Internal control procedures aimed at mitigating risks derived from the elaboration of the financial report and at improving the reliability of such report, designed in accordance with the SOX Act (Sarbanes-Oxley Act).
- The universal risk model which is the methodology that Abengoa uses to identify, understand and assess the risks that affect the company. The purpose is to obtain an integral vision of them, designing an efficient system of response that is in line with the business objectives.

These elements form an integrated system that allows for appropriate management of the risks and their mitigating controls at all the levels of the organisation.

The internal auditing unit is in charge of ensuring compliance with and the proper functioning of these systems.

See section H "Other Information of Interest" at the end of the report

E.2 Identify the decision-making bodies of the company responsible for preparing and implementing the Risk Management System, including the system for managing tax risks.

The determination of the risk control and management policy, including tax risks and the supervision of internal reporting and control systems, is a faculty of the Board of Directors of Abengoa that cannot be delegated, in compliance with the provisions set out in the Spanish Companies Act.

The duty of elaborating and executing the Risks Management System is basically exercised by the Audits Committee, specifically through the internal auditor and the risks manager.

The risks manager is in charge of analysing projects and businesses in aspects regarding the identification and quantification of risks of any nature.

Meanwhile, the internal audit department is in charge of supervising and ensuring the correct functioning of the Risks Management System.

E.3 Point out the principal risks, including tax risks, that could affect the achievement of business goals.

In the process of identifying, understanding and assessing the risks affecting the company, the following risks factors have been considered:

General risks

- Abengoa operates in a sector of activity especially associated to the economic cycle.
- Risks derived from depending on regulations in support of activities relating to renewable energy, bioethanol production and also research-and-development-related activities
- Solar power generation.
- Biofuel consumption.
- Risks derived from the sensitivity entailed in the supply of raw materials for biofuel production and the volatility of the price of the end product.
- Risks derived from delays and cost overruns in activities of an engineering and construction nature due to the technical difficulties of the projects and the lengthy duration of their execution.

- Risks associated to the activities of concession-type infrastructural projects operating under regulated tariffs or extremely long-term licence agreements.
- Income derived from long-term agreements: risks derived from the existence of clauses and/or renewal of licence agreements processed by Abengoa, termination of pending engineering and construction projects and non-renewals of biofuel distribution agreements.
- The variations in the cost of energy may have a negative impact on the company results.
- Risks derived from the development, construction and exploitation of new projects.
- Abengoa's activities may be negatively affected in the event that public support for such activities diminishes.
- Construction projects regarding the engineering and construction activities and the facilities of concession-type infrastructural and industrial production activities are dangerous places of work.
- Risks derived from joining forces with third parties for the execution of certain projects.

Specific risks for Abengoa

- Risks derived from the shareholders' equity situation.
- Risk associated with the possibility that Abengoa requests an arrangement with creditors in the event that the Company does not completely financial restructuring.
- Risks related to the ability to comply with the feasibility plan.
- Risks related to the liquidity needs of Abengoa in the short- and medium-term.
- Risks related to the impossibility of completing the divestiture plan.
- Risks relating to the sale of the stake or the loss of control of Atlantica Yield.
- Abengoa operates with high levels of borrowing.
- Risks arising from the need to generate positive cash flows.
- Risks derived from the demand for capital intensive investments in fixed assets (CAPEX), which increases the need for external finance for the execution of pending projects.
- Risks arising from Abengoa's dividend policy.
- The company has a controlling shareholder.
- The results of the engineering and construction activity depend significantly on the growth of the company in the concession-type infrastructural and industrial production activities.
- Fluctuations in interest rates and their hedging may affect the results of the company.
- Fluctuations in the currency exchange rates and their hedging may affect the results of the company.
- Risk of litigation and other legal proceedings.

Risks derived from internationalisation and from country risks

- Abengoa's activities fall under multiple jurisdictions with various degrees of legal demands requiring the company to undertake significant efforts to ensure its compliance with them.
- Insurance coverage underwritten by Abengoa may be insufficient to cover the risks entailed in the projects, and the costs of the insurance premiums may rise.
- The activities of the company may be negatively affected by natural catastrophes, extreme climate conditions, unexpected geological conditions or other physical kinds of conditions, as well as by terrorist acts perpetrated in some of its locations.

E.4 Identify whether the entity has a risk tolerance level, including one for tax risk.

Abengoa has a risk tolerance level established at corporate level.

The universal risks model is a tool used for identifying and evaluating all risks affecting Abengoa. All the risks contemplated therein are evaluated considering probability and impact indicators.

Based on such parameters, the risks are classified as follows:

- Minor risks: risks that occur frequently but bear little economic impact. These risks are managed to reduce their frequency only if managing them is economically viable.
- Tolerable risks: risks that occur infrequently and bear little economic impact. These risks are monitored to ensure that they remain tolerable.
- Severe risks: frequent risks that bear extremely high impact. These risks are managed immediately although, due to the risk management processes implemented by Abengoa, it is unlikely that Abengoa needs to tackle these types of risks.
- Critical risks: risks that occur infrequently but bear extremely high economic impact. These risks have a contingency plan because, when they arise, their impact is extremely high.

E.5 Indicate what risks, including tax risks, have materialised during the financial year.

Abengoa endured certain risks during the 2016 financial year, the most significant of which are described below.

Abengoa's activities are mainly centred in the fields of energy and the environment. These activities unfold in a continuously changing environment, with regulations, subsidies or tax incentives that can suffer changes or that can even be legally challenged. Passed financial years have witnessed various regulatory modifications in jurisdictions within which Abengoa operates (mainly in the United States and Brazil) in connection, mainly, with activities having to do renewable energy generation and with biofuel production. Such regulatory modifications have severely affected the profitability of current and future projects of Abengoa, in the conditions in which it competes with non-conventional forms of renewable and other types of energy, and in its capacity to complete some ongoing projects.

Thus, given the financial difficulties that the Company went through in the second half of 2015 as a result of, inter alia, limited access to capital markets, in September 2015 the Company initiated a process of negotiation with its creditors to reach an agreement that would guarantee its financial feasibility. For these purposes, and to ensure stability in the period of negotiations, the Company submitted the communication provided for in Article 5 bis of the Bankruptcy Act on 25 November 2015 to the Commercial Court of Seville. The deadline for reaching an agreement with the creditor banks concluded on 28 March 2016, the date on which the Company filed a standstill agreement with the Commercial Courts of Seville, for judicial approval and endorsement. The aim was to provide the time necessary for reaching a full and complete agreement for the restructuring of its financial debt and the recapitalisation of the Group. This standstill agreement, which granted a delay in meeting financial obligations until 28 October 2016, was judicially approved on 6 April 2016 and its effects extended to dissident creditors.

On 24 September 2016, within the period granted by virtue the standstill agreement, the Company, several companies of the Group and a group of financial creditors signed and notarized the restructuring contract in a deed that was executed by the Notary Public of Madrid, José Miguel García Lombardía. Among other issues, this agreement regulated the terms and conditions of the restructuring of the financial debt of the Group and certain financial institutions undertook to provide new funding. This restructuring agreement was made available to financial creditors and, after the initial period of adhesions, it received support from 86% of financial creditors to whom it was addressed. On 28 October 2016, a group of financial creditors asked the Commercial Courts of Seville for judicial approval of the agreement, an approval that was granted on 8 November 2016, extending the effects of the agreement to dissident creditors.

In accordance with the provisions of the restructuring agreement, the closing of the deal and the entry of new financing were subject to compliance with a number of conditions precedent. The deadline for compliance with these conditions and closure of the deal is 28 February 2017, although said date has been extended to 22 March 2017

The agreement was challenged by a number of financial creditors and as at the date of issuance of this report said challenges have not yet been resolved.

E.6 Explain the plans for responding to and supervising the entity's main risks, including tax risks.

There is a specific action plan in place for each of the risks identified, which could encompass various departments of the company.

Committees are in charge of the executive supervision of the company's main risks, with the most relevant in 2016 being:

- Follow-up Committee.
- Management Committee.
- Business Unit Committee

*The new Board of Directors, appointed at the Extraordinary General meeting on 22nd November 2016, approved a corporate structure of the company which shall be set up two Committees: an Executive Committee and a Management Committee.

F. Internal risk control and management systems in connection with the process of issuing financial information (ICFRS)

Describe the mechanisms making up the risk control and management systems with respect to the process of issuing the entity's financial information (ICFRS).

F.1 Control environment at the entity

Indicate at least the following, specifying the main features thereof:

F.1.1. What bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective internal control over financial reporting system (ICFRS); (ii) its implementation; and (iii) its oversight.

The System of Internal Control over Financial Reporting, (hereinafter, SICFR), is part of Abengoa's general system of internal control and is set up as a system prepared to provide reasonable assurance of the reliability of the published financial report. The body in charge of it, pursuant to the Regulations of Abengoa's Board of Directors, is the Board of Directors and, within it, the duty of supervision is conferred on the Audits Committee in accordance with its own regulations.

Thus, the Board of Directors is in charge of setting up and maintaining a compulsory Audit Committee as inferred from Article 27 of the Board Regulations.

According to the foregoing Article, the functions entrusted by the Board of Directors to the Audit Commission, with regard to the SICFR, entail: "Monitoring the preparation process and the integrity of the financial report concerning the Company and, where applicable, the group of which Abengoa is parent company (hereinafter, the "Group"), verifying compliance with legal requirements and the correct application of accounting criteria, and appropriately specifying the scope of consolidation".

Additionally, and in accordance with the same Article, included among the functions of the Board and, by delegation, the Audit Committee, is that which entails "Periodically revising the internal control and risk management system so that the main risks, including those of a fiscal nature, are identified, managed, and properly disclosed, as well as discussing significant shortcomings of the internal control system identified in the audit with the financial auditor".

F.1.2 Whether any of the following are in place, particularly as regards the financial information preparation process:

Departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) clearly defining the lines of responsibility and authority, with an appropriate distribution of work and duties; and (iii) ensuring that there are sufficient procedures for the proper dissemination thereof at the entity.

As stipulated by the Board of Directors' Regulations, it is in charge of:

- Defining the structure of the Group of companies;
- At the proposal of the company's chief executive, the appointment and possible dismissal of senior executives, as well as establishing the basic conditions of their contracts, including their remuneration and, where applicable, their compensation clauses.
- The core components of its mission should be to approve the company's strategy and the organization required for its execution, and to ensure that management attains the objectives while pursuing the company's interests and corporate purpose.
- Through the relevant departments, strive for the correct and integral announcement of the relevant information regarding the company including but not limited to that related to the call for the General Shareholders Meeting, its agenda and contents of the proposed agreements, relevant facts, agreements adopted by the last general meeting held, the internal regulations of corporate governance and the Annual Report. The means of communication will be the most adequate for ensuring that unrestricted announcements are made and in a timely manner, including the Company's webpage.

Code of conduct, body of approval, degree of publication and instruction, principles and values including (indicating whether there is specific mention of the recording of transactions and the elaboration of the financial report), body in charge of analysing breaches and of proposing the corrective actions and sanctions.

Abengoa has a code of ethics and professional conduct approved by the Board of Directors. It is published on the Intranet in both Spanish and English, and it outlines the ethical and responsible behaviour that must be assumed in the execution of company activities and in managing the businesses, by the management team and all the professionals of Abengoa and its subsidiaries. Abengoa runs a continuous on-the job training programme in which Code of Conduct courses are given. It is compulsory for all employees to attend these courses and to show proof by signing attendance sheets; meanwhile the company ensures that all Abengoa employees have received and understood said information.

In 2016 a total of 260,441 training hours were given throughout the Group, with the attendance of 9,132 employees.

Abengoa's code of conduct:

- The highest standards of honesty and ethical behaviour, including appropriate and ethical procedures for dealing with actual or possible conflicts of interests between professional and personal relationships.
- The most complete, just, precise, timely and intelligible communication in all periodic reports that Abengoa must submit to the bodies of Administration or in all reports that may be made.
- Compliance with the applicable laws, standards, rules and regulations.
- The tackling of actual or possible conflicts of interests and providing guidance to ensure that employees, managers and directors report such conflicts to Abengoa.
- The interruption of the poor use or poor application of Abengoa's properties and business opportunities.
- The maximum level of confidentiality and fair treatment in and outside Abengoa
- The immediate internal reporting of any breach of said Code of Conduct and the appropriate reporting of all illegal behaviour.

All information made public and all media releases deemed to be affecting Abengoa must first be approved by the Board of Directors or by the Board Chairman, or any executive who may already have been entrusted with performing such duty.

Its appropriate follow-up is a source of profitability and security in the execution of the activities of Abengoa. These regulations ensure the veracity and reliability of the financial report.

The Board of Directors and, by virtue thereof, its Chairman, the established committees, executive committees or, in turn, Managers entrusted therewith, are tasked with the classification of breaches of the Common Management Systems.

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Whistleblowing channel, which enables reporting of irregularities of financial and accounting nature to the audit committee, in addition to possible breaches of the code of conduct and irregular activities in the organisation. The reports may be filed confidentially.

An important aspect of responsibility and transparency is to provide a mechanism by which any interested party may safely and confidentially report irregularities, unethical or illegal conduct that, in his/her opinion, occur in the execution of the Company's activities.

In this manner and following the guidelines provided in section 301 of the Sarbanes-Oxley Act, the Audits Committee decided to establish specific procedures for:

- The reception, safeguard and processing of complaints or reports that the company may receive in relation to the accounting, internal monitoring of the accounting or auditing matters.
- Employees of the company to be able to confidentially or anonymously send information in good faith on dubious or arguable policies of accounting and auditing.
  In this sense, Abengoa has a twin mechanism for receiving complaints or reports.
- An internal channel, which is available to all employees, so that they can notify any alleged irregularity in accounting or audits or breaches of the code of conduct. The communication channel is by e-mail or ordinary mail.
- An external channel, available to anyone outside the company, so that they can notify any alleged irregularities, fraudulent actions or breaches of Abengoa's code of conduct through the website (www.abengoa.com).

Abengoa and its various business groups have been operating a whistleblower channel since 2007. Pursuant to the requirements of the Sarbanes-Oxley Act, whereby interested parties may report possible irregularities on accounting, auditing or internal controls over financial reporting, to the Audit Committee. A record is kept of all communications received in relation to the whistleblower, subject to the necessary guarantees of confidentiality, integrity and availability of the information.

Training programmes and regular updates for personnel involved in the preparation and review of the financial report, as well as in the evaluation of the System of Internal Control over Financial Reporting, which should at least cover accounting regulations, auditing, internal risks monitoring and management.

The Human Resources Management works together with the Economic-Financial Management to impart regular training, both internally and externally, to personnel involved in the preparation of the Financial Statements of the Group.

The training programmes are fundamentally focused on the correct knowledge and update on the International Financial Reporting Standards (IFRS) and on the laws and other rules and regulations on the Internal Control over Financial Reporting (Common Management Systems).

Both the Internal Audits Management and the Global Risks Management keep themselves informed and up-to-date on the latest on Risks management and Internal Control, especially on Financial Reporting.

During the 2016 financial year, the Departments related to the preparation, review and reporting of financial information received various publications of updates to the accounting and financial standards, internal control and tax, including courses by external experts in relation to the update of accounting standards.

F.2 Financial reporting risk assessment

Indicate at least the following:

F.2.1 What are the main features of the risk identification process, including the process of identifying the risks of error or fraud, with respect to:

Whether the process exists and is documented.

Abengoa has introduced a process for identifying and evaluating risks: the Universal Risks Model (URM) which is updated on a regular basis. This model numbers the risks identified by the organisation, classified into categories and sub-categories, assigns indicators to each to enable them to measure their probability and impact and to define the degree to which they may be tolerated.

And finally, the types of risks related to the accounting and submission of the financial report, the management of debt and equity financing, planning and budgeting and the tax strategy of transactions:

Whether the process covers all the objectives of financial information (existence and occurrence; completeness; assessment; presentation, breakdown and comparability, and rights and obligations), whether it is updated, and how often.

The URM is designed to cover all risks identified. Among them there is a group that has to do with the preparation and submission of the financial report, accounting records, the management of debt and equity financing, planning and budgeting and the tax strategy of transactions:

Identified risks are covered and mitigated by Abengoa's internal monitoring system. All risks previously linked with the process by which the financial information is prepared are under control in such a way that it may be guaranteed that the financial reporting appropriately adheres to the requirements of existence, occurrence, integrity, evaluation, presentation, breakdown and comparability.

The existence of a process for the identification of the scope of consolidation, taking into account, among other matters, the possible existence of complex corporate structures, holding entities, or special purpose entities.

The consolidation perimeter of Abengoa is subject to revisions during each quarterly closing. The Consolidation department is in charge of analysing companies that enter and those that exit said perimeter. Both the creation and acquisition of companies, as well as their sale or dissolution, are subject to internal authorisation processes that permit the clear identification of all entries and exits to and from the consolidation perimeter.

Whether the process takes into account the effects of other types of risks (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.

As already mentioned, the URM is the methodology to identify, understand and assess the risks that may affect Abengoa. The purpose is to obtain an integral vision of these risks, designing an efficient system of response that is in line with the Company's business objectives.

It is made up of 56 risks belonging to 20 categories. These are grouped into 4 large areas (financial risks, strategic risks, regulatory risks and operational risks).

All the risks of the model are evaluated based on two criteria:

- Occurrence probability: Degree of frequency at which to be sure that a specific cause will expose Abengoa to an event with negative impact.
- Impact on the Company: Set of negative effects on the strategic goals and objectives of Abengoa

Which corporate governance body supervises the process?

The financial reporting process is the ultimate responsibility of the Board of Directors. In accordance with the Board of Directors' Regulations, the integrity and exactitude of the financial reporting presented to the Board of Directors for approval must first be certified by the Chairman of the company's Board of Directors and by the Director of the Department of Corporate Consolidation and Audits.

Likewise, as set out in section F.5 of this document, the Board of Directors entrusts the Audits Committee with the duties of supervising the system of internal control and monitoring which ensures that the preparation of the financial information strictly follows the required standards.

F.3 Control activities

Indicate whether at least the following are in place and describe their main features:

F.3.1 Procedures for reviewing and authorising the financial reporting and the description of the System of Internal Control over Financial Reporting to be published in the stock markets, indicating those in charge, as well as the documents describing the cash flows of activities and controls (even in connection with fraud risks) of the various types of transactions that could substantially affect the financial statements, including the accounting closure proceedings and the specific review of the opinions, estimates, assessments and relevant projections.

In accordance with the Board of Directors' Regulations, the integrity and exactitude of the Annual Accounts presented to the Board of Directors for approval must first be certified by the Chairman of the company's Board of Directors and by the Director of the Department of Corporate Consolidation and Audits.

Once the Board of Directors receives the corresponding reports and after the necessary clarifications, it shall clearly and precisely, in terms that aid comprehension of its content, prepare the annual accounts, the directors' report and the resolution on the application of the company's profit/loss outcome, as well as the consolidated annual accounts and directors' report, and the financial reports which the company must regularly publish, due to being a listed company, ensuring that these documents depict the true state of the asset, the financial situation and the profit and loss outcome of the Company, in accordance with the stipulations of applicable law.

Before signing the annual accounts required by law, the directors shall keep a record of all the reservations they deem relevant. Otherwise, it will be understood that they had all the necessary information available to approve this preparation of the annual accounts.

The directors must sign statements of responsibility on the content of the annual financial report and, in turn, on any intermediate financial reports which the company must regularly publish due to being listed.

Thus, the board of directors will decide on and take as many actions and measures deemed necessary to ensure the Company's transparency on financial markets, promoting correct formation of prices of the Company's shares, supervising financial-related information regularly made public and performing as many duties as may be required due to the company's status as a listed company.

The process or structure effectively followed in certifying the financial reporting, done on a quarterly basis, reflects the manner in which the financial report is generated at Abengoa.

In this structure, the information to be reported is prepared by company heads, then reviewed by heads of the respective Vertical Business Units and by the respective Corporate area heads who certify both the reliability of the financial report on the area under their charge - which is what they submit for consolidation at group level- as well as the effectiveness of the internal control system set up to reasonably ensure this reliability. Finally, the Company's chief executive and the directors of Internal Audits and Corporate Consolidation certify the reliability of the consolidated accounts to the Board of Directors in the quarterly Audit Committee. With the support of the management team in Internal Audits, this Commission supervises the entire certification process, and then submits its conclusions from said analysis to the Board of Directors in the sessions when the accounts will be officially prepared. The information will then be published at the National Securities Market Commission (CNMV) once submitted to the Commission.

The legal consultancy department holds regular committee meetings with the different legal consultants of the various subsidiaries of Abengoa to be informed of the legal situations of ongoing litigations and later report to the Chairman's office where subsequent discussions are held during the Board of Directors meetings on the situations posing the most significant conflicts.

F.3.2 Policies and procedures of internal control of information systems (especially on safety and security of access, monitoring of changes, operating these, operational continuity and separation of duties) that back the entity's relevant processes with regards to the drafting and publication of the financial reporting.

Among the controls considered for the mitigation or management of the risks of error in financial reporting are those related to the most relevant computer applications, like controls relating to user access permissions or to the integrity of information transfer between applications.

In addition, Abengoa follows guidelines or standards and procedures of internal control over information systems in relation to acquiring and developing software, acquiring systems infrastructure, installing and testing software, managing changes, managing service levels, managing services performed by third parties, systems security and access to systems, managing incidents, managing operations, the continuity of operations and the segregation of duties. Said guidelines and procedures -which in some cases are different based on geographical scope

and which are in the process of gradual homogenisation- are applied to all information systems including those that house the relevant processes of the generation of financial reporting, and to the infrastructure necessary for its functioning.

In geographical areas where Abengoa operates, the entire internal network of computer infrastructure is controlled by a Department of internal professionals who are responsible for defining and executing the group's IT and telecommunications strategy, as well as user support, systems operation and IT security. Abengoa has an Internet Technology (IT) security system in place that envisages the recovery of relevant information in the event of a system crash. This security system is managed through the aforementioned internal IT department.

F.3.3 Policies and procedures of internal control aimed at supervising management of activities outsourced to third parties, including the aspects of evaluation, calculation or assessment entrusted to independent experts, which could materially affect the financial statements.

In general terms, Abengoa does not retain third party subcontractors to perform significant tasks that directly affect financial reporting. Third-party assigned assessments, evaluations or calculations that could materially affect the financial statements are considered activities deemed relevant for generating a financial report that may lead, as the case may be, to the identification of risks of priority errors, thus requiring the design of associated internal controls.

Abengoa has a method of approval through an authorisation that grants Executive support which, among other things, must be acquired by the Department that needs to contract a professional service. Such contracts are subject to reviews before being signed, including their analysis and internal approval of the fundamental assumptions to be used.

F.4 Information and communication

Indicate whether at least the following are in place and describe their main features:

F.4.1. A specific function charged with defining and updating accounting policies (accounting policy area or department) and with resolving questions or conflicts arising from the interpretation thereof, maintaining fluid communications with those responsible for operations at the organisation, as well as an updated accounting policy manual that has been communicated to the units through which the entity operates.

Abengoa operates with an Accounting Policies Manual. This manual establishes the accounting policies criteria that must be observed when the company is preparing the financial report using the financial reporting framework established by the International Financial Reporting Standards adopted by the European Union.

The manual is available to all employees of Abengoa.

The manual is also subject to regular updates for the purpose of including all new applicable rules and regulations. The department of Consolidations and Accounting Policies is responsible for updating the manual which was last updated during 2015.

F.4.2 Mechanisms to capture and prepare financial information with standardised formats, to be applied and used by all units of the entity or the group, supporting the principal accounts and the notes thereto, as well as the information provided on the internal control over financial reporting system.

All the entities that make up Abengoa's consolidated group use the same financial information reporting tools and applications, regardless of the information system being used for the maintenance of the accounting records. Said tools, which are regularly supervised by the Consolidation department, ensure that the financial information reported by companies is complete, reliable and consistent. Thus, the information reported during the closing of financial years includes all breakdowns deemed necessary for the preparation of consolidated financial statements and their explanatory notes.

F.5 Supervision of system operation

Indicate whether at least the following are in place and describe their main features:

F.5.1. The activities of supervising the System of Internal Control over Financial Reporting performed by the audit committee, and on whether the entity has an internal audit system that is able to support the committee in supervising the internal control system, including the SICFR Also provide information on the scope of the assessment of the SICFR during the financial year and on the process by which the head of the assessment reports the results, whether the entity has an action plan that outlines the possible corrective measures, and whether its impact on the financial reporting has been considered.

The Board of Directors is in charge of ensuring the appropriate registration of the operations in the accounting records, of maintaining a structure of internal control and accounting for the purpose of preventing and detecting errors and irregularities. In accordance with the Board of Directors' Regulations, the Audit Committee is entrusted with the following duties, amongst others:

- To report on the Annual Accounts, as well as on the quarterly and half-yearly financial statements that must be issued to the regulatory or supervisory bodies of the securities markets, with express mention of the internal control systems, verification of compliance and monitoring through the internal audit and, where applicable, on the accounting criteria applied.
- Supervising the preparation and completeness of the financial information concerning the company and, if appropriate, the group, checking due compliance with the governing regulations, the proper delimitation of the consolidation criteria and the correct application of accounting criteria.
- To periodically review the internal control and risk management systems so that the main risks are identified, managed, and properly disclosed, as well as to discuss significant shortcomings of the internal control system identified in the audit with the financial auditor.
- To supervise and ensure the independence and effectiveness of the duties of internal audits, with full access thereto; to propose the selection, appointment, re-selection and dismissal of the head of internal audits; to propose the budget for said unit, and set the salary scale of its Director; to obtain regular information on the activities and the budget of the unit; and to ensure that senior management considers the conclusions and recommendations in its reports.

The Audit Committee's functions also entail supervising the internal audit service and obtaining information on the financial reporting process, the internal control systems and the risks for the company.

On the other hand, with regards to supervising the internal controls system, the aims of the internal audit duties are as follows:

- To prevent the group companies, projects and activities from exposure to audit risks such as fraud, capital losses, operational inefficiencies and, in general, any risks that may affect the smooth operation of the business.
- To ensure the continuous application of the standards, appropriate procedures and efficient management in accordance with the common management systems.

Abengoa's internal audit department originated as an independent global function, reporting to the Board of Directors' Audit Committee, with the main aim of supervising Abengoa's internal monitoring and significant risk management systems.

Abengoa's internal audit service is structured around seven functional areas:

- Internal control
- Financial auditing
- Project auditing
- Monitoring auditing a specific risks
- Fraud prevention auditing
- Non-financial auditing
- Systems auditing

The internal audit team comprises 23 professionals. The general characteristics of the team are as follows:

- They have average professional experience of 8.76 years.
- Approximately 65% of the auditors have previous experience at an outside audit firm of the Big4.

The general goals of internal auditing are as follows:

- To prevent the group companies, projects and activities from exposure to audit risks such as fraud, capital losses, operational inefficiencies and, in general, any risks that may affect the smooth operation of the business.
- To ensure the continuous application of the standards, appropriate procedures and efficient management in accordance with the common management systems.
- To create value for Abengoa and its business units, promoting the construction and maintenance of synergies and the monitoring of optimal management practices.
- To coordinate working criteria and approaches with external auditors to achieve optimum efficiency and profitability of both functions.
- Analysis and processing of the complaints received through whistleblowing and reporting the conclusions of the work performed to the Audit Committee.

- To evaluate the companies' audit risk in accordance with an objective procedure.
- To develop annual work plans using appropriate scopes for each situation.

Abengoa's internal auditor services are in line with the international standards for the professional practice of internal auditing of the Institute of Internal Audit (IIA).

Likewise, Abengoa has been a member of ACFE Corporate Alliance since 2014. This association helps companies with tools and specific training focused on the fight against fraud and corruption, as well as resources to obtain the CFE (Certified Fraud Examiner) certification for internal auditors assigned to this area.

F.5.2. Indicate whether or not there is a discussion procedure by which, (in accordance with the stipulations of the NTA), the accounts auditor, the internal audits' office and all the other experts, may inform the company's senior management, its audit committee and its directors, on the significant weaknesses identified in the internal control during the review of the financial statements or of all other documents to which they were assigned. Also report on whether or not there is an action plan for correcting or mitigating the weaknesses uncovered.

The internal audit office regularly informs senior management and the Audit Committee about the weaknesses identified regarding internal control in reviews performed on the processes during the financial year, and on the implementation of the action plans put in place to ensure the mitigation of said weaknesses.

Elsewhere, the accounts auditor of the group has direct access to the group's senior management, holding regular meetings both to obtain the information necessary for the execution of its duties as well as to report on any control weaknesses detected during the auditing. External auditors will submit an annual report to the economic-financial director and the Audit Committee detailing the weaknesses they detected regarding internal control while carrying out their work.

F.6 Other significant information

In the 2016 financial year a total of 2 reports were issued by external auditors, and these form an integral part of the Annual Report:

- Audit report on the consolidated accounts of the Group, as required by current regulations
- Audit report on internal audit compliance under CNMV standards, as required by the SCIIF.

F.7 External audit report

Report on:

F.7.1. Whether the information on the internal control over financial reporting system has been reviewed by the external auditor, in which case the entity should include the respective report as an exhibit. Otherwise, it should report its reasons.

Abengoa applies all the rules and regulations dictated by the (CNMV) Stock Market Authorities. This fact implies that for the past six financial years Abengoa has been strictly complying with the reference indicators included in the document of the CNMV's "Systems of Internal Control over Financial Reporting

The SCIIF information remitted to the markets has been revised by the external auditor.

The auditor of the individual and consolidated annual financial statements of Abengoa, for the financial year ending 31 December 2016 is Deloitte S.L., which is also the Group's main auditor.

G. Degree of compliance with corporate governance recommendations

Indicate the company's degree of compliance with the recommendations of the Good Governance Code for Listed Companies.

If the company does not comply with any recommendation or follows it partially, there must be a detailed explanation of the reasons providing shareholders, investors, and the market in general with sufficient information to assess the company's course of action. Explanations of a general nature will not be acceptable.

1. The bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.

Compliant

See section: A.10, B.1, B.2 and C.1.23

2. When a dominant and subsidiary company are both listed, they should provide detailed disclosure on:

a) The activity they engage in and any business dealings between them, as well as between the listed subsidiary and other group companies.

b) The mechanisms in place to resolve possible conflicts of interest.

N/A

See sections: D1, D.4 and D.7

3. During the ordinary general meeting, the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular:

a) Changes taking place since the previous annual general meeting.

b) The specific reasons for the company not following a given Good Governance Code recommendation, and any alternative procedures followed in its stead.

Compliant

4. The company should draw up and implement a policy of communication and contacts with shareholders, institutional investors and proxy advisors that complies in full with market abuse regulations and accords equitable treatment to shareholders in the same position.

This policy should be disclosed on the company's website, complete with details of how it has been put into practice and the identities of the relevant interlocutors or those charged with its implementation.

Compliant

5. The board of directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without pre-emptive subscription rights for an amount exceeding 20% of capital at the time of such delegation.

When a board approves the issuance of shares or convertible securities without pre-emptive subscription rights, the company should immediately post a report on its website explaining the exclusion as envisaged in company legislation.

Partially compliant

The proposal that the board of directors submitted to the 2015 financial year Ordinary General Shareholders Meeting for the delegation of powers to issue shares or convertible securities fails to comply with this recommendation. Given the financial structure of the Company and the need to maintain sufficient levels of own funds compared to its volume of activity and its market position, there was need for the Company to have greater flexibility margin to undertake this kind of issuance at any time. Thus, the Board of Directors asked the General Shareholders Meeting to consider a request for an amount over 20% of Abengoa's equity at that time, and the General Shareholders meeting approved it under those terms.

Notwithstanding the foregoing, the mandatory reports on the exclusion of pre-emptive subscription rights which the commercial law makes reference to concerning the delegations currently in force were immediately published and are available at the Company's website.

6. Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the annual general meeting, even if their distribution is not obligatory:

a) Report on auditor independence.

b) Reviews of the operation of the audit committee and the nomination and remuneration committees.

c) Audit committee report on related-party transactions.

d) Report on the corporate social responsibility policy.

Compliant

7. The company should stream its general shareholders' meetings live on the corporate website.

Explain

Given the situation in which the company was struggling, and in order to prevent possible alterations in the normal functioning of the Shareholders Meeting and the spreading of rumours between non-shareholders, the Board of Directors decided not to give a live website broadcast of the General Shareholders Meetings held in 2016.

Nevertheless, the Company sufficiently publicises the General Shareholders Meetings in the BORME [Official Gazette of the Company Registry], the CNMV website and its own corporate website. Likewise, the Company, in line with prevailing legislation and its own internal regulations, facilitates participation of all who wish to take part in General Shareholders Meetings, having recently included in its internal regulations the possibility of attending General Shareholders meetings via remote online communication.

8. The audit committee should strive to ensure that the board of directors can present the company's accounts to the general meeting without limitations or qualifications in the auditor's report. In the exceptional case that qualifications exist, both the chairman of the audit committee and the auditors should give a clear account to shareholders of their scope and content.

Compliant

See section C.2.1

9. The company should disclose its conditions and procedures for admitting share ownership, the right to attend general meetings and the exercise or delegation of voting rights, and display them permanently on its website.

Such conditions and procedures should encourage shareholders to attend and exercise their rights and be applied in a non-discriminatory manner.

Compliant

10. When an accredited shareholder exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:

a) Immediately circulate the supplementary items and new proposals.

b) Disclose the model of attendance card or proxy appointment or remote voting form duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the board of directors.

c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions or deductions about the direction of votes.

d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals.

Compliant

11. In the event that a company plans to pay for attendance at the general meeting, it should first establish a general, long-term policy in this respect.

Not applicable.

In the General Meetings held during 2016 no payments were made for attendance.

12. The board of directors should perform its duties with unity of purpose and independent judgement, affording the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising its economic value.

In pursuing the corporate interest, it should not only abide by laws and regulations and conduct itself according to principles of good faith, ethics and respect for commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

Compliant

13. The board of directors should have an optimal size to promote its efficient functioning and maximise participation. The recommended range is accordingly between five and fifteen members.

Complies

See section C.1.2

14. The board of directors should approve a director selection policy that:

a) Is concrete and verifiable.

b) Ensures that appointment or re-election proposals are based on a prior analysis of the board's needs.

c) Favours a diversity of knowledge, experience and gender.

The results of the prior analysis of board needs should be written up in the nomination committee's explanatory report, to be published when the general meeting is convened that will ratify the appointment and re-election of each director.

The director selection policy should pursue the goal of having at least 30% of total board places occupied by women directors before 2020.

The nomination committee should run an annual check on compliance with the director selection policy and set out its findings in the annual corporate governance report.

Compliant

15. Proprietary and independent directors should constitute an ample majority on the board of directors, while the number of executive directors should be the minimum practical bearing in mind the complexity of the corporate group and the ownership interests they control.

Compliant

See section C.1.2 and C.1.3.

16. The percentage of proprietary directors out of all non-executive directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.

This criterion can be relaxed:

a) In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.

b) In companies with a plurality of shareholders represented on the board but not otherwise related.

Compliant

17. Independent directors should be at least half of all board members.

However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30 percent of capital, independent directors should occupy, at least, a third of board membership slots.

Compliant

See section C.1.2 and C.1.3.

18. Companies should disclose the following director particulars on their websites and keep them regularly updated:

a) Background and professional experience.

b) Directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature.

c) Statement of the director class to which they belong, in the case of proprietary directors indicating the shareholder they represent or have links with.

d) Dates of their first appointment as a board member and subsequent re-elections.

e) Shares held in the company, and any options over the same.

Compliant

19. Following verification by the nomination committee, the annual corporate governance report should disclose the reasons for the appointment of proprietary directors at the urging of shareholders controlling less than 3 percent of capital; and explain any rejection of a formal request for a board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.

N/A

20. Proprietary directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the latter's number should be reduced accordingly.

Compliant

See section C.1.21

21. The board of directors should not propose the removal of independent directors before the expiry date of their tenure as mandated by the bylaws, except where they find just cause, based on a proposal from the nomination committee. In particular, just cause will be presumed when directors take up new posts or responsibilities that prevent them allocating sufficient time to the work of a board member, or are in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in recommendation 16.

Compliant

See section C.1.21

22. Companies should establish rules obliging directors to disclose any circumstance that might harm the organisation's name or reputation, tendering their resignation as the case may be, and, in particular, to inform the board of any criminal charges brought against them and the progress of any subsequent trial.

The moment a director is indicted or tried for any of the offences stated in company legislation, the board of directors should open an investigation and, in light of the particular circumstances, decide on whether or not he or she should be called on to resign. The board should give a reasoned account of all such determinations in the annual corporate governance report.

Compliant

See section C.1.21 and C.1.42

23. Directors should express their clear opposition when they feel a proposal submitted for the board's approval might damage the corporate interest. In particular, independents and other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the board makes material or reiterated decisions about which a director has expressed serious reservations, then he or she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation also apply to the secretary of the board, even if he or she is not a director.

Compliant

24. Directors who give up their place before their tenure expires, through resignation or otherwise, should state their reasons in a letter to be sent to all members of the board. Whether or not such resignation is disclosed as a material event, the motivating factors should be explained in the annual corporate governance report.

Compliant

See section C.1.9

25. The appointments committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.

The regulations of the board of directors should set forth the maximum number of company boards on which directors can serve:

Compliant

See section C.1.13

26. The board should meet with the necessary frequency to properly perform its functions, eight times a year at least, in accordance with a calendar and agendas set at the start of the year, to which each director may propose the addition of initially unscheduled items.

Compliant

See section C.1.29

27. Director absences should be kept to a strict minimum and quantified in the annual corporate governance report. In the event of absence, directors should delegate their powers of representation with the appropriate instructions.

Compliant

See sections C.1.29 and C.1.30.

28. When directors or the secretary express concerns about some proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minute book if the person expressing them so requests.

Compliant

29. The company should provide suitable channels for directors to obtain the advice they need to carry out their duties, extending if necessary to external assistance at the company's expense.

Compliant

See section C.1.40

30. Regardless of the knowledge directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.

Compliant

31. The agendas of board meetings should clearly indicate on which points directors must arrive at a decision, so they can study the matter beforehand or gather together the material they need.

For emergency reasons, the chairman may wish to present decisions or resolutions for board approval that were not on the meeting agenda. In such exceptional circumstances, their inclusion will require the express prior consent, with minutes duly taken, of the majority of directors present.

Compliant

32. Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the company and its group.

Compliant

33. The chairman, as the person charged with the efficient functioning of the board of directors, in addition to the functions assigned by law and the company's bylaws, should prepare and submit to the board a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, the company's chief executive officer; exercise leadership of the board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review refresher courses for each director, when circumstances so advise.

Compliant

34. When a lead independent director has been appointed, the bylaws or board of directors regulations should grant him or her the following powers over and above those conferred by law: chair the board of directors in the absence of the chairman or vice chairmen give voice to the concerns of non-executive directors; maintain contacts with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the company's corporate governance; and coordinate the chairman's succession plan.

Compliant

35. The board secretary should strive to ensure that the board's actions and decisions are informed by the governance recommendations of the Good Governance Code of relevance to the company.

Compliant

36. The board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct weakness detected in:

a) The quality and efficiency of the board's operation.

b) The performance and membership of its committees.

c) The diversity of board membership and competences.

d) The performance of the chairman of the board of directors and the company's chief executive.

e) The performance and contribution of individual directors, with particular focus on the chairmen of board committees.

The evaluation of board committees should start from the reports they send the board of directors, while that of the board itself should start from the report of the nomination committee.

Every three years, the board of directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the nomination committee.

Any business dealings that the facilitator or members of its corporate group maintain with the company or members of its corporate group should be detailed in the annual corporate governance report.

The process followed and areas evaluated should be detailed in the annual corporate governance report.

Compliant

37. When an executive committee exists, its membership mix by director class should resemble that of the board. The secretary of the board should also act as secretary to the executive committee.

N/A

38. The board should be kept fully informed of the business transacted and decisions made by the executive committee. To this end, all board members should receive a copy of the committee's minutes.

N/A

39. All members of the audit committee, particularly its chairman, should be appointed with regard to their knowledge and experience in accounting, auditing and risk management matters. A majority of committee places should be held by independent directors.

Compliant

See section C.2.1

40. Listed companies should have a unit in charge of the internal audit function, under the supervision of the audit committee, to monitor the effectiveness of reporting and internal control systems. This unit should report functionally to the board's non-executive chairman or the chairman of the audit committee.

Compliant

See section C.2.1

41. The head of the unit handling the internal audit function should present an annual work programme to the audit committee, inform it directly of any incidents arising during its implementation and submit an activities report at the end of each year.

Compliant

42. The audit committee should have the following functions over and above those legally assigned:

1. With respect to internal control and reporting systems:

   a) Monitor the preparation and the integrity of the financial information prepared on the company and, where appropriate, the group, checking for compliance with legal provisions, the accurate demarcation of the consolidation perimeter, and the correct application of accounting principles.

   b) Monitor the independence of the unit handling the internal audit function; propose the selection, appointment, re-election and removal of the head of the internal audit service; propose the service's budget; approve its priorities and work programmes, ensuring that it focuses primarily on the main risks the company is exposed to; receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.

   c) Establish and supervise a mechanism whereby staff can report, confidentially and, if appropriate and feasible, anonymously, any significant irregularities that they detect in the course of their duties, in particular financial or accounting irregularities.

2. With regard to the external auditor:

   a) Investigate the issues giving rise to the resignation of the external auditor, should this come about..

   b) Ensure that the remuneration of the external auditor does not compromise its quality or independence.

   c) Ensure that the company notifies any change of external auditor to the CNMV as a material event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.

d) Ensure that the external auditor has a yearly meeting with the board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.

e) Ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

Compliant

See section C.2.1

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior officer.

Compliant

See section C.2.1

44. The audit committee should be informed of any fundamental changes or corporate transactions the company is planning, so the committee can analyse the operation and report to the board beforehand on its economic conditions and accounting impact and, when applicable, the exchange ratio proposed.

Compliant

45. The risk control and management policy should identify at least:

a) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks), with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks.

b) The determination of the risk level the company sees as acceptable.

c) The measures in place to mitigate the impact of identified risk events should they occur.

d) The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance-sheet risks.

Compliant

See sections E.

46. Companies should establish a risk control and management function in the charge of one of the company's internal department or units and under the direct supervision of the audit committee or some other dedicated board committee. This function should be expressly charged with the following responsibilities:

a) Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.

b) Participate actively in the preparation of risk strategies and in key decisions about their management.

c) Ensure that risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the board of directors.

Compliant

47. Appointees to the nomination and remuneration committee - or of the nomination committee and remuneration committee, if separately constituted - should have the right balance of knowledge, skills and experience for the functions they are called on to discharge. The majority of their members should be independent directors.

Compliant

See section C.2.1

48. Large capital companies should operate separate appointments and remunerations committees.

Explain

Pursuant to Article 44 bis of the Bylaws of Abengoa, the Board of Directors shall compulsorily set up and maintain a permanent an Appointments and Remunerations Committee

On the reference date of this report, Abengoa's Board of Directors consisted of seven members, six of them external, and two consultative Committees –the Audits Committee and the Appointments and Remunerations Committee- with each having three independent board members. The number of board members, though below what normally exists in other listed companies, and its qualitative distribution, is deemed appropriate for the current needs of the Company. This composition derived from the Restructuring Agreement entered into by the Company on 24th September 2016, giving rise to the amendment of the internal standards of Abengoa and to the reorganization of the organ of administration.

In that context, the splitting of the Appointments, Remunerations and Good Governance Committees would have generated inefficiencies, specifically deriving from the additional needs for funds, without clear justification in terms of improvement in the functioning of the organ of administration. Therefore, the Board of Directors does not intend to ask the General Shareholders Meeting to make any changes in Article 44 bis of the Bylaws.

49. The appointments committee should consult with the board chairman and chief executive, especially on matters relating to executive directors.

When there are vacancies on the board, any director may approach the nomination committee to propose candidates that it might consider suitable

Compliant

See section C.2.1

50. The remuneration committee should operate independently and have the following functions in addition to those assigned by law

a) Propose to the board the standard conditions for senior officer contracts.

b) Monitor compliance with the remuneration policy set by the company.

c) Periodically review the remuneration policy for directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other directors and senior officers in the company.

d) Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.

e) Verify the information on director and senior officers' pay contained in corporate documents, including the annual directors' remuneration statement.

Compliant

See section C.2.1

51. The remuneration committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors and senior officers.

Compliant

See section C.2.1

52. The terms of reference of supervision and control committees should be set out in the board of directors' regulations and aligned with those governing legally mandatory board committees as specified in the preceding sets of recommendations. They should include at least the following terms:

a) Committees should be formed exclusively by non-executive directors, with a majority of independents.

b) They should be chaired by independent directors.

c) The board should appoint the members of such committees with regard to the knowledge, skills and experience of its directors and each committee's terms of reference; discuss their proposals and reports; and provide report-backs on their activities and work at the first board plenary following each committee meeting.

d) They may engage external advice, when they feel it necessary for the discharge of their functions.

e) Minutes should be taken of Meeting proceedings and a copy made available to all board members.

N/A

See section C.2.1

53. The task of supervising compliance with corporate governance rules, internal codes of conduct and corporate social responsibility policy should be assigned to one board committee or split between several, which could be the audit committee, the nomination committee, the corporate social responsibility committee, where one exists, or a dedicated committee established ad hoc by the board under its powers of self-organisation, with at the least the following functions:

a) Monitor compliance with the company's internal codes of conduct and corporate governance rules.

b) Oversee the communication and relations strategy with shareholders and investors, including small and medium-sized shareholders.

c) Periodically evaluate the effectiveness of the company's corporate governance system, to confirm that it is fulfilling its mission to promote the corporate interest and catering, as appropriate, to the legitimate interests of remaining stakeholders.

d) Review the company's corporate social responsibility policy, ensuring that it is geared to value creation.

e) Monitor corporate social responsibility strategy and practices and assess compliance in their respect.

f) Monitor and evaluate the company's interaction with its stakeholders.

g) Evaluate all aspects of the non-financial risks the company is exposed to, including operational, technological, legal, social, environmental, political and reputational risks.

h) Coordinate non-financial and diversity reporting processes in accordance with applicable legislation and international benchmarks.

Compliant

54. The corporate social responsibility policy should state the principles or commitments the company will voluntarily adhere to in its dealings with stakeholder groups, specifying at least:

a) The goals of its corporate social responsibility policy and the support instruments to be deployed.

b) The corporate strategy with regard to sustainability, the environment and social issues.

c) Concrete practices in matters relative to: shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of illegal conduct.

d) The methods or systems for monitoring the results of the practices referred to above, and identifying and managing related risks.

e) The mechanisms for supervising non-financial risk, ethics and business conduct.

f) Channels for stakeholder communication, participation and dialogue.

g) Responsible communication practices that prevent the manipulation of information and protect the company's honour and integrity.

Compliant

55. The company should report on corporate social responsibility developments in its directors' report or in a separate document, using an internationally accepted methodology.

Compliant

56. Director remuneration should be sufficient to attract individuals with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of nonexecutive directors.

Compliant

57. Variable remuneration linked to the company and the director's performance, the award of shares, options or any other right to acquire shares or to be remunerated on the basis of share price movements, and membership of long-term savings schemes such as pension plans should be confined to executive directors.

The company may consider the share-based remuneration of non-executive directors provided they retain such shares until the end of their mandate. This condition, however, will not apply to shares that the director must dispose of to defray costs related to their acquisition.

Compliant

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind.

In particular, variable remuneration items should meet the following conditions:

a) Be subject to predetermined and measurable performance criteria that factor the risk assumed to obtain a given outcome.

b) Promote the long-term sustainability of the company and include non-financial criteria that are relevant for the company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies

c) Be focused on achieving a balance between the delivery of short, medium and long-term objectives, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one-off, occasional or extraordinary events.

Explain

On the proposal of the Appointments and Remunerations Committee, the Board of Directors shall be responsible for setting up annual variable remuneration objectives, including their adjustments, for the existing Chairperson, in accordance with the stipulations of the applicable remunerations policy. At the same time, contracts of executive directors who performed executive duties that ended in 2016 specified that the variable components of their remuneration are conditioned to the performance of their annual objectives that were set for them and could be linked to financial or business indicators that the Appointments and Remunerations Committee and the Board of Directors deem relevant.

Notwithstanding the above, given the exceptional situation in which the Company struggled in 2016, the objectives of the variable remuneration were fundamentally based on the EBITDA and, in some cases, on the culmination of the financial restructuring process, without it considering criteria of non-financial nature. This same exceptional situation made it improbable to comply with the requirements set forth in the extraordinary plans of variable remuneration for directors which also served for some of the previous executive directors, thus limiting the virtual practicality of the short- and long-term incentives.

Abengoa's Board of Directors intends to ask the next Ordinary General Shareholders Meeting to consider a new Remunerations Policy for the 2018 and subsequent financial years. Said policy is expected to include the full content of this recommendation.

59. A major part of variable remuneration components should be deferred for a long enough period to ensure that predetermined performance criteria have effectively been met.

Explain

The variable compensation policy does not provide for a large part of the variable remuneration components being deferred for a long enough period to ensure that predetermined performance criteria have effectively been met, notwithstanding the fact that it can be provided for once the Company has overcome its present exceptional circumstances.

Thus, as already indicated, Abengoa's Board of Directors intend to submit a new remunerations policy on the 2018 and subsequent financial years to the next Ordinary General Shareholders Meeting for consideration. The preparation of said policy may warrant the full inclusion of the of the content of the recommendation and, consequently, the modification of the Executive Chairman's contract for its appropriate adjustment.

60. Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduces said amount.

Explain

Variable remunerations linked to the company's results do not explicitly consider the exceptions and qualifications that may be in the external auditor's report. That notwithstanding, just as already indicated, in the framework of the new remunerations policy that is being prepared, the inclusion of the recommendation is being considered and, consequently, it will consider the modification of the Executive Chairman's contract for its appropriate adjustment.

61. A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price.

Explain

As is on 31 December 2016, the variable remuneration of Abengoa's executive directors does not include the award of shares or share-based financial instruments.

However, some of the board members who performed executive duties and withdrew from them during the 2016 financial year participated in the extraordinary plans of variable remunerations for existing directors, which amounted to a significant part of their variable remuneration. The accrual of remuneration corresponding to the extraordinary variable compensation schemes, and therefore, the right to receive such (not the amount of remuneration in itself)- depended on the market value of Abengoa's class B shares not falling below certain values in the last quarter that each scheme is in force. Consequently, Abengoa's Board of Directors considers that the characteristics of the variable compensation linked to these schemes allowed for the fulfilment of the practical aim of Recommendation 61 of the Code, and therefore it is tied to the performance of the Company Stock Value.

As already indicated, the Board of Directors of Abengoa intend to submit a new Remunerations Policy on the 2018 and subsequent financial years to the next Ordinary General Shareholders Meeting to consider. Decisions will be taken on whether to include the content of the recommendations.

62. Following the award of shares, share options or other rights on shares derived from the remuneration system, directors should not be allowed to transfer a number of shares equivalent to twice their annual fixed remuneration, or to exercise the share options or other rights on shares for at least three years after their award.

The above condition will not apply to any shares that the director must dispose of to defray costs related to their acquisition.

N/A

63. Contractual arrangements should include provisions that permit the company to reclaim variable components of remuneration when payment was out of step with the director's actual performance or based on data subsequently found to be misstated.

Explain

The contracts of the executive members who served during the 2016 financial year do not contain any clause that may permit them to file for reimbursement of the variable components of the remuneration in cases in which it does not adjust to performance since, given the special circumstances of the Company, the objectives to which they were linked were mainly centred on the short-term observable financial magnitudes. Notwithstanding, it should be noted that none of the board members who performed executive duties but left such duties during the 2016 financial year accrued any amounts in concept of the annual variable remuneration for said financial year.

The Board of Directors' meeting held on 27 February 2017, on the proposal of the Appointments and Remunerations Committee set forth the objectives of the Executive Chairman for the 2017 financial year and agreed that the payment of the variable components of the remuneration shall be subject to reimbursement (but the company may retrieve it) in the event that the payment is not adjusted to the terms and conditions of performance or if paid based on information that is later found to be incorrect.

In addition, the Company is considering the inclusion of this stipulation in the Remunerations Policy which it intends to submit to the next Ordinary General Shareholders Meeting for approval and, consequently, shall modify the contract of the Executive Chairman.

64. Termination payments should not exceed a fixed amount equivalent to two years of the director's total annual remuneration and should not be paid until the company confirms that he or she has met the predetermined performance criteria.

Compliant

H. Other information of interest

1. If there are any significant aspects regarding corporate governance at the company or at entities of the group that is not included in the other sections of this report, but should be included in order to provide more complete and well-reasoned information regarding the corporate governance structure and practices at the entity or its group, briefly describe them.

2. In this section, you may also include any other information, clarification, or comment relating to the prior sections of this report to the extent they are relevant and not repetitive.

Specifically, indicate whether the company is subject to laws other than Spanish laws regarding corporate governance and, if applicable, include such information as the company is required to provide that is different from the information required in this report.

3. The company may also indicate whether it has voluntarily adhered to other international, industrial, or other codes of ethical principles or good practices. If so, identify the code in question and the date of adherence thereto. In particular, mention whether there has been adherence to the Code of Good Tax Practices of 20 July 2010.

A.1 - Rights inherent in class A and B shares

Article 8 of Abengoa's Bylaws regulates the different rights inherent in its class A and B shares. The Extraordinary General Shareholders Meeting held on the second call on 30 September 2012, agreed to amend article 8 of Abengoa's bylaws to include a mechanism for voluntarily converting class A shares into class B shares. Below is the aforementioned subsection of the aforementioned Article 8 which includes the right of voluntary conversion:

" […] A.3) The right of conversion into class B Shares

Each class A share entitles its owner the right to convert it into a class B share until 31 December 2017

The owner may exercise its right of conversion by sending the company or, better still, as the case may be, the agency designated for such, through the corresponding participating entity of the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), through any means that provides acknowledgement of receipt, notification reflecting the total number of class A shares owned by said owner and the exact number of class A shares over which said owner wishes to exercise the inherent rights of conversion, in order for the Company to execute the agreements necessary for effecting the aforementioned conversion and to subsequently inform the CNMV by issuing the corresponding notice of relevant event.

The aforementioned notice shall include the corresponding certificate of ownership and legitimacy for the class A shares issued by an entity that must be a participant in the Iberclear management systems, or through an intermediary or depository or financial entity managing the shares under the terms set out in the regulations governing securities representation by means of book-entry or through any other equivalent means of accreditation to which the Company grants sufficient validity for that purpose.

The exercise of the inherent conversion rights of a class A shares shall be understood as the company's share capital being reduced by the amount of the difference between the face value of the class A shares for which the inherent rights are exercised and the face value of the same number of class B shares, an amount that will increase the restricted reserve which the company would already have set aside for that purpose and in accordance with article 335.c) of the Spanish Companies Act.

The Board of Directors, with the specific faculty of substitution by the Chairman or the Chief Executive, shall be empowered to determine the period, frequency and procedure for exercising the inherent conversion rights, including, if applicable, the decision of adequacy of the aforementioned equivalent means of accreditation, as well as all other aspects that may be deemed necessary for the proper and correct exercise of said right, which shall all be appropriately communicated through the corresponding notice of relevant event. […]"

A.2, A.4 and A7

The Company is involved in a process of financial restructuring scheduled to finalise during the first quarter of 2016. Among other items, this restructuring operation involves the entry of new money into the group of companies headed by the Company and the capitalisation and/or discharge, as appropriate, of certain financial debt. As a result of these capitalisation operations and having exercised these on conclusion of the restructuring operation, the significant shareholders of the Company at the year-end, Inversión Corporativa IC, S.A. and Finarpisa, S.A., will no longer hold a significant stake in the Company.

A.12.

The Company reported a relevant event on 29 April 2016 sent to the CNMV (official registration number 238043) stating that the process of voluntary delisting of its Class B shares and its American Depositary Receipts (ADRs) from the NASDAQ Stock Market became effective on 28 April 2016, having carried out all the actions to exclude such securities from the SEC and therefore terminating its reporting obligations under the Securities Exchange Act of 1934. Following the delisting of the Class B shares and ADRs from the Nasdaq Stock Market, all of the shares of the Company are traded on the Spanish Electronic Market.

B.3 / B.5 Reinforcement to guarantee minority rights

In the interest of reinforcing minority rights, Abengoa submitted a series of bylaw amendments to the Extraordinary General Shareholders Meeting for approval to ensure that the so-called "defence of minority rights" do not suffer infringements for the mere fact that two different classes of shares exist with different face values and specifically to prevent the lesser face value of the class B shares from making it more difficult to obtain the percentages of the share capital required for the exercise of some voting rights, for example, 3% of the equity to enable the convening of the General Shareholders Meeting or for proposing the exercise of a social responsibility action. Thus, the General Shareholders Meeting approved the amendments of Abengoa's bylaws in the terms and conditions indicated below to envisage that all rights are exercised considering the denominator for calculating the number of shares as the basis for the percentage, and not the share capital.

In particular, the General shareholders Meeting approved the amendment of the bylaws with the aim of establishing that (i) Shareholders be required to own three hundred and seventy-five (375) shares, regardless of whether they are class A or B, to attend the General Shareholders meeting of the company's shareholders; (ii) that shareholders representing at least 3% of the share capital or 3% of the shares with voting rights be allowed to request publication of a supplement to the call for an Ordinary General Shareholders meeting including one or more points on the agenda and to submit proposals for decisions on issues already included or that should be included in the agenda of the convened Meeting; that (i) shareholders who own 1% of the share capital or 1% of the voting shares be able to request the presence of a Notary Public to endorse the minutes of the General Shareholders meeting; (iv) shareholders who own 3% of the share capital or 3% of the voting shares be able to request the convening of the General Shareholders meeting to decide upon the corporate liability action against directors or exercise the corporate liability action without or against the decision made by the Board in the General Shareholders meeting; (v) that the Company's Board of Directors convene the General Shareholders meeting when requested by shareholders representing 3% of the share capital or 3% of the voting shares; (vi) that the Company's Board of Directors extend the General Shareholders meeting if requested by shareholders representing 25% of the capital present or represented in the meeting or 25% of the voting shares and (vii) that the Company's Board Chairman may suspend the right to information as established in article 197 of the Spanish Companies Act only if so requested by shareholders representing less than 25% of the paid-in capital or 25% of the company's voting shares if this percentage is lower than the voting shares (and as long as verified in addition to the other conditions envisaged in the bylaws.

C.1.2 and C.1.9

The director Mr. José Luis Aya Abaurre passed away on 12 February 2016. On 7 March 2016 the Company's Board of Directors agreed to cover the vacancy left on the Board due to the death of Mr. José Luis Aya Abaurre by co-opting, thereby appointing the company Inayaba, S.L. as director and Ms. Ana Abaurrea Aya as individual representative.

On 1 March 2016 the Board of Directors of Abengoa approved the following resolutions:

- Remove Mr. José Domínguez Abascal as Chairman whereby he remains as director with the category of other external director.
- Appoint Mr. Antonio Fornieles Melero, who until now held the positions of Vice-Chairman and Coordinating Director, as Executive Chairman, delegating all powers of the Board of Directors to him except those which cannot be delegated by law, attaining the status of executive director with the duty of the Executive Chairman.
- Delegate all powers of the Board of Directors, except those which cannot be delegated by law, to the Managing Director, Mr Joaquín Fernández de Piérola Marín, retaining the post of executive board member although with the duty of Chief Executive.

Furthermore, on 8 March 2016 Abengoa's Board of Directors adopted the following agreements:

- To appoint Mr Joaquín Fernández de Piérola Marín as First Vice-chairman of the Board of Directors, thereby merging this position with that of Managing Director (CEO).
- To appoint Ms. Alicia Velarde Valiente as Second Vice-chairwoman and Coordinating Director.

On 18 April 2016 the Board of Directors of Abengoa agreed to accept the resignation of Mr. José Domínguez Abascal as director for personal reasons.

On 25 May 2016 the Board of Directors accepted the resignation tendered by Mr. Claudi Santiago Ponsa as director, as a consequence of the envisaged new shareholding composition of Abengoa as a result of the current restructuring process then ongoing.

The Ordinary General Shareholders meeting held on 30 June 2016 approved, among other resolutions, the decision to remove Mr. Javier Benjumea Llorente as executive director and ratify and appoint Joaquín Fernández de Piérola Maríin as executive director, Ricardo Martínez Rico as independent director, Alicia Velarde Valiente as independent director and Inayaba, S.L., represented by Ana Abaurrea Aya, as proprietary director.

Lastly, the Extraordinary General Shareholders meeting held on 22 November 2016 accepted the resignation tendered on that date by all the directors and, at the proposal of the Board of Directors, following a report from the Appointments and Remuneration Committee, agreed to appoint Gonzalo Urquijo Fernández de Araoz as executive director and Mr. Manuel Castro Aladro, Mr. José Luis del Valle Doblado, Mr. José Wahnon Levy, Mr. Ramón Sotomayor Jáuregui, Mr. Javier Targhetta Roza and Ms. Pilar Cavero Mestre as independent directors.

Accordingly, on the date of approving this report, the Company's Board of Directors comprises as 1 executive director and 6 independent directors.

It is hereby noted that, as an event following the year-end, on 26 January 2017 Javier Targhetta Roza resigned his position as director for personal family reasons and the Company's Board of Directors accepted the resignation.

C.1.15

The amount of total remuneration of Board members includes remuneration paid, for any reason, to all those who have held the position of director of the Company during 2016.

C.1.16

In the context of the restructuring process Abengoa has changed its organisational structure in order to make it more streamlined, more efficient and focused on business development.

The Corporate area now includes all areas that were previously split up. This is in order to obtain greater synergies and efficiencies.

In the Business area we have removed the previous structure based on Business Groups, concentrating the activities and integrating business units to also exploit synergies and gain in efficiency. The new business organisational chart is divided into two areas, Business and Geographies, which is intended to cover all future activities of Abengoa, focusing on our core operations of Engineering and Construction and maintaining technology and innovation as key elements of competitiveness.

As a consequence of the foregoing, the senior management of the Company was simplified on 22 November 2016 to form an Executive Committee comprised of only six members: the Executive Chairman, Mr. Gonzalo Urquijo Fernández de Araoz; the CEO, Mr. Joaquín Fernández de Piérola; the Secretary General, Mr. Daniel Alaminos; the Director of Human Resources, Mr. Alvaro Polo; the Finance Director, Mr. Víctor Pastor, and the Director of Strategy and Restructuring, Mr. David Jiménez-Blanco. Therefore, on said date, the previous top management body known as Strategy Committee, the made up of 22 members, ceased to exist. Notwithstanding the foregoing, the overall amount of remuneration to senior management shown in this report reflects the remuneration of senior managers holding said post, partially or completely, in the 2016 financial year.

C.1.45

It is hereby noted that, pursuant to the services rendering business agreement that Abengoa entered into with the previous Executive Chairman, Mr. José Domínguez Abascal, in the event that the Company terminates him, he would be entitled to opt between non-competition post-contractual compensation for early/agreed termination as described above, which in the case of Mr. Domínguez Abascal reached an amount equivalent to 100% of the accrued remunerations for the immediately preceding financial year, or reintegration to his previous post. After his termination as Executive Chairman, Mr. Domínguez Abascal opted for reintegration into his previous post.

C.2.1

It is hereby noted that on 27th February 2017 the Board of Directors of Abengoa unanimously agreed to appoint Mr. José Luis del Valle Doblado as member of the Appointments and Remunerations Committee in replacement of Mr. Javier Targuetta Roza.

D.3

It is hereby stated that on 1 March 2016, Abengoa's Board of Directors agreed to terminate the service provision agreement between Abengoa and Mr. Felipe Benjumea Llorente on 23 September 2015.

D.7

Atlantica Yield plc, a company that does not belong to the Group but in which Abengoa holds a stake of approximately 40%, is listed on the US Nasdaq. For this purpose, on 26 May 2014 both companies signed a protocol for the authorisation and supervision of related-party transactions.

Other information

During 2013 Abengoa started to prepare a corporate compliance programme which it has continued to develop in recent years.

The concept of corporate compliance was introduced in adherence to international practices and to specific compulsory legal rules and regulations, especially practiced in Anglo-Saxon law and, from December 2014 onwards, in Spain. Up until the Transparency Act and, most recently, Law 31/2014, of 3 December, which amends the Spanish Companies Act to improve corporate governance, became effective and enforceable in Spain, good governance recommendations were just that: recommendations. They were not binding even though, on the international markets, companies were legally obliged to comply with certain codes of conduct to prevent fraud, among other bad practices. Notwithstanding the above, due to the increase in getting closer to the international markets as well as to the recent promulgation of Law 31/2014, it is now necessary, on the one hand, to harmonise the international practice with Spanish laws, thus introducing the concept of criminal liability for legal entities and, on the other, to adapt the various company standards to the new amendments introduced in the Spanish Companies Act.

The goal that Abengoa hopes to attain by creating this programme and by adapting its standards to the recent amendments in the Spanish Companies Act on the aspect of corporate governance is for the Board of Directors and the management to apply and practice ethics, legality and efficacy in business transactions (good governance), with the organization's systematic focus on evaluating and managing risks, and to ensure that the organisation and its employees comply with the existing laws, regulations and standards, including the company's behavioural standards (regulatory compliance), with Abengoa exercising due control and providing a strategic vision to tackle the legal needs of the organisation. The creation of a regulatory compliance monitoring programme by introducing an effective system of good governance and crime prevention is an essential resource for the reputation of Abengoa.

Abengoa's corporate compliance programme establishes standards and procedures for detecting and preventing bad corporate practices, with the Board of Directors acting as the authority in supervising the implementation and improvement of the compliance programme and creating the internal post of compliance officer. An appropriate corporate compliance programme requires an evaluation of the criminal, social and corporate good governance risks, a monitoring authority, a follow-up, action and surveillance programme, as well as an important ongoing training programme for employees.

Also in 2002, Abengoa signed the UN Global Compact, an international initiative which aims to achieve a voluntary commitment of entities in social responsibility through the implementation of ten principles based on human, labour and environmental rights and the fight against corruption.

And in 2007 the company signed the Caring for Climate initiative, also of the United Nations. As a result, Abengoa has implemented a system of reporting emissions of greenhouse gases (GHGs), which allows it to calculate its emissions of greenhouse gases, trace all its supplies and certify the products and services it offers.

On 26 July 2010, the Company's Board of Directors agreed on the company's adhesion to the Code of Good Tax Practices.

This annual corporate governance report was approved by the Board of Directors of the company at its meeting dated _____.

Indicate whether any directors voted against or abstained in connection with the approval of this Report.

No

Individual or company name of director that did not vote in favour of the approval of this report	Reasons (opposed, abstained, absent)	Explain the reasons

02. Annual report on the remuneration of Board of Directors

A. The company's remuneration policy for the ongoing year

A.1. Abengoa's remuneration policy for the ongoing financial year 2017

At Abengoa, S.A. ("**Abengoa**" or the "**Company**") it is considered important to maintain policies geared towards proposing long-term professional careers in the Group of which Abengoa is the parent company (the "Group") and, at the same time, promoting the Company and its Group's long-term profitability and sustainability, maintaining reasonable proportionality with the importance of the Company, its economic situation at the given time and the market standards of comparable companies. Abengoa's business transactions and operations are conducted in extremely competitive fields in which the achievement of goals and objectives greatly depend on the quality, work capacity, dedication and business knowledge of the persons holding key positions and leading the organization.

These premises determine the Group's remuneration policy in general, that of the directors, in particular, and especially that of the executives, which should make it possible to attract and retain the most distinguished professionals.

Therefore, the aim of the remuneration policy for members of the Board is as follows:

- Remuneration for the supervisory and collegial decision-making duties performed as members of the Board of Directors should be appropriate to reward the dedication, qualification and responsibility required for the performance of the duties of member of the Board, bearing in mind the duties performed on the Board of Directors and the Committees on which they serve.
- Regarding the remuneration of executive directors for performing their executive duties:
  - (i) Ensure that the overall remuneration package and its structure are competitive in comparison with the international sector and compatible with our vocation of leadership.
  - (ii) Maintain an annual variable component linked to the achievement of specific and quantifiable objectives that are in line with the interests of shareholders.

The remuneration policy for members of the Board of Abengoa set out in this report is based on the Annual Report on Remuneration for Members of the Board for financial year 2014, which was adopted at the ordinary General Shareholders' Meeting of 29 March 2015. In accordance with the transitional provision of Law 31/2014 of 3 December, amending the Spanish Company Law to improve corporate governance, the adoption of the report by the General Shareholders' Meeting determined that the remuneration policy set out in the report was also adopted for the purposes of article 529 novodecies of the Spanish Company Law, effective until financial year 2017 (inclusive).

However, article 39 of the Bylaws of Abengoa – which, among other things, governs Board member remuneration – was altered at that same ordinary General Shareholders' Meeting of 29 March 2015 and at the extraordinary General Shareholders' Meeting of 22 November 2016. Among other changes, the General Shareholders' Meeting of 22 November 2016 resolved to remove the previously available possibility of remunerating Board members by means of a share in the Company's earnings. The remuneration policy reflected in this report accordingly differs from the policy set out in the Annual Report on Remuneration for Members of the Board for financial year 2014 to the extent that it reflects those changes to the Bylaws in connection with remuneration.

The criteria for establishing a director remuneration policy are in conformity with the provisions of the Spanish Company Law (articles 217 to 219, 249 and 529 sexdecies to 529 novodecies), those of the Bylaws (article 39) and those of the Regulations of the Board of Directors (article 20), establishing various criteria depending on whether or not the director performs executive duties:

- Remuneration of members of the Board for their condition as such.
  The position of director is remunerated following the stipulations of article 39 of the Bylaws. Remuneration of members of the Board consists of an amount the total sum of which will be decided by the Company's General Shareholders' Meeting, in accordance with the remuneration policy for members of the Board and on the basis of all or some of the following items, subject to any statutory requirement as to prior approval by the General Shareholders' Meeting:
  - (a) a fixed allocation;
  - (b) attendance allowances;
  - (c) variable remuneration tied to general benchmark indicators or parameters; and
  - (d) severance compensation, provided that severance does not arise from breach of the director's duties.

  In addition, payment may be in the form of shares made over to non-executive directors, such share-based payment being subject to the recipients' continuing to hold the shares (except any they may need to sell to defray the costs of acquiring them) until their departure from the Board.
  At present, from among the various possibilities permitted by Abengoa's internal rules, remuneration to members of the Board in their capacity as such exclusively takes the form of allowances for attendance at meetings of the Board and its Committees.
  The specific determination of the amount due in respect of the above considerations to each of the members of the Board and the form of payment rests with the Board. For that purpose, the Board will have regard to the duties performed by each member within the Board itself and his/her membership of and attendance at the various Committees. Directors will also be reimbursed for costs incurred in the performance of actions entrusted to them by the Board.

Any rights and duties arising from membership of the Board will be compatible with any other rights, duties and indemnities that may attach to a Board member by virtue of any other functions, including executive duties, which he/she performs at the Company.

› Remuneration for the performance of duties at the Company other than those attributed to directorship.
This includes director remuneration for performing executive duties or those of another nature, other than those of supervision and decision-making exercised on a collegial basis on the Board or its Committees.
This remuneration is compatible with their remuneration simply in their capacity as members of the Board of Directors.
The setting of director remuneration for the performance of executive duties rests with the Board. It is to be noted that as from the extraordinary General Shareholders' Meeting of 22 November 2016 the only executive director now in office is the current Executive Chairman, Mr. Gonzalo Urquijo Fernández de Araoz.

The Board, at the proposal of the Appointments and Remuneration Committee, intends to lay before the upcoming ordinary General Shareholders' Meeting, for adoption if thought appropriate, a new remuneration policy for financial year 2018 and subsequent years. The Board likewise intends to propose to the General Shareholders' Meeting that the new remuneration policy also apply in 2017, thus altering the policy set out in this report in accordance with article 529 (3) novodecies of the Spanish Company Law.

A.2. Process to determine the remuneration policy

In accordance with article 28 of the Regulations of the Board of Directors of Abengoa, it falls to the Appointments and Remuneration Committee to propose to the Board the remuneration policy for directors, for senior executive vice presidents or such persons as perform senior management duties and report directly to the Board, for executive committees and for executive directors, such policy subsequently being submitted for approval to the General Shareholders' Meeting. The Appointments and Remuneration Committee must also regularly review the remuneration policy and ensure that the individual remuneration of each such person is proportionate to that paid to the rest of directors and senior executive vice presidents of the Company.

The remuneration policy for members of the Board of Abengoa set out in this report is based on the Annual Report on Remuneration for Members of the Board for financial year 2014. That remuneration policy was prepared, discussed and formulated by the Appointments and Remuneration Commission, with the resulting proposal then being referred to the Board of Directors for subsequent submission to the General Shareholders' Meeting. External advisers were not involved in framing the remuneration policy. However, to set the policy in specific relation to directors who are in office at the time of writing, market benchmarks have been considered, based on information supplied by reputable consultants, as indicated later within this section A.2.

In accordance with the Bylaws and the Regulations of the Board of Directors of Abengoa, a majority of members of the Appointments and Remuneration Committee must be independent directors, and the Committee Chair must be appointed from among the independent directors on the Committee. At present, the Appointments and Remuneration Committee is made up of independent directors exclusively, including the Committee Chair, all of whom have been appointed on the strength of their knowledge, skills and experience in the matters dealt with by the Committee.

The current members of the Appointments and Remuneration Committee – who, in that capacity, are involved in the framing and regular review of the remuneration policy – are:

Pilar Cavero Mestre	Chair	Independent Director
José Luis del Valle Doblado	Member	Independent Director
Ramón Sotomayor Jáuregui	Member	Independent Director
Juan Miguel Goenechea Domínguez	Secretary	Non-Board member

Ms. Cavero was appointed to the Committee at a meeting of the Board of Directors of Abengoa, S.A. held on 22 November 2016, and elected as Chairwoman at a meeting of the Appointments and Remuneration Commission held on that same day; the Secretary was appointed at the meeting of the Board of Directors of Abengoa, S.A. held on 22 November 2016.

At year-end 2016, Mr. Javier Targhetta Roza was a member of the Appointments and Remuneration Committee, but on 26 January 2017 he resigned as a director for personal reasons of a family nature. The Board of Directors, at its meeting of 27 February 2017, unanimously resolved to appoint Mr. José Luis del Valle Doblado as a member of the Appointments and Remuneration Committee to replace Mr. Javier Targhetta Roza.

In the context of the restructuring of Abengoa, and in accordance with the terms of the Restructuring Agreement entered into by the Company on 24 September 2016, the Board of Directors was completely overhauled in number and membership at the extraordinary General Shareholders' Meeting of 22 November 2016. To set remuneration for the new members of the Board of Directors, all of whom are independent except the Executive Chairman, the Appointments and Remuneration Committee relied on information on market benchmarks provided by the specialized firm Spencer Stuart. To determine the terms of the contract with the Executive President, the Committee was also advised by Mercer, a consultancy firm that likewise specializes in remuneration matters.

A.3. Fixed components of remuneration

(a) Remuneration of members of the Board in their capacity as such

The remuneration of Abengoa directors in their capacity as such consists of allowances for attendance at meetings of the Board and of its Committees. The applicable amounts accrue only upon attendance by a director at the meetings of the corresponding body. The detail of these items of remuneration is as follows:

- Allowances for attendance at meetings of the Board: € 8,000 per meeting, capped at € 80,000 per director per annum.
- Allowances for attendance at meetings of the Audit Committee: € 2,500 per meeting, capped at € 10,000 per director per annum.
- Allowances for attendance at meetings of the Appointments and Remuneration Committee: € 2,500 per meeting, capped at € 10,000 per director per annum.
- Allowances for chairmanship of the Audit Committee or of the Appointments and Remuneration Committee: € 2,500 per meeting, capped at € 10,000 per director per annum.

(b) Remuneration of members of the Board for the performance of executive duties

Executive directors are paid a fixed allocation or salary as consideration for the performance of their executive duties, which consists of a fixed annual gross sum apportioned across twelve equal monthly payments.

The amount of such remuneration must lie within the range of usual remuneration for similar positions at comparable companies. This amount is set, as far as practicable, on the basis of market research conducted by external consultants.

Fixed remuneration may be increased annually in accordance with a review conducted by the Board, on the motion of the Appointments and Remuneration Committee and pursuant to the applicable remuneration policy.

As indicated earlier, since 22 November 2016 the only executive director now in office at Abengoa is its Executive Chairman, Mr. Gonzalo Urquijo Fernánder de Araoz, whose fixed remuneration for 2017 comes to € 1,000,000.

Executives directors may also have the benefit of life and/or accident insurance paid for by the Company.

A.4. Variable components of the remuneration systems

At Abengoa, only executive directors are entitled to variable remuneration.

(a) Annual variable remuneration (or bonus)

Annual variable remuneration of executive directors forms part of Abengoa's general remuneration policy for senior management, and partakes of the same general structure as the annual variable remuneration of senior executives. As regards executive directors, it falls to the Board, at the proposal of the Appointments and Remuneration Committee, to set annual targets and their weightings in accordance with the applicable remuneration policy.

Annual variable remuneration (or bonus) for executive directors is tied to the fulfillment of targets. Those targets, in turn, are mainly pegged to Earnings Before Interest, Taxes, Depreciation and Amortization, or "**EBITDA**". Given this framework, at the beginning of the financial year an estimate is made of the total variation range for the variable remuneration that may be due to executive directors.

Variable remuneration takes the form of an annual bonus, and is settled as a lump sum (it accrues for all purposes within the financial period then being settled, as appropriate).

For the purposes of the calculation of annual variable remuneration due to the Executive Chairman, the notional benchmark variable is equal to 100 % of his annual fixed remuneration, which will match the amount of the bonus if 100 % of all targets set for the given year are fulfilled. The annual variable remuneration that actually accrues can range from 80 % to a maximum of 140 % of the notional benchmark variable. At the time of writing, the annual variable remuneration targets for the Executive Chairman and their weightings are yet to be determined by the Board.

In the context of its review of the remuneration policy referred to in section A.1, the Appointments and Remuneration Committee is considering whether or not it is expedient to begin a study on possible variable compensation linked to achieving targets related to the restructuring process the Company is currently immersed in, in order to, in turn, propose to the Board of Directors that any applicable resolutions be adopted, including considering the Executive Chairman as a potential beneficiary of this compensation.

(b) Multiannual variable remuneration

Executive directors, as members of the senior management of Abengoa, are eligible to participate in the multiannual variable remuneration schemes for senior executives adopted from time to time by the Board at the proposal of the Appointments and Remuneration Committee.

At present, there are two extraordinary long-term variable remuneration plans for senior executives, adopted in January 2014 and July 2014, respectively, the terms and conditions of which are set out in section C.1. However, at the time of writing, Mr. Gonzalo Urquijo Fernández de Araoz, the only executive director now in office, was not a participant of either plan. Neither are any rights held under those plans by Mr. Javier Benjumea Llorente, Mr. José Domínguez Abascal or Mr. Antonio Fornieles Melero, who formerly performed executive duties, of which they were relieved in the course of 2016. Mr. Joaquín Fernández de Piérola Marín, who was released from his office of Chief Executive Officer on 22 November 2016 and is now a senior executive manager of the Abengoa Group, would retain rights under those plans in his present capacity, but, as did the other members of senior management who were formerly entitled under those plans, he has waived the rights.

Within the framework of the review of the remuneration policy referred to in section A.1, it is intended to adopt a medium- and long-term incentive plan for senior executives to replace the two plans referred to above. Executive directors would be eligible to take part in the new plan.

A.5. Long-term savings systems

The compensation package for Abengoa directors does not include any long-term savings system.

A.6. Compensation

There is no provision for the payment of any compensation to directors in the event of termination of their positions as such. Compensation will be paid only in the event of termination of executive duties, as indicated in section A.7 below.

A.7. Terms and conditions of contracts entered into with executive directors

Based on proposals by the Appointments and Remuneration Commission, the Board of Directors fixes the remuneration of executive directors for the performance of their executive duties and other basic conditions that must be respected in their contracts, duly approved by the Board of Directors under the terms and conditions set out in article 249 of the Spanish Company Law.

The main terms of the contract entered into by the Company with the Executive Chairman, Mr. Gonzalo Urquijo Fernández de Araoz, the only executive director in office at the time of writing, are outlined below:

a) Permanent

The contract entered into with the Executive Chairman is of indefinite duration, and makes provision for financial compensation in the event of termination of the contractual relationship with the Company, unless such termination is due to voluntary departure, death or disability of the director or to breach of his duties.

b) Exclusivity and non-competition

The Executive Chairman's contract places him under a duty of exclusive dedication to the Company as regards executive functions.

In addition, the contract includes a post-contractual non-competition clause, effective for one year after the end of his relationship with the Company. As consideration for this undertaking, the Executive Chairman will be entitled to compensation in an amount equal to one year of fixed and variable remuneration. If the Executive Chairman resigns of his own free will, the Company reserves the right not to trigger this covenant. If it is acknowledged that the Executive Chairman is entitled to the severance compensation referred to in section (e) below, the compensation for post-contractual non-competition will be deemed to be included in that amount.

If the director dishonours the post-contractual non-competition undertaking, he must pay to the Company a penalty equal to one year's fixed and variable remuneration.

c) Indemnity clauses

The Executive Chairman's contract entitles him to collect an indemnity in an amount equal to two years' fixed and variable remuneration upon termination of the contract, unless such termination is caused by voluntary resignation, death or disability of the director or by a serious and culpable breach of his duties. In events of voluntary resignation, such resignation must be tendered at least three months in advance of its intended effective date. If the director fails to comply with this condition, he must indemnify the Company with an amount equal to his fixed and variable remuneration for a time equal to the period of notice that he failed to give. If it is acknowledged that the director is entitled to severance compensation, one of the two years' remuneration will be deemed to have been received by way of consideration for the non-competition undertaking described in section (b) above.

At the Board meeting of 27 February 2017, at the proposal of the Appointments and Remuneration Committee, targets were set for the Executive Chairman for 2017. It was resolved that entitlement to the variable components of remuneration would be subject to reimbursement (and the Company may demand recovery) if the payment is inconsistent with the terms of performance or was made having regard to data later shown to be inaccurate.

In addition, the Company is considering the question of whether or not to include this provision in the new remuneration policy referred to in section A.1 above, in which event the Executive Chairman's contract would have to be modified.

A.8. Additional remuneration

As of the date of this report, no additional remuneration has accrued as consideration for services rendered other than those attaching to directorships or, as the case may be, to the performance of executive duties.

A.9. Advances, credits and guarantees granted

As of the date of this report, there were no advances, credits or guarantees granted to members of the Board of Directors of Abengoa.

A.10. Remuneration in kind

By way of remuneration in kind, the Executive Chairman benefits from a life and accident insurance policy the premiums for which are paid by the Company.

In addition, all Abengoa directors are covered by a civil liability policy arranged by the Company on market terms.

A.11. Remuneration accrued by directors by virtue of payments made to a third-party entity

No payments were made to any company for the purpose of remunerating the services rendered to Abengoa by external directors.

A.12. Other payable items

There are no other items payable other than those outlined in previous sections.

A.13. Actions put in place to reduce risks

To ensure the effective running of the organization and to guarantee the Company's long-term future, in addition to good strategic planning, it is essential that there is accurate and rigorous management that considers the risks associated with the company's activity itself and anticipates how to mitigate them.

Thus, Abengoa has its own global system for managing risks, included within the common management systems, which means risks can be controlled and identified. It is regularly updated for the purpose of creating a culture of common management, achieving the objectives set in the area and having the capacity to adapt in order to mitigate any threats that may surface in an environment as competitive as the present.

Implementation of this system entails:

- Risk management at all levels of the organization, without exception.
- Full integration with strategy and systems to achieve the targets set.
- Full support of Management to evaluate, follow up and comply with guidelines relating to threat management.

This risk management system is based on three tools:

- Mandatory rules (NOC in Spanish).
- Mandatory processes (POC in Spanish).
- The Universal Risk Model (URM).

Compliance is guaranteed through the checks carried out by the Internal Audit Department and at committee meetings regularly held with senior management and the Chairman.

These tools and common management systems are designed from quality standards aimed at complying with international rules and regulations such as ISO 31000 and the Sarbanes-Oxley Act, and have been certified by companies of international repute.

The Universal Risk Model (URM) is the methodology that Abengoa uses to identify, understand and evaluate the risks that may affect the Company. Its main purpose is to obtain a comprehensive view of them, thereby designing an efficient system that is in line with the business goals and objectives of Abengoa.

The URM consists of over 55 risks that belong to 20 different categories grouped into 4 large areas: financial, strategic, regulatory and operational.

The URM is subject to annual revisions to ensure that the calculations designed for each risk are the most appropriate for the day-to-day operations of the Company.

C. Overall summary of how the remuneration policy was applied during the last financial year

C.1. Remuneration policy applied during 2016: structure and payable items

The structure and components of the remuneration policy applied in 2016 are described below. A distinction is drawn between remuneration of directors in their capacity as such, and remuneration of directors for the performance of executive duties:

Remuneration of members of the Board for their condition as such

The structure and components of the remuneration policy applied in 2016 for directors in their capacity as such were as follows:

- Allowances for attendance at meetings of the Board: €1,254 thousand.
- Allowances for attendance at meetings of the Audit Committee and of the Appointments and Remuneration Committee, and for chairing those committees: €161 thousand.

These are aggregate amounts for all directors.

Remuneration for the performance of duties at the Company other than those attributed to directorship

The structure and components of the remuneration policy applied in 2016 for the performance of executive duties were as follows:

(i) Fixed remuneration

Fixed remuneration paid to directors for the performance of executive duties during 2016 in accordance with the contracts approved by the Board at the proposal of the Appointments and Remuneration Committee came to a total of €1,367,500. This figure includes the amounts for: (a) Mr. Gonzalo Urquijo Fernández de Araoz, current Executive President; (b) Mr. Javier Benjumea Llorente until 30 June 2016, when he ceased to be a director; (c) Mr. José Domínguez Abascal until 1 March 2016, when he was relieved of his executive duties; (d) Mr. Antonio Fornieles Melero until 22 November 2016, when he departed from the Board; and (e) Mr. Joaquín Fernández de Piérola Marín until 22 November 2016, when he ceased to be a director.

(ii) Annual variable remuneration (bonus)

None of the directors who performed executive duties and were relieved of such duties in the course of 2016, i.e., Mr. Javier Benjumea Llorente, Mr. José Domínguez Abascal, Mr. Antonio Fornieles Melero and Mr. Joaquín Fernández de Piérola Marín, has earned any variable remuneration for that year.

Mr. Gonzalo Urquijo Fernández de Araoz joined the Board of Directors and took office as Executive Chairman on 22 November 2016. As indicated in section A.4, as of the date of this report the Board of Directors had not yet set its targets for the purpose of calculating variable annual remuneration, or the weightings of each target. Therefore, the Executive President likewise has earned no variable annual remuneration for the time during which he performed executive duties in 2016. However, his performance during that period may, if appropriate, be taken into account when setting targets for 2017.

(iii) Extraordinary variable remuneration plans for senior management

As indicated in section A.4, there are currently two long-term variable remuneration plans for senior management, in which some executive directors took part in 2016. However, the directors who are now members of senior management have waived their rights under those plans.

These plans do not involve remuneration that is linked to the Company share price within the meaning of article 219 of the Spanish Company Law. However, the entitlement to receive such remuneration, but not the amount per se, is conditional on the class B shares of the Company rising to certain quoted prices. This requirement may be disapplied by the Appointments and Remuneration Committee if warranted by exceptional circumstances in the securities markets.

1. Extraordinary variable remuneration plan for senior management approved in January 2014

This plan, which replaces and supersedes the earlier extraordinary plan approved in February 2011, was approved by the Board of Directors of the Company in January 2014, in accordance with the proposal of the Appointments and Remuneration Committee.

One of the beneficiaries formerly under the plan was the former CEO and current senior executive manager Mr. Joaquín Fernández de Piérola Marín, among other senior executives. The plan will mature on 31 December 2017.

Entitlement to this remuneration is subject to the following conditions:

a) the beneficiary must remain an employee until the end of the plan;
b) the beneficiary must be entitled to receive an annual bonus in each financial year within the period in question;
c) the extent of fulfillment (of targets) must be 20% per annum, in addition to the requirement that the beneficiary remains as an employee of the Company until 31 December 2017;
d) the consolidated budget of the Business and/or the Abengoa Group for 2017 must have been fulfilled in accordance with the Strategic Plan in effect at the given time.
e) the average price of Abengoa class B shares over the last three months of 2017 must remain above a certain value.

If a plan beneficiary loses that status before the end of the plan (whether voluntarily or as a result of dismissal for cause), he/she will lose his/her entitlement to any payment under the plan.

If a beneficiary dies, the plan terminates, and his/her heirs are entitled, depending on the seniority of the decedent executive, to the entire amount or the vested amount to which he/she would have been entitled for the financial period ended before his/her death.

If a beneficiary retires by virtue of reaching retirement age or of a declaration of absolute permanent disability (preventing him/her from doing any other kind of work) before the end of the term of effect of the plan, he/she will be entitled to the amount that vested during fully completed financial periods as of the date of retirement, provided that the rest of stipulated conditions are satisfied.

At year-end 2016, no expense was recognized in respect of the plan, because it was believed that the stipulated conditions were unlikely to be satisfied, in view of the Company's present state of affairs, which led to the filing of the notice required under article 5 bis of the Insolvency Law (**Ley 22/2003, de 9 de julio, Concursal**) and to the financial restructuring process in which the Company has been involved until early 2017. However, if the plan were ever implemented, the executive directors who took part in 2016 and who today are members of senior management (Mr. Joaquín Fernández de Piérola) would not be entitled to any amount, because they have waived their rights under those plans.

2. Extraordinary variable remuneration plan for senior management approved in July 2014

This plan was approved by the Board of Directors of the Company in July 2014, in accordance with the proposal of the Appointments and Remuneration Committee.

One of the beneficiaries formerly under the plan was the former CEO and current senior executive manager Mr. Joaquín Fernández de Piérola Marín, among other senior executives. The duration of the plan is five years (2014-2018), such that it will mature on 31 December 2018.

Entitlement to this remuneration is subject to the following conditions:

a) the beneficiary must remain an employee until the end of the plan;
b) where an executive's remuneration is wholly or partly linked to the fulfillment of personal targets, the beneficiary must have been entitled to the annual bonus;
c) the extent of fulfillment (of targets) must be 20% per annum, in addition to the requirement that the beneficiary remains as an employee of the Company until 31 December 2018;
d) the average price of Abengoa class B shares over the last three months of 2018 must remain above a certain value.

If the executive's employment terminates (voluntarily or by dismissal), the plan terminates and no remuneration accrues.

If a beneficiary dies, the plan terminates, and his/her heirs are entitled, depending on the seniority of the decedent executive, to the entire amount or the vested amount to which he/she would have been entitled for the financial period ended before his/her death.

If a beneficiary retires by virtue of reaching retirement age or of a declaration of absolute permanent disability (preventing him/her from doing any other kind of work) before the end of the term of effect of the plan, he/she will be entitled to the amount that vested during fully completed financial periods as of the date of retirement, provided that the rest of stipulated conditions are satisfied.

At year-end 2016, no expense was recognized in respect of the plan, because it was believed that the stipulated conditions were unlikely to be satisfied, in view of the Company's present state of affairs, which led to the filing of the notice required under article 5 bis of the Insolvency Law and to the financial restructuring process in which the Company has been involved until early 2017. However, the executive directors who took part in 2016 and who today are members of senior management (Mr. Joaquín Fernández de Piérola) would not be entitled to any amount, because they have waived their rights under those plans.

(iv) Exceptional compensation due to the former Executive Chairman

The contract with the former Executive Chairman, Mr. José Domínguez Abascal, entitled him to receive as exceptional compensation for 2016 an amount equal to his gross fixed annual remuneration of € 700,000, subject to the following conditions being satisfied in the course of 2016:

- agreement to be reached with financial and/or trade creditors in the process of restructuring of the Company balance sheet; and/or
- as the case might be, agreement to be reached with investors for their entry into Abengoa's shareholder structure, or otherwise shoring up the Company's equity and/or resolving the Company's present financial position; and

in both cases or in either case, a declaration of insolvency of the Company in 2016 to be avoided, or, if not avoided, such insolvent status to be lifted within 2016.

On 7 March 2016, at the proposal of the Appointments and Remuneration Committee, the Board determined that, as of the date of Mr. Domínguez's departure from office as Executive Chairman of Abengoa, the conditions of entitlement to that remuneration had not been satisfied, and therefore no payment would be made.

(v) Indemnities

None of the directors who performed executive duties and were relieved of such duties in the course of 2016, i.e., Mr. Javier Benjumea Llorente, Mr. José Domínguez Abascal, Mr. Antonio Fornieles Melero and Mr. Joaquín Fernández de Piérola Marín, has earned any amount by way of severance compensation or of consideration for post-contractual non-competition undertakings.

See section E "Other information of interest", Note 1 to section C.1.

(vi) Remuneration in kind

In 2016, the Executive Chairman, Mr. Gonzalo Urquijo Fernández de Araoz, and, until their respective departures as executive directors, Mr. Javier Benjumea Llorente, Mr. José Domínguez Abascal, Mr. Antonio Fornieles Melero and Mr. Joaquín Fernández de Piérola Marín, were beneficiaries of life and accident insurance paid for by the Company.

The premiums paid came to a total of € 874.

(vii) Other items Advances, credits and guarantees. Payments to third parties. Additional remuneration

In 2016, none of the directors of Abengoa earned any remuneration for the performance of executive duties in respect of items other than those enumerated in sections (i) to (vi) above.

In 2016 no advances, credits or guarantees were granted to directors; no payments were made to any entity as consideration for services provided to Abengoa by external directors; and no additional remuneration was paid to directors as consideration for services rendered other than those attaching to their position as directors or, as the case may be, the performance of executive duties.

See section E "Other information of interest", Note 2 to section C.1.

D. Breakdown of individual remuneration accrued by each director

D.1. Breakdown of individual remuneration accrued by directors

a) Remuneration accrued at Abengoa, S.A. (in thousands of euros):

Name	Type	Period	Salary	Fixed remuner-ation	Attend-ance fees	Short-term variable remunera-tion	Long-term variable remunera-tion	Remuneration for membership of Board com-mittees	Indemni-ties	Other items	Total 2016	Total 2015
Felipe Benjumea Llorente [1]	Executive	01/01/15-23/09/15										15,671
Aplidig, S.L. [1]	Executive	01/01/15-19/015										2,804
Manuel Sánchez Ortega [1]	Executive	01/01/15-27/07/15										8,388
María Teresa Benjumea Llorente [1]	Proprietary	01/01/15-10/10/15										43
Fernando Solís Martínez Campos [1]	Proprietary	01/01/15-10/10/15										57
Carlos Sundheim Losada [1]	Proprietary	01/01/15-10/10/15										57
Santiago Seage Medela [1]	Executive	18/05/15-27/11/15										594
Javier Benjumea Llorente [2]	Executive	01/01-30/06	60		51						111	2,600
José Borrell Fontelles [3]	Independent	01/01-22/11			145			40			185	300
Mercedes Gracia Díez [3]	Independent	01/01-22/11			145			40			185	200
Ricardo Martínez Rico [3]	Independent	01/01-22/11			100						100	130
Alicia Velarde Valiente [3]	Independent	01/01-22/11			136			40			176	150
Ricardo Hausmann [3]	Independent	01/01-22/11			229						229	280
José Joaquín Abaurre Llorente [3]	Proprietary	01/01-22/11			100						100	150
José Luis Aya Abaurre [4]	Proprietary	01/01-12/02			20						20	150
Inayaba, S.L. [3] [5]	Proprietary	07/03-22/11			80						80	–
Claudi Santiago Ponsa [6]	Proprietary	01/01-25/05			36						36	78
Ignacio Solís Guardiola [3]	Proprietary	01/01-22/11			71						71	78
Antonio Fornieles Melero [3] [7]	Independent/Executive	01/01-22/11	509		29			10			548	195
José Domínguez Abascal [8]	Executive/External	01/01-18/04	119								119	175
Joaquín Fernández de Piérola Marín [3] [9]	Executive	01/01-22/11	571								571	23
Gonzalo Urquijo Fernández de Araoz [10]	Executive	22/11-31/12	108		16						124	
Manuel Castro Aladro [11]	Independent	22/11-31/12			16			3			19	
José Wahnon Levy [11]	Independent	22/11-31/12			16			5			21	
Pilar Cavero Mestre [11]	Independent	22/11-31/12			16			10			26	

Name	Type	Period	Salary	Fixed remuner-ation	Attend-ance fees	Short-term variable remunera-tion	Long-term variable remunera-tion	Remuneration for membership of Board com-mittees	Indemni-ties	Other items	Total 2016	Total 2015
José Luis del Valle Doblado (17)	Independent	22/11-31/12			16			3			19	
Javier Targhetta Roza (17)	Independent	22/11-31/12			16			5			21	
Ramón Sotomayor Jáuregui (17)	Independent	22/11-31/12			16			5			21	
Total			1,367	0	1,254	0	0	161	0	0	2,782	32,123

Note (1): Mr. Felipe Benjumea Llorente, Aplidig, S.L., Mr. Manuel Sánchez Ortega, Ms. María Teresa Benjumea Llorente, Mr. Fernando Solís Martínez Campos, Mr. Carlos Sundheim Losada and Mr. Santiago Seage Medela ceased to be directors of Abengoa in the course of 2015. Specifically:

- Mr. Felipe Benjumea Llorente tendered his resignation as a director of Abengoa in a letter addressed to the Board and dated 23 September 2015, as a result of his having been removed from the Executive Chairmanship and as part of a range of undertakings given by the Company to certain banks. That Mr. Felipe Benjumea should resign was a non-negotiable condition imposed by the underwriting and financing banks in the context of a capital increase which the Company needed to undertake. Later, during the third quarter of 2015 and up until 1 March 2016, he acted as an adviser to the Board under a consultancy contract entered into with Abengoa. The contract terminated on the latter date. Mr. Benjumea Llorente has waived his entitlement to any amount he might otherwise have been paid under the contract.
- Aplidig, S.L., represented by Mr. José B. Terceiro Lomba, resigned as a director of Abengoa on 19 January 2015.
- Mr. Sánchez Ortega resigned as CEO of Abengoa on 18 May 2015, when he was replaced by Mr. Santiago Seage Medela. Later, on 27 July 2015, he also resigned as a director of the Company. Until his resignation as a director of Abengoa on 27 July 2015, Mr. Sánchez Ortega performed a range of duties intended to ease the transition to the leadership of the new CEO of the Company, under a commercial service provision contract.
- Ms. Benjumea Llorente resigned as a director of Abengoa on 18 May 2015. She later rejoined the Board on 27 July 2015. Finally, on 10 October 2015, at the extraordinary General Shareholders' Meeting held on that date, she again resigned as a director of Abengoa.
- Mr. Solís Martínez-Campos tendered his resignation as a director of Abengoa on 10 October 2015 at the extraordinary General Shareholders' Meeting held on that day.
- Mr. Sundheim Losada tendered his resignation as a director of Abengoa on 10 October 2015 at the extraordinary General Shareholders' Meeting held on that day.
- Mr. Seage Medela was appointed member of the Board and CEO of Abengoa on 18 May 2015, replacing Mr. Sánchez Ortega. He later resigned as CEO of Abengoa and as a director on 27 November 2015.

In 2016, no remuneration accrued to the persons referred to above either in their capacity as directors or for the performance of executive duties. The data on their remuneration is limited to 2015, and is presented in aggregate form for purposes of comparison.

Note (2): Mr. Javier Benjumea Llorente was removed from his position as a director at the General Shareholders' Meeting held on 30 June 2016.

Note (3): Mr. Antonio Fornieles Melero, Mr. Joaquín Fernández de Piérola Marín, Ms. Alicia Velarde Valiente, Ms. Mercedes Gracia Díez, Mr. José Borrell Fontelles, Mr. Ricardo Hausmann, Mr. Ricardo Martínez Rico, Mr. José Joaquín Abaurre Llorente, Inayaba, S.L. (represented by Ms. Ana Abaurrea Aya) and Mr. Ignacio Solís Guardiola tendered their respective resignations as directors on 22 November 2016.

Note (4): Mr. José Luis Aya Abaurre died on February 2016.

Note (5): Inayaba, S.L. was appointed as a proprietary director of Abengoa on 7 March 2016, replacing Mr. Aya Abaurre. Inayaba, S.L. appointed as its natural-person representative Ms. Ana Abaurrea Aya.

Note (6): Mr. Claudi Santiago Ponsa resigned as a director on 25 May 2016.

Note (7): Mr. Fornieles Melero was appointed as an independent director of Abengoa on 19 January 2015, replacing Aplidig, S.L. Subsequently, on 1 March 2016, Mr. Fornieles Melero was appointed as Executive Chairman of the Board of Abengoa to replace Mr. José Domínguez Abascal.

Note (8): Mr. Domínguez Abascal was appointed as a proprietary director and as non-executive Chairman of the Board of Abengoa on 23 September 2015, replacing Mr. Felipe Benjumea Llorente. Later, on 27 November 2015, the Board of Abengoa delegated to Mr. Domínguez Abascal all powers that are delegable under the law and the Bylaws. Later, on 1 March 2016, Mr. Domínguez Abascal was removed from the Executive Chairmanship of the Board of Abengoa. He was replaced by Mr. Fornieles Melero, and from that date onward held the status of external director.

Note (9): Mr. Fernández de Piérola Marín was appointed as a director and senior executive manager of Abengoa, replacing Mr. Seage Medela, on 27 November 2015. Until his appointment as director and senior executive manager, Mr. Fernández de Piérola Marín had been chairman of the board of Abengoa México, S.A. de C.V. Later, on 1 March 2016, Mr. Fernández de Piérola Marín was appointed Chief Executive Officer of Abengoa.

Note (10): Mr. Urquijo Fernández de Araoz was appointed as an independent adviser to the Board of Abengoa, without a directorship, on 10 August 2016. Later, on 22 November 2016, he was appointed as an executive director and as Chairman of the Board of Abengoa, replacing Mr. Antonio Fornieles Melero.

Note (11): Mr. Castro Aladro, Mr. Wahnon Levy, Mr. Cavero Mestre, Mr. del Valle Doblado, Mr. Targhetta Roza and Mr. Sotomayor Jáuregui were appointed as independent directors of Abengoa on 22 November 2016, replacing the previous members of the Board of Directors, who resigned on that day.

As indicated in previous sections, the Company does not have in place any share-based payment scheme or long-term savings scheme. As of the date of this report, furthermore, there were no advances, credits or guarantees granted to members of the Board of Directors of Abengoa.

In 2016, the Company paid € 0.874 thousand for life and accident insurance premiums covering the following executive directors:

Name / type	2016	2015
Felipe Benjumea Llorente / Executive	–	0.4
Manuel Sánchez Ortega / Executive	–	0.3
Javier Benjumea Llorente / Executive	0.213	0.5
Santiago Seage Medela / Executive	–	0.2
José Domínguez Abascal / Executive	0.123	0.5
Antonio Fornieles Melero / Executive	0.293	–
Joaquín Fernández de Piérola Marín / Executive	0.203	0.1
Gonzalo Urquijo Fernández de Araoz / Executive	0.042[1]	–
Total	0.874	2.1

Note (1): The figure for Mr. Urquijo is estimated, because the respective invoice has not yet been received.

b) Remuneration accrued by the directors of Abengoa, S.A. for membership of Boards in other Group companies (in thousands of euros):

Name	Type	Accrual period 2016	Salary	Fixed remuneration	Attend-ance fees	Short-term variable remunera-tion	Long-term variable re-muneration	Remuneration for membership of Board committees	Indemnities	Other items	Total 2016	Total 2015
Javier Benjumea Llorente [1]	Executive	01/01-30/06									–	52[2]
Total			–	–	–	–	–	–	–	–	–	52

Note (1): Mr. Benjumea Llorente resigned as a director of Abengoa Bioenergía, S.A. on 29 January 2016, and has not earned remuneration in any form in that respect in 2016.

Note (2): The total figure accrued in 2016 is shown, although as of the date of issue of this report the amount of € 13 thousand for allowances relating to Abengoa Bioenergía, S.A. board meetings in 2015 is still pending payment.

c) Summary of the remuneration (in thousands of euros):

		Remuneration accrued at the Company				Remuneration accrued at Group companies				Totals		
Name	Type	Total remu-neration in cash	Value of shares granted	Gross gain on share options exercised	Total 2016 company	Total remu-neration in cash	Value of shares granted	Gross gain on share options exercised	Total 2016 Group	Total 2016	Total 2015	Contribution to the savings scheme during the financial year
Felipe Benjumea Llorente	Executive	–	–	–	–	–	–	–	–	–	15,671	–
Aplidig, S.L.	Executive	–	–	–	–	–	–	–	–	–	2,804	–
Manuel Sánchez Ortega	Executive	–	–	–	–	–	–	–	–	–	8,388	–
María Teresa Benjumea Llorente	Proprietary	–	–	–	–	–	–	–	–	–	61	–
Fernando Solís Martínez Campos	Proprietary	–	–	–	–	–	–	–	–	–	57	–
Carlos Sundheim Losada	Proprietary	–	–	–	–	–	–	–	–	–	57	–
Santiago Seage Medela	Executive	–	–	–	–	–	–	–	–	–	594	–
Javier Benjumea Llorente	Executive	111	–	–	111	–	–	–	–	111	2,652	–
José Borrell Fontelles	Independent	185	–	–	185	–	–	–	–	185	300	–
Mercedes Gracia Díez	Independent	185	–	–	185	–	–	–	–	185	200	–
Ricardo Martínez Rico	Independent	100	–	–	100	–	–	–	–	100	130	–
Alicia Velarde Valiente	Independent	176	–	–	176	–	–	–	–	176	150	–
Ricardo Hausmann	Independent	229	–	–	229	–	–	–	–	229	280	–
José Joaquín Abaurre Llorente	Proprietary	100	–	–	100	–	–	–	–	100	150	–
José Luis Aya Abaurre	Proprietary	20	–	–	20	–	–	–	–	20	150	–
Inayaba, S.L.	Proprietary	80	–	–	80	–	–	–	–	80	–	
Claudi Santiago Ponsa	Proprietary	36	–	–	36	–	–	–	–	36	78	–
Ignacio Solís Guardiola	Proprietary	71	–	–	71	–	–	–	–	71	78	–
Antonio Fornieles Melero	Independent/ Executive	548	–	–	548	–	–	–	–	548	195	–
José Domínguez Abascal	Executive/External	119	–	–	119	–	–	–	–	119	175	–
Joaquín Fernández de Piérola Marín	Executive	571	–	–	571	–	–	–	–	571	23	–
Gonzalo Urquijo Fernández de Araoz	Executive	124	–	–	124	–	–	–	–	124	–	–
Manuel Castro Aladro	Independent	19	–	–	19	–	–	–	–	19	–	–
José Wahnon Levy	Independent	21	–	–	21	–	–	–	–	21	–	–
Pilar Cavero Mestre	Independent	26	–	–	26	–	–	–	–	26	–	–
José Luis del Valle Doblado	Independent	19	–	–	19	–	–	–	–	19	–	–
Javier Targhetta Roza	Independent	21	–	–	21	–	–	–	–	21	–	–
Ramón Sotomayor Jáuregui	Independent	21	–	–	21	–	–	–	–	21	–	
Total		2,782	–	–	2,782	–	–	–	–	2,782	32,193	–

D.2. Relationship between remuneration and profit/loss of the Company

Remuneration of executive directors at Abengoa is linked to Company performance through the variable components described in sections A.4 and C.1:

- annual variable remuneration (bonus) is linked to the fulfillment of targets chiefly tied to EBITDA and such other benchmarks as the Board may adopt at the proposal of the Appointments and Remuneration Committee; and
- multiannual variable remuneration, which in 2016 was structured as participation in extraordinary variable remuneration plans for senior management, likewise described in sections A.4 and C.1. Those plans will mature on 31 December 2017 and 31 December 2018, respectively.

In 2016, the process of restructuring the Company has affected its business, performance and share price. Hence, in connection with multiannual variable remuneration, the Company has not recognized any provision for payments to directors under those plans, on the basis that the requirements for any such payments to crystallize are unlikely to be satisfied. As to annual variable remuneration, for the reasons indicated in section C.1, no bonus has accrued for the benefit of any director in connection with his/her performance of executive duties in 2016.

D.3. Result of advisory voting of the General Shareholders' Meeting regarding the annual report on remuneration of the previous financial year

	Number	% of total
Votes cast	4,925,363,405	53.5733 %

	Number	% of votes cast
Votes in favour	4,834,923,576	98.1638 %
Votes against	89,796,575	1.8231 %
Abstentions	643,254	0.0131 %

E. Other information of interest

Note 1 to section C.1. – **Remuneration policy applied during 2016: structure and payable items**

As to the absence of severance compensation or consideration for post-contractual non-competition undertakings accruing for the benefit of directors who performed executive duties and were relieved of them in 2016, the following disclosures are now made:

- The commercial contract with the former Chief Executive Officer, Mr. Joaquín Fernández de Piérola Marín, entitled him to compensation equal to 100 % of the remuneration received by Mr. Joaquín Fernández de Piérola Marín in the immediately preceding financial year, in the event of early termination of his contractual relationship with the Company– if not triggered by breach of his duties and obligations in his capacity as CEO and not due exclusively to his own volition–. That amount was also recognized by way of consideration for post-contractual non-competition.

  These two forms of indemnity were incompatible, hence, if the director were to receive the indemnity for early termination, he would not be entitled to the consideration for the non-competition undertaking. Breach of the obligation of non-competition would at all events entail the return of the indemnity amount by the executive director, regardless of the basis on which such indemnity was received.

  On 22 November 2016, Mr. Fernández de Piérola Marín resigned from his directorship, and all his functions and powers were revoked. On that same day, the Board appointed him as senior executive manager of the Group, while also (i) terminating his contract as an executive director, and (ii) entering into a fresh contract having regard to his capacity as senior executive manager. This being so, because the relationship between the company and Mr. Fernández de Piérola continued, no severance compensation accrued for his benefit.

- Under the commercial service provision contract entered into with the former Executive Chairman Mr. José Domínguez Abascal, he was entitled, if the Company were to remove him, either to severance compensation for early termination and post-contractual non-competition – which in Mr. Domínguez Abascal's case would come to an amount equal to 100 % of the remuneration accrued during the immediately preceding financial year – or to his being restored to his former position of employment. After his termination as Executive Chairman, Mr. Domínguez Abascal elected to be restored to his former position of employment.

Note 2 to section C.1. – **Remuneration policy applied during 2016: structure and payable items**

Mr. Urquijo Fernández de Araoz, before he was appointed as a director, was appointed as an independent adviser to the Board of Abengoa on 10 August 2016, and therefore entered into the appropriate contract with the Company. On 22 November 2016, he was appointed as an executive director and as Chairman of the Board of Abengoa, replacing Mr. Antonio Fornieles Melero. On that same day, the consultancy contract by which he was formerly tied to the Company was terminated. The total amount received by Mr. Urquijo Fernández de Araoz in that capacity as an independent advisor came to a gross figure of € 17,000.

This annual remuneration report was adopted unanimously by the Company's Board of Directors at its meeting held on 27 February 2017.

03. Report on the Activities of the Audit Committee

1. Scope

Abengoa's Audit Committee was created by the Board of Directors of Abengoa, S.A. on 2 December 2002, pursuant to article 44 of the Bylaws with a view to incorporating the provisions of Act 44/2002 on Reform Measures of the Financial System (Ley 44/2002) relating to Audit Committees. Abengoa also has a corporate governance system that is fully compliant with applicable regulations and best practices.

The Report on the Activities of the Audit Committee in 2016 was approved at the meeting held by said Committee on 27 February 2017, presented to the Board of Directors on 27 February 2017, and will be made available to the company's shareholders on publication of Abengoa's annual report, no later than the Annual General Shareholders' Meeting.

2. Composition of the Audit Committee

The Internal Regulations of the Audit Committee were approved by the Board of Directors on 24 February 2003, and establish:

2.1. Composition and appointment

The Audit Committee will permanently comprise at least three directors. At least two of these will be non-executive directors, thereby complying with the requirement of having a majority of non-executive directors provided by the aforementioned Law 44/2002.

Directors will serve on the committee for a maximum term of four years, renewable for maximum periods of the same duration.

In 2016, the Committee adapted its composition to corporate governance requirements applicable to listed companies in the United States.

In accordance with best practices in connection with corporate governance, and with Spanish Securities Commission (CNMV) guidelines, all members of the Audit Committee must be independent.

Likewise, at least one member of the Committee must be considered to be a financial and accounting expert.

The Audit Committee is comprised by the directors mentioned below, all of whom are independent, appointed on the specified dates:

Chairman / director	Mr. José Wahnon Levy	Independent director	22 Nov. 2016
Member	Mr. José Luís del Valle Pérez	Independent director	22 Nov. 2016
Member	Mr. Manuel Castro Aladro	Independent director	22 Nov. 2016
Secretary, non-director	Mr. Daniel Alaminos Echarri	Secretary, non-member	23 Jun. 2014

On 22 November 2016, the Extraordinary General Shareholders' Meeting accepted the resignations tendered by the directors and agreed, at the proposal of the Appointments and Remuneration Committee, and in accordance with the terms of the Restructuring Agreement signed by the company on 24 September 2016, to appoint new members of the Board of Directors, which now comprises six members, all of whom are independent directors.

On 22 November 2016, the Board of Directors appointed the new members of the Audit Committee: Mr. José Wahnon Levy, chairman of the committee, Mr. José Luis del Valle Doblado and Mr. Manuel Castro Aladro.

As a result of the changes in the governing bodies, Abengoa's Audit Committee comprises three independent directors, with proven financial and accounting experience, as evidenced by their professional profiles, which we outline below:

Mr. José Wahnon Levy

Graduated in Economics at Barcelona University and in Law at Madrid's Universidad Complutense, and holds a Master's (PDM 89) from Harvard Business School.

He began his career at PricewaterhouseCoopers, where he was appointed a partner in 1987, and headed the financial institutions division between 1975 and 2003 and the audit division from 2003 and until he left the firm in 2007. He has subsequently served as a director for various companies linked to the Deposit Guarantee Scheme.

Mr. José Luis del Valle Doblado

Graduated in Mining Engineering at Madrid's Universidad Politécnica and in Nuclear Engineering at Massachusetts Institute of Technology (MIT), and holds an MBA from Harvard.

He amassed approximately 35 years of experience at Banco Central Hispanoamericano, Santander Central Hispano, where he was involved in the merger between the two banks. He has also occupied a number of posts in Iberdrola, where he was CEO of Scottish Power, having been appointed director of strategy and development in 2002. In 2014, he was appointed non-executive chairman of GES and Lar España, and serves as an independent director of Ocaso Seguros.

Mr. Manuel Castro Aladro

Graduated in Business Administration at Universidad Pontifica de Comillas (ICADE), and holds an International Executive MBA from the University of Chicago.

He began his career at Arthur Andersen and, in 1992, he entered the banking sector. In 1998, he joined BBVA, where he occupied various posts linked to business development, until 2009, when he was appointed group risk director, a post in which he remained until 2015. Since 2015, he has provided independent consultancy services to banks and investment funds on issues linked to risk management and investment.

Mr. Daniel Alaminos Echarri

Graduated in Law, specialising in Business Law, at Universidad San Pablo CEU. A State Attorney since 1996, Daniel Alaminos is Secretary General and Secretary to the Board of Directors of Abengoa.

Daniel has undertaken various posts as director of the Legal Department of Spain's State-Owned Industrial Holding Company (SEPI). Before joining Abengoa in 2014, he was a partner in the Capital Market division of Ramón y Cajal Attorneys. He has also taken part in a number of restructuring processes at savings banks, as well as capital increases, restructuring operations linked to major real estate and industrial groups, and consultancy on a range of matters, most notably financial, technological and industrial.

2.2. Chairman and Secretary

The Audit Committee will initially choose its chairman from among those of its members who are non-executive directors.

The Secretary to the Board of Directors will serve as Secretary to the Audit Committee.

2.3. Functions

In accordance with the provisions of its Internal Regulations and the regulations to which it is subject, specifically Spain's Law 44/2002 on measures to reform the financial system, the following are duties and competencies of the Audit Committee:

- Report on the annual and interim (quarterly and half-yearly) financial statements, which must be submitted to regulatory or market supervisory bodies. Report on the functioning of the internal control systems, monitoring control and compliance through internal audit and, where applicable, on the accounting criteria used.
- Report to the Board of Directors on any changes in the accounting criteria, and on-balance sheet and off-balance sheet risks.
- Report to the General Shareholders' Meeting on matters posed by shareholders within the scope of its competencies.
- Propose the appointment of external auditors to the Board of Directors, for approval at the General Shareholders' Meeting.
- Supervise internal audit services. The Committee will have unfettered access to the internal audit and will report on the selection, appointment, renewal, removal and remuneration of the internal audit director, as well as on the budget of that department.
- Be apprised of the company's financial reporting and control systems.
- Liaise with external auditors to receive information on any matters that might jeopardise the latter's independence and on any other matters linked to the accounts auditing process.
- Invite such directors as it deems appropriate to attend the Committee meetings to report, to the extent agreed by the Audit Committee itself.
- Prepare an annual report on the Audit Committee's activities, which must be published along with the annual financial statements for the year.

3. Activities in 2016

3.1. Meetings held

In 2016, the Audit Committee held seven meetings, which were attended by all of its members. The Committee issued the relevant reports for approval by the Board of Directors concerning the financial disclosures to regulatory bodies (Spanish Securities Market Commission - CNMV).

Meeting dates and main agenda items:

Madrid, 25 January 2016

- Approval of the response to the CNMV request.
- Information on related-party transactions completed/planned for the coming months.

Madrid, 28 February 2016

- Approval of the half-yearly report for 2015 for presentation to the CNMV.
- Measurement and analysis of the impact of the loss of control over subsidiary Atlántica Yield on the financial statements.

Madrid, 30 March 2016

- Preparation of the annual financial statements of Abengoa S.A and its consolidated group for 2015.
- Report on the Activities of the Audit Committee in 2015.
- Summary report on the SOX internal control assessment.
- Compliance with the 2015 Internal Audit Plan.
- Presentation of the 2016 Internal Audit Plan.
- Oversight of the external audit and consultancy fees in 2015.
- Information on the complaints channelling policy.

Madrid, 18 April 2016

- Presentation by the external auditor (Deloitte) on its Audit Report.

Madrid, 12 May 2016

- Financial information for the first quarter of 2016.
- Ratification of Deloitte, S.L. as the auditor of the company's individual and consolidated financial statements.
- Information on related-party transactions completed/planned for the coming months.
- Monitoring of compliance with the 2016 Audit Plan.

Madrid, 25 May 2016

- Approval of the 2015 Annual Report on Corporate Social Responsibility.

Madrid, 3 August 2016

- Termination of the parent support agreement and the deed signed with Atlántica Yield.

Madrid, 29 September 2016

- Approval of Financial Statements corresponding to first six months of 2016.
- Information on complaint channeling policy.

Madrid, 10 October 2016

- Proposal to contribute essential assets to newly incorporated companies fully owned by Abengoa.
- Proposal to merge the two classes of shares.

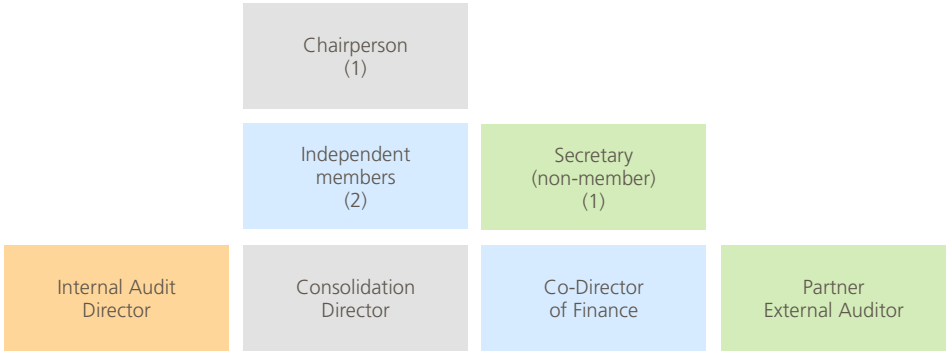
Madrid, 14 November 2016

- Approval of Financial Statements corresponding to third quarter 2016.

Madrid, 19 December 2016

- Presentation by the Group's auditor, on the following topics: i) main audit risks identified in 2016, and potential impact on the financial statements at 31 December 2016, ii) focus and scope of the audit work on the annual financial statements, iii) Audit strategy based on a control-focused approach, iv) Proposed preparation of a report on ICFR.
- Appointment of Rocío Rodríguez Fernández as Internal Audit Director.

Attendance at Committee meetings



3.2. The main areas of activity of the Audit Committee

In compliance with its primary function of supporting the Board of Directors, the main issues analysed by the Audit Committee, of which its principle areas of supervision comprise, can be classed into four categories of competencies:

1. External audit and financial reporting

- Appointment and remuneration of the auditor
- Scope of work
- Independence requirement and incompatibilities
- Material aspects of the audit
- Review of the external auditor's work
- Periodic disclosures to the regulator (CNMV)
- Adaptation of accounting policies and criteria
- Other requirements

2. Internal Audit

- Status, responsibility and resources
- Scope of work
- Implementation of recommendations issued
- Efficiency of the internal audit function

3. Risks and internal control

- Analysis of the main risk areas
- Efficiency of the internal control systems in place
- Fraud risk

4. Corporate governance

- Maintenance and measurement of the effectiveness of control bodies
- Financial reporting and communication
- Actions in regard to corporate social responsibility
- Compliance with ethical rules and issues
- Conflicts of interest
- Operations
- Supervision of the complaints channelling policy

4. Tasks and Responsibilities

4.1. External audit and financial reporting

The table below outlines the work carried out by the Audit Committee in relation to the external audit and financial reporting:

Monitoring of services	Planning of the external audit
› Review of the services received from the external auditor, audit team, services provided and fees. › Study of audit proposals, services/strategies approach, contract terms and fees. › Review of the auditor's independence and experience, including relations with the auditor and performance evaluation.	› Understanding of the external audit plan. › Understanding of the expectations regarding the auditor: type of service, time lines, information requirements and deliverables. › Examination of the experience of the audit teams. › Consideration of the main risk areas to be tackled during the audit.

Good governance practices	Financial reporting
› Be aware of the difficulties encountered in the audit process, restrictions on access to information. › Be informed regarding any deficiencies in the internal control, as well as fraud or unlawful acts. › Update on issues affecting the independence of the external auditor, including rotation plans for the main auditor.	› Review of the audited financial statements. › Be informed of the key findings of the audit, the significant accounting policies, audit judgements and the quality of the financial reporting. › Discussion with Management of any incidents. › Separate meetings with the external auditor.

The auditor of the individual and consolidated financial statements in the year is Deloitte, S.L, which is also the Group's main auditor.

In 2012, the Board of Directors and General Shareholders' Meeting approved the appointment of Deloitte as auditor of the individual annual financial statements of Abengoa, S.A. and the consolidated annual financial statements of Abengoa and its subsidiaries for the year ended 31 December 2012 and the following two years. On 29 March 2015, at the General Shareholders' Meeting, Deloitte was renewed as the external auditor of the Company and the consolidated group for the 2015 financial year (1 year), after completion of the initial mandate. This appointment was endorsed on 12 May 2016 by the Audit Committee, governing bodies and the General Shareholders' Meetings of the relevant Group companies.

Other audit firms also contributed to the audit, especially at smaller companies both in Spain and abroad, whose scope within the Group as a whole is not significant.

The duties of the Audit Committee include ensuring the independence of the external auditor, proposing its appointment or renewal to the Board of Directors, and approving its fees.

Audit work in reference to internal control of financial reporting (ICFR) was assigned in accordance with the "integrated audit" criterion, in which the firm issuing the opinion on the financial statements must be the same firm that evaluates the internal control thereof.

It is Abengoa's policy for all the Group's companies to be subject to an annual external audit, even when not so obliged by law.

As a result of the restructuring process, and in particular the filings in the United States (Chapter 11, Chapter 15) and Brazil (Judicial Recovery), the scope of the companies audited in 2016 was reduced both in Spain and abroad.

The global amount and breakdown of fees agreed with external auditors for the 2016 audit, including the review of periodic disclosures, as well as the ICFR audit, are shown in the table below:

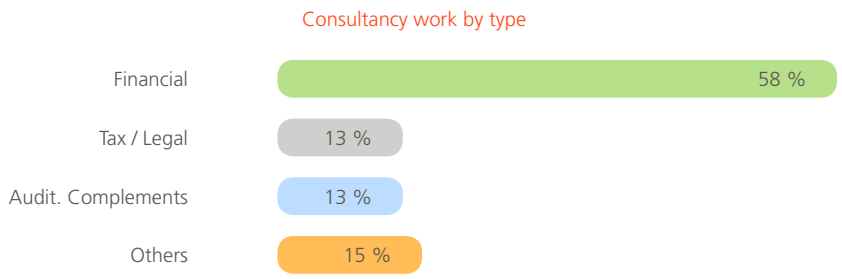
Region	Firm	Fees (€)	Group
Spain	Deloitte	2,793,648	41
	PwC	0	–
	Other firms	39,905	6
Foreign	Deloitte	746,227	78
	PwC	28,971	2
	Other firms	854,113	34
Total		4,462,865	161

When it comes to commissioning work other than financial auditing from any of the "Big Four" audit firms, the company has a preliminary verification process to detect any potential incompatibilities in accordance with the standards of Spain's Accounting and Auditing Institute (ICAC).

The table below shows the amount of fees contracted to the big four audit firms for work other than financial auditing in 2015:

Firm	Fees (€)
Deloitte	2,211,106
PwC	232,312
KPMG	6,712,572
Ernst & Young	147,612
Total	9,303,602

The breakdown of consultancy fees by service area for 2015 is as follows:



The Audit Committee is also in charge of overseeing the results of the work of external auditors. In this connection, it is informed of their findings and of any issues detected in their reviews.

The external auditor regularly attends meetings of the Audit Committee, to report on matters within its sphere of competencies, which are broadly as follows:

- Review of the financial statements of the consolidated Group and its companies, and issuance of an audit opinion in this regard.
- Evaluation of the internal control system and issuance of an audit opinion under ICFR standards.
- Topics of particular interest such as certain specific matters or transactions calling for its opinion.
- Independent verification reports conducted by external auditors.

In 2016, the external auditors issued two reports, which form an integral part of the Annual Report:

- The Audit Report on the Group's consolidated financial statements, in accordance with current requirements.
- The Audit Report on compliance with internal control under ICFR standards.

4.2. Internal Audit

The duties of the Audit Committee include "supervision of the internal audit services" and "knowledge of the financial reporting process and the internal control systems and risks relating to the company".

To oversee the sufficiency, suitability and efficient functioning of the internal control and risk management systems, the Committee has been systemically informed in 2016 by the head of internal audit, concerning:

- The internal audit plan and the degree of compliance therewith: Progress and conclusions from the internal audit work conducted, which basically comprises auditing of the financial statements, internal control audits, audits of the common management systems, reviews of critical projects, reviews of specific areas and others.
- The degree of implementation of recommendations issued.
- A description of the main areas reviewed and the key findings, including risks that have been audited and sufficiently mitigated.
- Other more detailed explanations requested by the Audit Committee.

The Audit Committee has constantly monitored the work by the internal audit department during 2016. The work not envisaged in the plan refers mainly to support provided to the company throughout the restructuring process, and the supervision and general review of projects, so that the general reviews of the companies in 2016 were afforded less specific weighting in the audit plan executed.

Likewise, during the year work continued on updating and improving the design of internal control under the COSO framework, preparing the general frameworks and guidelines on the company's risk management, internal control and fraud detection aimed at improving corporate governance. In addition, fraud prevention and detection work was carried out at the organisations, in order to reduce the impact thereof.

The internal audit function at Abengoa

Internal audit was created as a global and independent function, accountable to the Audit Committee and the Board of Directors, with the main objective of supervising Abengoa's internal control and most significant risk management systems.

Structure and team

Abengoa's internal audit function is structured around six functional areas:

1) Internal controls
2) Financial audit
3) Project audit
4) Fraud prevention audit
5) Compliance and corporate governance audit
6) Systems audit

Common management systems

The main objectives of the Audit Committee with regard to internal control of financial reporting are:

- To determine the potential risk of a material inaccuracy in the financial reporting, triggered by fraud or potential fraud risk factors.
- To analyse the procedures in place to assess the efficacy of internal control in relation to financial reporting.
- To gauge the efficacy of internal control on the processes affecting Abengoa and its business groups.
- To identify the material deficiencies and weaknesses in internal control in relation to financial reporting and the capacity to respond.
- To supervise and coordinate any significant changes to internal controls linked to quarterly financial reporting.
- To develop quarterly processes for closing the financial statements and identify differences with respect to those implemented at year-end.
- To establish plans and monitor the actions implemented to address and correct weaknesses found through audits.
- To implement measures to identify and correct potential weaknesses in internal controls relating to financial reporting.
- To analyse procedures, activities and controls to ensure the reliability of financial reporting and to prevent fraud.

Internal control model

Abengoa's internal control structure is based on the latest edition of the integrated internal control framework released by COSO (Committee of Sponsoring Organizations of the Treadway Commission).

According to this framework, organisations must:

- Devise annual goals aimed at the efficiency and efficacy of operations, the reliability of financial reporting, compliance with the law and safeguarding their resources;
- Identify and evaluate risks that jeopardise the achievement of these goals;
- Deploy control activities to minimise the impact of these risks; and
- Activate supervision systems to assess the quality of this process.

All of the above, on the basis of an efficient control environment nurtured with an effective system reporting and communication.

The new framework broadens the risk outlook to include negative or positive events, threats or opportunities; establishing a tolerance level; and handling these events through risk portfolios.

In February 2010, the CNMV published the document "Internal control of financial reporting at listed companies" (ICFR), which stipulates two additional legal obligations for listed companies from 2011 onwards:

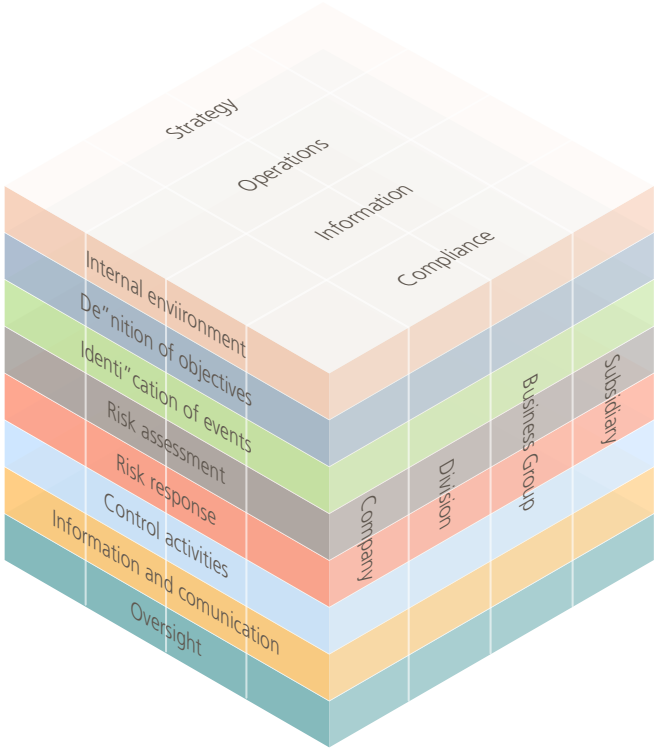
- The Audit Committee will supervise financial reporting and the efficacy of the company's internal control and risk management systems;
- Companies must disclose to the market their internal control systems on financial reporting (ICFR) through the Annual Report on Corporate Governance (ARCG).

The CNMV document is based on the COSO internal control framework, and includes 87 recommended practices structured into five component areas:

- Internal control environment
- Evaluation of financial reporting risks
- Control activities
- Reporting and Communication, and
- Monitoring

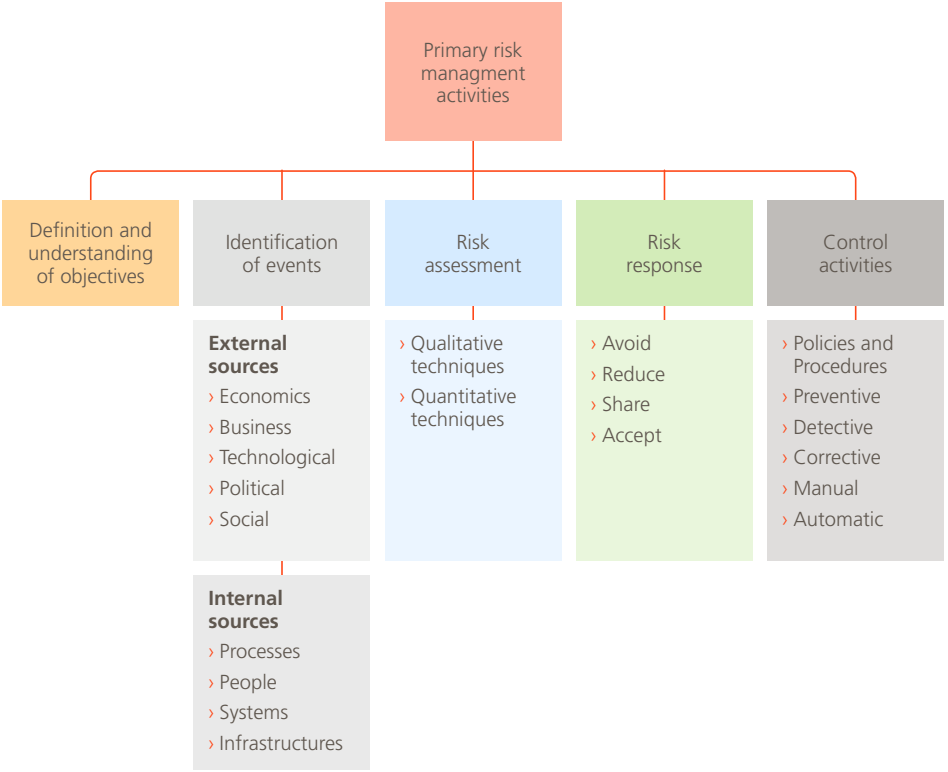
Abengoa voluntarily submits its internal control systems to external evaluation, with the issuance of an audit opinion in accordance with CNMV standards (ICFR).

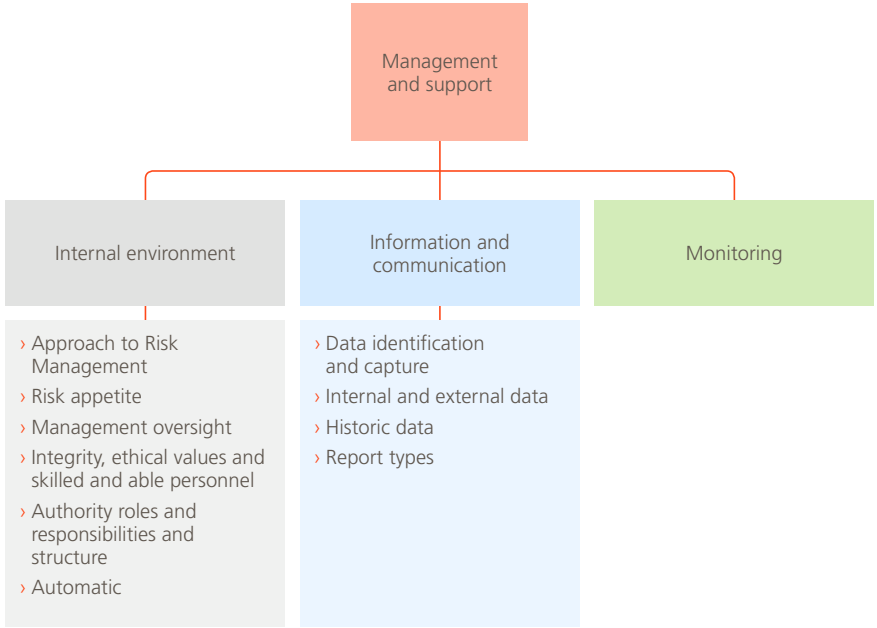
On a voluntary basis from 2007 and a mandatory basis from 2014 to 2015, Abengoa submitted its internal control systems to external evaluation, with the issuance of an audit opinion in accordance with PCAOB standards and compliance audit standards under section 404 of the Sarbanes-Oxley Act (SOX). As a result, Abengoa has been fully compliant with the benchmark indicators stipulated in the CNMV's ICFR document for six years.



Risk management at Abengoa

Abengoa is aware of the importance of managing its risk so as to adequately plan its strategy and achieve the defined business goals.





Abengoa's risk management system can be depicted schematically as follows:

The risk management process at Abengoa is a continuous cycle underpinned by five key phases, as shown in the chart:

- Identify
- Evaluate
- Respond
- Monitor
- Report

In each phase, coherent and periodic communication is vital to achieve good results. Because this is a continuous cycle, there must be permanent feedback in order to continuously improve the risk management system. These processes are aimed at all the company's risks.

Abengoa manages its risks through the following model, described in the company's risk management manual, which aims to pinpoint a business's potential risks:

Strategic risks		
Governance	Strategic R&D parojects	Mergers acquisitions & disinvestments
Resource planning and assignment	Market dynamics	Communication & investor relations

Operational risks		
Sales	Human resources	Thereats or disasters
Supply chain	Tangible assets	Information techonologies

Financial risks		
Markets	Accounting & reporting	Capital structure
Liquidity & credit	Taxation	

Regulatory risks		
Codes of ethics and conduct	Legislation	Regulator

The criteria for handling and responding to risks set forth in the common risk management systems are mandatory for all employees.

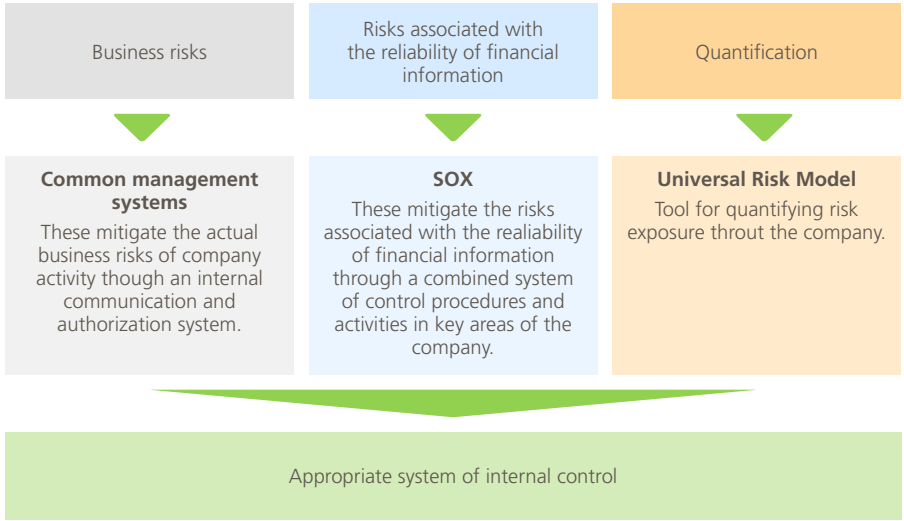
The responses designed and included in the various elements of Abengoa's risk management system are aimed at one of the following risk management scenarios:

- Elimination: The risk is eliminated entirely.
- Reduction and control: The aim is to reduce risk as much as possible by using strategic or security measures (supplier diversification, quality systems, maintenance, prevention, etc.).

- Transfer to third parties: The idea is to transfer risk to a third party, so that Abengoa is no longer liable for that risk, whether through an insurer or another party (supplier, subcontractor).
- Financial provision: If there is no other way to control the risk, it is assumed.

4.3. Risk and Internal Control

Abengoa's risk model comprises three elements.



These elements constitute an integrated system to enable adequate risk management and controls in all echelons of the organisation.

a) Common management systems

The common management systems represent the rules of Abengoa and all its business groups and their method for evaluating and controlling risks and represent a common culture for risk management at Abengoa, pooling the knowledge accrued and setting criteria and standards for action.

The common management systems include specific procedures to cover any action that might lead to risk for the organisation, whether financial or otherwise. Moreover, they are available to all employees electronically regardless of their location and post in the company.

The functional heads of each area must verify and certify compliance with these procedures. This annual certification is issued and presented to the Audit Committee in January of the following year.

The common management systems cover the entire organisation over three levels:

- All business groups and areas of activity;
- All echelons of responsibility;
- All kinds of operations.

The common management systems represent a common culture for Abengoa's various businesses and comprise eleven rules that define how to manage each of the potential risks included in Abengoa's risk model. These systems serve to identify risks and appropriate coverages and to define control mechanisms.

In the last few years, common management systems have evolved to adapt to new situations and environments in which Abengoa operates, with a particular focus on strengthening risk identification, establishing coverages and deploying control activities.

b) Mandatory internal control procedures

Mandatory procedures are used to mitigate risks relating to the reliability of financial reporting, through a combined system of control procedures and activities in the company's key areas.

An adequate internal control system is comprised of three tools:

- A description of the relevant processes at the company that might have a potential impact on the financial information prepared. In this connection, 55 management processes have been defined, grouped into corporate cycles and cycles that are common to the business groups.
- A series of flow diagrams provide a graphic depiction of the processes.
- An inventory of the control activities in each process ensures that the control goals are achieved.

Our work comprises the following aspects:

Processes	Understanding the process of generating financial information
Risks	Identifying potential areas of risk associated with the financial information
General control enviroment	Identifying control systems employed by the management to mitigate risk
Assessment of control design	Ensuring that control design is effective in mitigating risk
Testing	Validating the operational efficiency and proper functionining of controls
Conclusion	Conclusion on the degree of confidence in the controls, assessmentof the impact associated with the generations of financial information and decision on whether to conduct further testing

Abengoa sees this legal requirement as an opportunity for improvement and, far from settling for the precepts strictly provided by law, we have sought to develop our internal control structures, control procedures and evaluation procedures as much as possible.

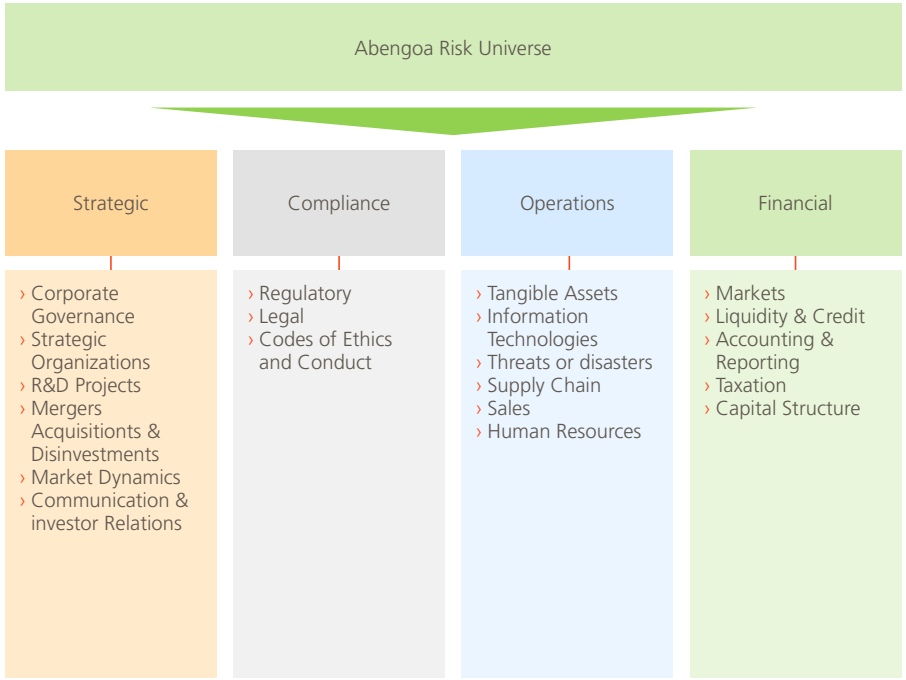
These have focused on compliance with internal control under PCAOB (Public Company Accounting Oversight Board) standards, in accordance with the provisions of section 404 of the Sarbanes-Oxley Act (SOX), mandatory for the company until 2015. Under COSO, Abengoa's internal control structure has been redefined using a top-down approach based on risk analysis.

Said risk analysis includes the initial identification of the significant risk areas and the evaluation of the company's controls thereof, starting with those deployed at the highest level – corporate and supervisory controls – and continuing to the operating controls deployed in each process.

c) The universal risk model

Abengoa's Universal Risk Model (URM) is the methodology to identify, understand and assess the risks affecting Abengoa. The goal is to obtain an integrated overview of these risks, so as to design an efficient response system aligned with the company's business goals.

It is configured with 56 risks, belonging to 20 categories. In turn, the latter are grouped into four major areas (financial risk, strategic risk, regulatory risk and operating risk).



All the model's risks are assessed based on two criteria:

- Probability of occurrence: Frequency with which it can be asserted that a specific cause will trigger an event with a negative impact on Abengoa.
- Impact on the company: Combination of negative effects on Abengoa's strategic goals.

4.4. Corporate governance and regulatory compliance

Self-assessment

In application of article 16.4.q) of the Rules and Regulations of the Board of Directors, members of the audit and compliance committee conducted their self-assessment at its meeting of 23 February 2015, where it assessed the committee's functioning and the performance of the duties entrusted to it in Abengoa's bylaws and in the Rules and Regulations of the Board.

As a result, the Committee expressed its conviction that it satisfactorily complies with all of its responsibilities, having held a sufficient number of meetings, with agendas that encompass all the areas it is expected to review, and having been offered extensive presentations on the various topics discussed, all within the framework of an open and entirely unrestricted debate.

The company's management constantly updates the professional code of conduct based on the principles of the honesty, integrity and good judgement of employees, executives and directors, as evidenced in the Annual Report on Corporate Governance, which details the structure of administration, the risk control systems, the degree to which recommendations on corporate governance are implemented, and the reporting and disclosure instruments in place; and which evidences management's commitment to maintaining an adequate system of internal control and risk management, good corporate governance and ethical conduct by the organisation and its employees.

All divisions, most notably the human resources and internal audit departments, monitor compliance of the code, and notify management of any improper conduct observed – in which connection the appropriate measures are then taken.

Complaints channel

Abengoa's internal control system has various mechanisms and procedures to mitigate the risk of fraud.

Accordingly, based on the guidelines set forth in section 301 of the Sarbanes-Oxley Act, the Audit Committee agreed to establish certain procedures for:

- The receipt, safe-keeping and processing of complaints received by the company in relation to the accounting, internal controls or audit materials.
- The confidential and anonymous submission by company employees of information in good faith regarding doubtful or questionable accounting or auditing practices.

This affords Abengoa a dual mechanism for receiving complaints:

- An internal whistle-blowing channel, available to all employees for the notification of any alleged irregularity in accounting, auditing or breaches of the code of conduct.
- An external channel available to any third party to report alleged irregularities or acts of fraud or in breach of Abengoa's code of conduct, through the company's website (www.abengoa.com).

The policy for channelling complaints ensures the absence of reprisals against persons reporting issues in good faith, who may log their reports confidentially. Furthermore, both the internal whistle-blowing channel and the external complaints channel accept anonymous reports.

This policy applies to any employee of the Group, consultants, suppliers or third parties with a direct relationship and legitimate commercial or professional interest.

Each complaint is investigated by the internal audit team. Within the internal audit department, Abengoa has a specific unit devoted to investigating complaints received through the various channels and implementing measures to prevent fraud. Moreover, in cases in which technical complexity so advises, independent experts are on hand to ensure at all times that there is sufficient capacity to conduct an adequate investigation and guarantee a sufficient degree of objectiveness in performing the work.

US Foreign Corrupt Practices Act (FCPA)

The honesty, integrity and good judgement of the employees, executives and directors of Abengoa is fundamental to the company's reputation and success.

In keeping with these principles, Abengoa joined the United Nations Global Compact in 2002, and subscribes to each of the ten principles contained therein, and strives to fully integrate them in the strategy and policies that govern the company's day-to-day business. With regard to principle 10: "Businesses should work against corruption in all its forms, including extortion and bribery", Abengoa deploys various procedures designed to prevent any kind of corruption from taking place at the company.

In the fight against extortion, fraud and bribery, Abengoa submits to the provisions of the US Foreign Corrupt Practices Act (FCPA).

Under the FCPA, it is unlawful for companies and their officers, directors, employees and agents to offer payment, promise to pay, or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to any foreign official, foreign political party or official thereof, in order to assist such issuer in obtaining or retaining business for or with, or directing business to, any person. In accordance with the FCPA, indirect payments to foreign officials generate legal liability, as do direct payments. The company or its officials or employees may be held liable for payments made by trade partners, such as sales representatives, advisors, agents, contractors, sub-contractors or others, in those cases in which the company transfers money or a thing of value to a trade partner, while knowing that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any foreign official, to make an unlawful payment to a foreign official (this provision applies even to those cases in which the trade partner is not subject to the FCPA). Liability may also exist if the company is aware of events that suggest a "high probability" that the trade partner will deliver all or part of the value received to a foreign official for corrupt purposes. As a result, Abengoa must act with caution in its relationships with trade partners and have some guarantee that the latter will comply with all the applicable anti-corruption laws.

The US Foreign Corrupt Practices Act is supplementary to the requirements of section 404 of the Sarbanes Oxley Act (SOX), and applies to all companies with businesses or economic interests in the United States. It applies to all actions conducted by trade partners on Abengoa's behalf, and all its officials, directors, and full- and part-time employees. This policy also applies to all subsidiaries controlled by Abengoa.

All trade partners representing Abengoa (including advisors, agents, sales representatives, distributors and independent contractors) and interacting with foreign officials on Abengoa's behalf must comply with all the relevant aspects of this policy.

Conclusions

Compliance, composition and attendance

In 2016, the Audit Committee adequately discharged the responsibilities assigned to it pursuant to the bylaws and Rules and Regulations of the Board of Directors.

In keeping with best practices in corporate governance and, in particular, with the requirements established under regulations applicable through 6 April 2016 to companies listed in the NASDAQ (Rule 10A-3(b) of the Exchange Act), the Audit Committee has adapted its composition and now comprises solely independent directors as defined by said Rule, following the latest appointments agreed at the Extraordinary General Shareholders' Meeting of 22 November 2016.

All members of the Committee attended the meetings held in 2016.

Functions and activities

The Committee has been in constant contact with the compliance director, the head of internal audit, the head of reporting, the joint chief financial officer and the head of investor relations, and with the other divisions of Abengoa, as well as the external auditor, and has verified the quality and transparency of the Group's periodic financial reporting and the efficacy of its internal control systems.

The committee's monitoring of the external auditor's work, review of its findings and evaluation of its independence were compliant with the established policies. The external auditor's positive conclusions on the financial statements of the Group ratify the quality of the aforementioned financial reporting and internal control systems.

Finally, the Committee has endorsed the internal processes in place to ensure proper compliance with the applicable legislation and the Group's internal policies, rules and procedures.

The Committee expresses its satisfaction with the work performed by the internal audit services in its mission to supervise the compliance with and efficacy and efficiency of the internal control systems, as well as the reliability and quality of the Group's financial reporting.

As an international company, listed in the US securities market (NASDAQ), and conducting a significant percentage of its activities in international markets, Abengoa uses standards and best practice guidelines on transparency and good corporate governance as a benchmark. Accordingly, Abengoa's Annual Report includes the following independent reports:

- The Audit Report on the Group's consolidated financial statements, in accordance with current requirements.
- The Audit Report on compliance with internal control under ICFR standards.

02 Annual Report 2016

Economic-financial information

ABENGOA

Innovative technologic solutions
for sustainability

01. Auditor's report

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Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Abengoa, S.A.,

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Abengoa, S.A. ("the Parent") and Subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements for the year then ended.

Directors' Responsibility for the Consolidated Financial Statements

The Parent's directors are responsible for preparing the accompanying consolidated financial statements so that they present fairly the consolidated equity, consolidated financial position and consolidated results of Abengoa, S.A. and Subsidiaries in accordance with International Financial Reporting Standards as adopted by the European Union and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain (identified in Note 2.1 to the accompanying consolidated financial statements) and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the audit regulations in force in Spain. Those regulations require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation by the Parent's directors of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated equity and consolidated financial position of Abengoa, S.A. and Subsidiaries as at 31 December 2016, and their consolidated results and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain.

Emphasis of Matter

Without qualifying our audit opinion, we draw attention to the disclosures included by the Parent's directors in Notes 2 and 4 to the accompanying consolidated financial statements, which describe the evolution of operations and the events that led the Parent's directors to approve the signing of a financial restructuring agreement ("*Abengoa Restructuring Agreement*") with various banks and new investors on 24 September 2016, the approval of which, once the majorities required by current legislation had been obtained, was accepted by Seville Commercial Court no. 2 on 8 November 2016. This financial restructuring agreement was subject to the fulfilment of certain conditions precedent.

On 14 February 2017, the Parent reported, through a relevant event communication, that, in view of the situation in Mexico and in order to expedite the fulfilment of the conditions precedent of the Abengoa Restructuring Agreement and to begin to implement the revised viability plan approved on 3 August 2016, it had prepared, together with its main creditors and investors, a proposal to adapt the mechanism for the payment of the new financing envisaged in the financial restructuring agreement. This proposal requires certain amendments to the Abengoa Restructuring Agreement and the consent of the majority of the participating creditors, which had been obtained at the date of this report.

The aforementioned agreements envisage, among other matters, the restructuring of the Group's debt and of the Parent's share capital, with certain financial creditors and new investors becoming shareholders, and, also, the reorganisation of the Group companies and the Group's businesses in accordance with the revised viability plan.

Under this plan, at 31 December 2016 certain business lines and construction projects that are regarded in the revised viability plan as being non-core for the continuity of the Group with the new financing structure agreed upon, or which the directors consider to be unfeasible in the medium term in view of the current situation of the companies or the assets, were classified as either non current assets held for sale or discontinued operations.

From August 2015 the inability to access sufficient financing had paralysed the majority of the Group's operations and made it impossible for it to meet its deadline obligations in existing concessions and projects, whilst preventing it from undertaking significant new projects, all of which affected the performance of the business during the year. As a result of all the foregoing, certain foreign companies have undergone court insolvency proceedings that have resulted in company or asset liquidation processes that are out of the Group's control.

Deloitte, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª. C.I.F.: B-79104469.
Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

The Parent's directors have disclosed in the consolidated financial statements the impacts of the liquidation and discontinuation of the companies not included in the Group's revised viability plan and liquidity plan, which will be substantially offset by the future effects of the restructuring of the debt and the corresponding debt reduction. Also, the loss for 2016 includes the impact of the impairment losses which, in accordance with International Financial Reporting Standards (IFRSs), must be recognised at 31 December 2016. As a result, both the Group and the Parent had an equity deficit at that date and, therefore, the Parent was in a situation of mandatory dissolution. The directors consider that the restructuring agreed upon will make it possible to restore the equity and financial position of the Parent.

The aforementioned circumstances are indicative of the existence of a significant uncertainty regarding the ability of the Group to continue operating as a going concern. As a result, the viability of the Group, and the recovery of its assets, the settlement of its liabilities and the fulfilment of its guarantee commitments for the amounts reflected in the accompanying consolidated financial statements will depend on the effective application of the measures envisaged in the restructuring agreement, the revised viability plan and the liquidity plan, as well as on the evolution of the Group companies' operations and such future decisions as the managers of the Group might make regarding its equity.

Report on Other Legal and Regulatory Requirements

The accompanying consolidated management´s report for 2016 contains the explanations which the Parent's directors consider appropriate about the situation of Abengoa, S.A. and Subsidiaries, the evolution of their business and other matters, but is not an integral part of the consolidated financial statements. We have checked that the accounting information in the consolidated management´s report is consistent with that contained in the consolidated financial statements for 2016. Our work as auditors was confined to checking the consolidated management´s report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of Abengoa, S.A. and Subsidiaries.

DELOITTE, S.L.

Registered in ROAC under no. S0692

Manuel Arranz Alonso

28 February 2017

02. Consolidated financial statements

02.1 Consolidated statements of financial position
02.2 Consolidated income statements
02.3 Consolidated statements of comprenhensive income
02.4 Consolidated statements of changes in equity
02.5 Consolidated cash flow statements
02.6 Notes to the consolidated financial statements
02.7 Appendices

02.1 Consolidated statements of financial position

Consolidated condensed statements of financial position as of December 31, 2016 and 2015

- Amounts in thousands of euros -

Assets	Note (1)	12/31/2016	12/31/2015
Non-current assets			
Goodwill		-	364,429
Other intangible assets		76,097	1,081,548
Intangible assets	8	76,097	1,445,977
Property, plant & equipment	9	177,438	1,154,074
Concession assets in projects		304,038	2,411,291
Other assets in projects		93,617	948,372
Fixed assets in projects (project finance)	10	397,655	3,359,663
Investments in associates carried under the equity method	11	823,179	1,197,691
Available for sale financial assets	13	6,537	41,057
Other receivable accounts	15	57,209	1,057,729
Derivative assets	14	1,185	14,941
Financial investments		64,931	1,113,727
Deferred tax assets	24	615,226	1,584,751
Total non-current assets		2,154,526	9,855,883
Current assets			
Inventories	16	99,806	311,262
Trade receivables		688,122	1,248,227
Credits and other receivables		639,327	756,209
Clients and other receivables	15	1,327,449	2,004,436
Available for sale financial assets	13	3,715	5,342
Other receivable accounts	15	145,474	499,665
Derivative assets	14	703	13,814
Financial investments		149,892	518,821
Cash and cash equivalents	17	277,789	680,938
		1,854,936	3,515,457
Assets held for sale	7	5,904,492	3,255,859
Total current assets		7,759,428	6,771,316
Total assets		9,913,954	16,627,199

(1) Notes 1 to 33 are an integral part of these Consolidated Condensed Interim financial statements as of December 31, 2016

Consolidated condensed statements of financial position as of December 31, 2016 and 2015

- Amounts in thousands of euros -

Equity and	Note (1)	12/31/2016	12/31/2015
Equity attributable to owners of the Parent			
Share capital	18	1,834	1,841
Parent company reserves	18	721,964	1,784,044
Other reserves	18	(41,694)	(79,473)
Fully or proportionally consolidated entities		(863,831)	(1,022,854)
Associates		18,420	(7,559)
Accumulated currency translation differences	18	(845,411)	(1,030,413)
Retained earnings	18	(7,171,830)	(613,717)
Non-controlling interest	18	555,169	390,633
Total equity		(6,779,968)	452,915
Non-current liabilities			
Project debt	19	12,563	503,509
Borrowings		6,032	6,566
Financial lease liabilities		8,014	19,522
Other loans and borrowings		252,983	345,437
Corporate financing	20	267,029	371,525
Grants and other liabilities	21	65,940	234,193
Provisions and contingencies	22	50,819	62,765
Derivative liabilities	14	5,535	38,002
Deferred tax liabilities	24	172,856	317,689
Personnel liabilities	33	3,234	3,631
Total non-current liabilities		577,976	1,531,314
Current liabilities			
Project debt	19	2,002,941	2,566,597
Borrowings		2,836,597	2,321,654
Notes and bonds		3,550,269	3,300,825
Financial lease liabilities		13,088	17,020
Other loans and borrowings		998,168	557,047
Corporate financing	20	7,398,122	6,196,546
Trade payables and other current liabilities	25	2,654,260	4,379,252
Income and other tax payables		145,546	195,446
Derivative liabilities	14	11,598	107,917
Provisions for other liabilities and charges		16,942	5,789
		12,229,409	13,451,547
Liabilities held for sale	7	3,886,537	1,191,423
Total current liabilities		16,115,946	14,642,970
Equity and liabilities		9,913,954	16,627,199

(1) Notes 1 to 33 are an integral part of these Consolidated Condensed Interim financial statements as of December 31, 2016

02.2 Consolidated income statements

Consolidated income statements as of December 31, 2016 and 2015

- Amounts in thousands of euros -

	Note (1)	12/31/2016	12/31/2015 (2)
Revenue	27	1,510,053	3,646,765
Changes in inventories of finished goods and work in progress		(10,387)	8,331
Other operating income	28	65,753	124,340
Raw materials and consumables used		(978,532)	(2,049,052)
Employee benefit expenses	29	(440,312)	(713,275)
Depreciation, amortization and impairment charges		(1,900,720)	(372,821)
Other operating expenses	28	(387,793)	(673,660)
Operating profit		**(2,141,938)**	**(29,372)**
Financial income	30	15,692	56,729
Financial expense	30	(679,575)	(653,590)
Net exchange differences	30	9,060	(11,176)
Other financial income/(expense), net	30	(506,958)	(89,567)
Financial expense, net		**(1,161,781)**	**(697,604)**
Share of profit (loss) of associates carried under the equity method	11	**(587,375)**	**(8,307)**
Profit (loss) before income tax		**(3,891,094)**	**(735,283)**
Income tax (expense) benefit	31	(371,566)	(88,427)
Profit for the year from continuing operations		**(4,262,660)**	**(823,710)**
Profit (loss) from discontinued operations, net of tax	7	**(3,352,377)**	**(518,980)**
Profit for the year		**(7,615,037)**	**(1,342,690)**
Profit attributable to non-controlling interests	18	(13,115)	147
Profit attributable to non-controlling interests discontinued operations	18	(904)	129,065
Profit for the year attributable to the parent company		**(7,629,056)**	**(1,213,478)**
Weighted average number of ordinary shares outstanding (thousands)	32	1,030,938	898,612
Basic earnings per share from continuing operations (€ per share)	32	(4.15)	(0.92)
Basic earnings per share from discontinued operations (€ per share)	32	(3.25)	(0.43)
Basic earnings per share attributable to the parent company (€ per share)		**(7.40)**	**(1.35)**
Weighted average number of ordinary shares affecting the diluted earnings per share (thoı	32	1,030,938	898,612
Diluted earnings per share from continuing operations (€ per share)	32	(4.15)	(0.92)
Diluted earnings per share from discontinued operations (€ per share)	32	(3.25)	(0.43)
Diluted earnings per share attributable to the parent company (€ per share)		**(7.40)**	**(1.35)**

(1) Notes 1 to 33 are an integral part of these Consolidated Condensed Interim financial statements as of December 31, 2016

(2) Restated figures, see Note 7 Assets held for sale and discontinued operations

02.3 Consolidated statements of comprenhensive income

Consolidated statements of comprehensive income of December 31, 2016 and 2015

- Amounts in thousands of euros -

	Nota (1)	12/31/2016	12/31/2015 (2)
Profit for the period after income tax		**(7,615,037)**	**(1,342,690)**
Items that may be subject to transfer to income statement:			
Change in fair value of available for sale financial assets		(126)	1,240
Change in fair value of cash flow hedges		(55,596)	38,649
Currency translation differences		321,040	(704,914)
Tax effect		(5,562)	(14,260)
Net income/(expenses) recognized directly in equity		**259,756**	**(679,285)**
Change in fair value of available for sale financial assets		(2,155)	-
Change in fair value of cash flow hedges		134,987	280,523
Tax effect		(33,747)	(78,546)
Transfers to income statement for the year		**99,085**	**201,977**
Other comprehensive income		**358,841**	**(477,308)**
Total comprehensive income for the period		**(7,256,196)**	**(1,819,998)**
Total comprehensive income attributable to non-controlling interest		(150,079)	315,548
Total comprehensive income attributable to the parent company		**(7,406,275)**	**(1,504,450)**
Total comprehensive income attributable to the parent company from continuining operations		(4,204,415)	(604,723)
Total comprehensive income attributable to the parent company from discontinued operations		(3,201,860)	(899,727)

(1) Notes 1 to 33 are an integral part of these Consolidated condensed interim financial statements as of December 30, 2016
(2) Restated figures, see Note 7 Assets held for sale and discontinued operations

02.4 Consolidated statements of changes in equity

Consolidated statements of changes in equity as of December 31, 2016 and 2015

- Amounts in thousands euros -

	Attributable to the owners of the Company						
	Share capital	Parent company and other reserves	Accumulated currency translation differences	Retained earnings	Total	Non-controlling interest	Total equity
Balance at December 31, 2014	**91,799**	**1,044,703**	**(529,331)**	**838,099**	**1,445,270**	**1,200,902**	**2,646,172**
Profit for the year after taxes	-	-	-	(1,213,478)	(1,213,478)	(129,212)	(1,342,690)
Other comprehensive income (loss)	**-**	**210,110**	**(501,082)**	**-**	**(290,972)**	**(186,336)**	**(477,308)**
Total comprehensive income (loss)	**-**	**210,110**	**(501,082)**	**(1,213,478)**	**(1,504,450)**	**(315,548)**	**(1,819,998)**
Treasury shares	-	99,590	-	-	99,590	-	99,590
Capital increase	1,018	149,829	-	-	150,847	-	150,847
Capital decrease	(90,976)	90,976	-	-	-	-	-
Distribution of 2014 profit	-	104,705	-	(199,599)	(94,894)	-	(94,894)
Transactions with owners	**(89,958)**	**445,100**	**-**	**(199,599)**	**155,543**	**-**	**155,543**
Scope variations and other movements	-	4,658	-	(38,739)	(34,081)	(494,721)	(528,802)
Scope variations, acquisitions and other movements	**-**	**4,658**	**-**	**(38,739)**	**(34,081)**	**(494,721)**	**(528,802)**
Balance at December 31, 2015	**1,841**	**1,704,571**	**(1,030,413)**	**(613,717)**	**62,282**	**390,633**	**452,915**
Balance at December 31, 2015	**1,841**	**1,704,571**	**(1,030,413)**	**(613,717)**	**62,282**	**390,633**	**452,915**
Profit for the year after taxes	-	-	-	(7,629,056)	(7,629,056)	14,019	(7,615,037)
Other comprehensive income (loss)	**-**	**37,779**	**185,002**	**-**	**222,781**	**136,060**	**358,841**
Total comprehensive income (loss)	**-**	**37,779**	**185,002**	**(7,629,056)**	**(7,406,275)**	**150,079**	**(7,256,196)**
Capital increase	-	674	-	-	674	-	674
Capital decrease	(7)	7	-	-	-	-	-
Distribution of 2015 profit	-	(1,062,761)	-	1,062,761	-	-	-
Transactions with owners	**(7)**	**(1,062,080)**	**-**	**1,062,761**	**674**	**-**	**674**
Scope variations and other movements	-	-	-	8,182	8,182	14,457	22,639
Scope variations, acquisitions and other movements	**-**	**-**	**-**	**8,182**	**8,182**	**14,457**	**22,639**
Balance at December 31, 2016	**1,834**	**680,270**	**(845,411)**	**(7,171,830)**	**(7,335,137)**	**555,169**	**(6,779,968)**

Notes 1 to 33 are an integral part of these Consolidated condensed interim financial statements as of December 31, 2016

02.5 Consolidated cash flow statements

Consolidated cash flow statements for the years 2016 and 2015

- Amounts in thousands of euros -

	Note (1)	2016	2015 (2)
I. Profit for the year from continuing operations		(4.262.660)	(823.710)
Non-monetary adjustments			
Depreciation, amortization and impairment charges	5	1.900.720	372.820
Finance (income)/expenses		718.959	472.944
Fair value gains on derivative financial instruments	30	1.616	37.127
Shares of (profits)/losses from associates	11	587.375	8.307
Income tax	31	371.566	88.427
Changes in consolidation and other non-monetary items		428.980	(324.840)
II. Profit for the year from continuing operations adjusted by non monetary items		(253.444)	(168.925)
Variations in working capital and discontinued operations			
Inventories		66.860	(29.518)
Clients and other receivables		263.351	(59.472)
Trade payables and other current liabilities		(751.252)	(666.487)
Financial investments and other current assets/liabilities		344.433	257.097
Elimination of flows from discontinued operations		11.164	(370.686)
III. Variations in working capital and discontinued operations		(65.444)	(869.066)
Income tax paid		(1.578)	(20.771)
Interest paid		(83.237)	(829.285)
Interest received		17.989	39.501
Elimination of flows from discontinued operations		58.074	376.313
IV. Received/(paid) for interest and income tax		(8.752)	(434.242)
A. Net cash used provided by operating activities from continuing operations		(327.640)	(1.472.233)
Acquisition of subsidiaries	11	-	(28.558)
Investment in property, plant & equipment	9 & 10	(60.484)	(103.667)
Investment in intangible assets	8 & 10	(180.278)	(2.077.738)
Other non-current assets/liabilities		-	(76.260)
Elimination of flows from discontinued operations	7	68.328	751.593
I. Investments		(172.434)	(1.534.630)
Acquisition of subsidiaries		490.628	210.360
Disposals related to the sale of assets to Abengoa Yield (ROFO 2 & 4)	6.2	-	367.659
Investment in property, plant & equipment	9 & 10	2.602	3.736
Investment in intangible assets	8 & 10	11.676	-
Other non-current assets/liabilities		53.605	-
Elimination of flows from discontinued operations	7	(380.696)	-
II. Disposals		177.815	581.755
B. Net cash used in investing activities from continuing operations		5.381	(952.875)
Proceeds from loans and borrowings		487.703	4.010.162
Repayment of loans and borrowings		(496.215)	(2.455.799)
Dividends paid to company's shareholders		-	(90.235)
Initial Public Offering of subsidiaries	6.2	-	331.855
Share capital increase with non-controlling interest by Abengoa Yield to fund	6.2	-	301.863
Other finance activities		-	46.377
Elimination of flows from discontinued operations		223.615	(158.236)
C. Net cash provided by financing activities from continuing operations		215.103	1.985.987
Net increase/(decrease) in cash and cash equivalents		(107.156)	(439.121)
Cash, cash equivalents and bank overdrafts at beginning of the year	17	680.938	1.810.813
Translation differences cash or cash equivalent		5.168	(61.129)
Elimination of cash and cash equivalents classified as assets held for sale during the year		25.939	(37.609)
Elimination of cash and cash equivalents classificated as discontinued operations during the year		(327.100)	(592.016)
Cash and cash equivalents at end of the year		277.789	680.938

(1) Notes 1 to 33 forman are an integral part of these Consolidated condensed interim financial statements as of December 31, 2016
(2) Restated figures, see Note 7 Assets held for sale and discontinued operations

02.6 Notes to the consolidated financial statements

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Notes to the Consolidated Financial Statements for the year ended December 31, 2016

Note 1.- General information

Abengoa, S.A. is the parent company of the Abengoa Group (referred to hereinafter as 'Abengoa', 'the Group' or 'the Company'), which at the end of 2016, was made up of 630 companies: the parent company itself, 523 subsidiaries, 82 associates, 24 joint ventures and 193 UTES (temporary joint operations). Additionally, the Group held a number of interests, of less than 20%, in other entities.

Abengoa, S.A. was incorporated in Seville, Spain on January 4, 1941 as a Limited Liability Company and was subsequently transformed into a Limited Liability Corporation ('S.A.' in Spain) on March 20, 1952. Its registered office is Campus Palmas Altas, C/ Energía Solar nº 1, 41014 Seville.

The Group's corporate purpose is set out in Article 3 of its Bylaws. It covers a wide range of activities, although Abengoa is principally an applied engineering and equipment manufacturer, providing integrated project solutions to customers in the following sectors: energy, telecommunications, transport, water utilities, environmental, industrial and services.

As explained in the following breakdown of Note 2.1, on November 25, 2015, the Directors of the Company, given the deteriorated liquidity and financing position of the Group, agreed to present the application provided in Article 5 bis of Law 22/2003 (Ley Concursal). Since March 28, 2016, the Company has been under the standstill agreement framework to reach an agreement with financial creditors to restructure its financial debt and the recapitalization of the Group (see Note 2.1). On September 24, 2016, the Restructuring Agreement was signed between Abengoa and a group of financial creditors, beginning thus, the accession period with the rest of financial creditors. On October 28, 2016 an application for the judicial approval of the Restructuring Agreement has been filed with the Mercantile Courts of Seville which has obtained the support of 86.0% of the financial creditors to which it was addressed, being therefore over the legally required majority (75%).

On November 8, 2016 the Judge of the Mercantile Court of Seville No. 2 has issued a resolution declaring the judicial approval of the Restructuring Agreement and extending the effects of the Standard Restructuring Terms set out in the Restructuring Agreement to those creditors of financial liabilities who have not signed the agreement or have otherwise expressed their disagreement with it.

On February 3, the company announced that, after the additional accession period initiated on January 17, 2017 and concluded on January 24, the Restructuring Agreement has obtained a total support of 93.97%. The effective application of such Restructuring Agreement will allow the parent company Abengoa, S.A. to rebalance its equity, which is currently negative, once the positive effect of the restructuring of the debt to equity swap is registered in the Income Statement of the Company (see Note 2.1).

Abengoa's shares are represented by class A and B shares which are listed the Madrid and Barcelona stock exchanges and on the Spanish Stock Exchange Electronic Trading System (Electronic Market). Class A shares have been listed since November 29, 1996 and class B shares since October 25, 2012. The company completed the delisting process to exclude its class B shares from the NASDAQ Global Select Market in the form of American Depositary Shares, which were quoted from October 29, 2013, following the capital increase carried out on October 17, 2013.

As of April 6, 2016, the company announced its intention to initiate the process for voluntary delisting of its Class B shares and American Depositary Shares Receipts (ADSs), as well as the conclusion of the American Depositary Receipt (ADR) program with Citibank, N.A. which delisting was effective on May 12, 2016.

Additionally, on April 29, 2016, the Company announced that the voluntary delisting of its Class B shares and American Depositary Shares (ADSs) from the NASDAQ Stock Market became effective on 28 April 2016 and that has taken steps to deregister those securities from the SEC and thereby terminate its reporting obligations under the U.S. Securities Exchange Act of 1934, as amended (Exchange Act). The Company filed Form 25 and Form 15F, resulting the exclusion effective from Sections 12(b) and 12(g) of the Exchange Act of 1934 and the reporting obligations related to the third quarter of 2016.

As a result of the delisting of the Class B shares and ADSs from the NASDAQ Stock Market, all trading in Abengoa, S.A. shares is now concentrated in the Spanish Stock Exchanges.

The shares of the associate Atlantica Yield (formerly Abengoa Yield, Plc.) are listed in the NASDAQ Global Select Market since June 13, 2014. As of December 31, 2016 the Abengoa's investment on Atlantica Yield amounts to 41.47%.On January 7, 2016, the company announced to the Securities and Exchange Commission US (S.E.C) that the corporate name change to Atlantica Yield. However, the ticker "ABY" remains the same.

Abengoa is an international company that applies innovative technology solutions for sustainability in the energy and environment sectors, generating electricity from renewable resources, converting biomass into biofuels and producing drinking water from sea water. The Company supplies engineering projects under the 'turnkey' contract modality and operates assets that generate renewable energy, produce biofuel, manage water resources, desalinate sea water and treat sewage.

Abengoa`s business is organized under the following two activities:

- Engineering and construction: includes the traditional engineering activities in the energy and water sectors, with more than 70 years of experience in the market and the development of solar technology. Abengoa is specialized in carrying out complex turnkey projects for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuels plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others.
- Concession-type infrastructures: groups together the company's extensive portfolio of proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts, tariff contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. These assets have low demand risk and the Company focuses on operating them as efficiently as possible.

These Consolidated Financial Statements were approved by the Board of Directors on February 27, 2017.

All public documents of Abengoa may be viewed at "www.abengoa.com".

These Consolidated Financial Statements are a free translation of the Consolidated Financial Statements originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union. In the event of a discrepancy, the Spanish-language version prevails.

Note 2. - Summary of significant accounting policies

The significant accounting policies adopted in the preparation of the accompanying Consolidated Financial Statements are set forth below.

2.1. Basis of presentation

The Consolidated Financial Statements as of December 31, 2016 have been prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU), so that they present the Group's equity and financial position as of December 31, 2016 and the consolidated results of its operations, the changes in the consolidated net equity and the consolidated cash flows for the financial year ending on that date.

Unless otherwise stated, the accounting policies set out below have been applied consistently throughout all periods presented within these Consolidated Financial Statements.

The Consolidated Financial Statements have been prepared under the historical cost convention, modified by the revaluation of certain fixed assets under IFRS 1 and those situations where IFRS-EU requires that certain assets are measured at fair value.

The preparation of the Consolidated Financial Statements has been done according to IFRS-EU regulations and the going concern Principle (see Note 2.1.1). This preparation requires the use of certain critical accounting estimates as well as Management judgment in applying Abengoa's accounting policies. Note 3 provides further information on those areas which involve a higher degree of judgment or areas of complexity for which the assumptions or estimates made are significant to the Financial statements.

The amounts included within the documents comprising the Consolidated Financial Statements (Consolidated Financial Statements of Financial Position, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement and notes herein) are, unless otherwise stated, all expressed in thousands of euros.

Any presented percentage of interest in subsidiaries, joint ventures (including temporary joint operations) and associates includes both direct and indirect ownership.

2.1.1. Going concern

In accordance with IAS1, which requires the Financial statements to be prepared regarding the going concern principle, unless Directors have the intention or any other real alternative of liquidation or cease of activity, the Consolidated Financial Statements at December 31, 2016 have been prepared applying this principle.

- The following summary shows the facts related during the period of the year 2016 until the preparation of the present Consolidated Financial Statements for the year ended December 31, 2016, in relation with the financial restructuring process realized in Abengoa since the November 25, 2015 after filing the application provided in Article 5 bis of Law 22/2003 by Directors of the Company:

  a) In relation to the proceeding provided by the law 22/2003 (Ley Concursal) and the beginning of the financial restructuring process, it should be noted that;

    - On January 25, 2016, the Company announced that the independent and specialized consulting firm on refinancing process Alvarez&Marsal presented to the Board of Directors of Abengoa the Industrial Viability Plan that defined the structure of the future activity of Abengoa on an operating basis focusing on the activity of engineering and construction either developing its own technology or using technology developed by others.

    - Based on this Initial Viability Plan, that confirmed the viability of Abengoa, the Company began negotiations with its creditors to restructure the debt and the necessary resources and provide Abengoa the optimal capital structure and the sufficient liquidity to continue operating competitively and sustainably in the future.

    - In this sense, and in relation to the negotiations between the Company and a group of creditors comprised of banks and bondholders issued by the Group, as of March 10, 2016, the Company informed that has agreed with the advisers of such creditors the grounds for an agreement to restructure the financial indebtedness and recapitalize the Group. The Company believed that such agreement contained the essential elements to achieve a future Restructuring Agreement that, in any event, would be subject to reaching the accessions percentage required by the Ley Concursal. On March 18, 2016, the Company and a group of creditors comprised of banks and bondholders issued by the Group, subscribed a standstill agreement with the objective of providing the necessary time to keep working and reaching, as soon as possible, a full and complete agreement according to the terms and conditions to restructure the financial indebtedness and recapitalize the Group. In order to reach this purpose, among other obligations assumed by all parties, the arrangement with parties contained expressly the compromise of creditors to abstain from claiming or accepting the payment of any amount owed as current amortization debt or advanced payments of capital or interest, as well as to charge default interests as a consequence of non-performance by the debtor until the effective date of implementation of the Restructuring Agreement.

    - With respect to the foregoing, as of March 28, 2016, an application for the judicial approval of the standstill agreement (the "Standstill Agreement") has been filed to the Mercantile Court of Seville nº 2 which obtained the support of 75.04% of financial creditors to which it was addressed, being therefore over the legally required majority (60%). Additionally, on April 6, 2016, the judge of the Mercantile Court of Seville nº2 issued the approval of the Standstill Agreement and extended the maturity of the agreement until October 28, 2016 (included), to the financial liability creditors which have not subscribed it or which showed the disconformity to the agreement. This agreement was impugned by some creditors and, on October 24, 2016, the judge issued a final sentence agreeing to reject almost all impugnation referred to the lack of compliance of percentages and, as a consequence, maintaining the approval agreed. Only the claims of three petitioners were accepted based on the existence of a disproportionate sacrifice revoking, consequently, the effects of the standstill agreement to such petitioners.

    - From that moment until now, the Company has continued with the negotiation process with its main financial creditors and potential investors in order to develop the agreed terms of reference. In the context of these negotiations and the circumstances that have been affecting to our projects since the Initial Viability Plan was prepared, an Updated Viability Plan was prepared during the second half of May, which was later approved by the Board of Directors on August 3, 2016 as well as the term sheet of the Restructuring Agreement which was subscribed afterwards by the main creditors and which is mentioned below. Such plan was approved on August 16, 2016.

    - Such Updated Viability Plan showed the negotiations and difficulties that Abengoa experienced in certain projects as well as the changes which, as a result, had been made with respect to the Initial Viability Plan, as well as the review of certain hypothesis in the mentioned Plan and the updating of the expected date of reactivation of our operations. Therefore, all of this calls for a significant reduction of Abengoa's cash needs, which were established identified in this Updated Viability Plan, in approximately €1,200 million, compared to the initially estimated figure of €1,500 - €1,800 million.

    - Pursuant to the preparation of the Updated Viability Plan and the ongoing negotiations, on June 30, 2016, Abengoa announced that had reached grounds for an agreement with the Bank Coordination Committee and a group of bondholders and investors on the main terms of the proposed financial restructuring to be signed.

› Afterwards, on August 11, 2016, the term sheet of the Restructuring Agreement was subscribed between Abengoa, S.A. and a group of entities comprising the main financial creditors and potential investors. Moreover, the Company received acceptance letters in order to underwrite the new money financing in an amount which exceeds the liquidity requirement of the Updated Viability Plan. Such agreement was subject to several conditions precedent which are common in this kind of transactions.

› On September 18, 2016, in the framework of the Updated Viability Plan and the terms of the financial restructuration subscribed on August 11, 2016, Abengoa Concessions Investments Limited ("ACIL"), a subsidiary of the Company, entered into a Secured Term Facility Agreement (the "Facility Agreement") with a group of financial entities, pursuant to which ACIL was entitled to borrow up to US$211 million and was required to enter into related security documents.

The amounts borrowed under the Facility Agreement had the purpose of refinancing all amounts owed under a secured term facility agreement between ACIL and Talos Capital Designated Activity Company on October 22, 2015 for a nominal amount of US$130 million and for general corporate and working capital purposes of the Company and its subsidiaries (the "Group").

› On the other hand, on September 24, 2016 the Restructuring Agreement has been signed, and granted by public deed before the Notary of Madrid, Mr. José Miguel García Lombardía, between the parent company, a group of Subsidiaries which debt was subjected to the restructuring and a group of financial creditors which either were holders of existing debt instruments or were also participated in the new money and new bonding facilities.

The fundamental principles of such agreement were the following:

(i) The amount of new money to be lent to the Group amounted to €1,169.6 million (including refinancing of the September and December 2015, March and September 2016 facilities). This financing would rank senior with respect to the preexisting debt and would be divided into different tranches:

- Tranche I: amounts to €945.1 million, with a maximum maturity of 47 months and secured by, among other things, certain assets that include the A3T project in Mexico and the shares of Atlantica Yield held by the Company. Creditors would be entitled to 30% of Abengoa's new share capital post restructuring.

- Tranche II: amounts to €194.5 million, with a maximum maturity of 48 months and secured by, among other things, certain assets in the engineering business. Creditors would be entitled to 15% of Abengoa's new share capital post restructuring.

- Tranche III: contingent credit facility of up to €30 million, with a maximum maturity of 48 months secured by, among other things, certain assets that include the A3T project in Mexico and the shares of Atlantica Yield held by the Company and with the sole purpose of providing guaranteed additional funding for the completion of the A3T project. Creditors would be entitled to receive 5% of Abengoa's new share capital post restructuring.

(ii) New bonding facilities will amount to €307 million .Financing entities would be entitled to 5% of Abengoa's new share capital post restructuring.

(iii) The restructuring proposal for the preexisting debt (Standard Restructuring Terms) will involve a 97% reduction of its nominal value, while keeping the remaining 3% with a ten year maturity, with no annual coupon or option for capitalization.

(iv) Creditors who adhere to the agreement can choose either the conditions laid out in section (iii), or alternative conditions (Alternative Restructuring Terms) which consist of the following:

- Capitalization of 70% of preexisting debt in exchange for 40% of Abengoa's new share capital post restructuring.

- The remaining 30% of the nominal value of the preexisting debt will be refinanced through new debt instruments, replacing the preexisting ones, which will rank as senior or junior depending on whether or not such creditor participates in the new money facilities or new bonding facilities. Such instruments will have maturities of 66 and 72 months respectively, with the possibility of an extension of up to 24 months, accruing annual interest of 1.50% (0.25% cash payment and 1.25% Pay If You Can). The junior instrument could be subject to additional reductions (provided that total reduction does not exceed 80% of the nominal value prior to the capitalization) if the aggregate amount of refinanced preexisting debt (after the 70% aforementioned capitalization) exceeds €2,700 million due to the crystallization of contingencies.

(v) At the end of the restructuring process, the current shareholders of the Company will hold around 5 % of the share capital. Eventually, through the issuance of warrants, they could increase such stake in a percentage to be agreed that will not exceed an additional 5%, if, within 96 months, the group has paid in full all outstanding amounts under the new financing to be provided in the framework of the restructuring and under the existing indebtedness (as this indebtedness may have been restructured), including its financial costs. Furthermore, the company intended to submit a proposal to merge the two types of existing shares into one sole class of shares for approval by a General Shareholders Meeting, although this was not considered a prerequisite of the Restructuring Agreement.

› In this sense, the Board of Directors of Abengoa, at its meeting held on October 10 and 17, 2016, unanimously resolved to call an Extraordinary General Shareholders' Meeting of the Company to be held at its registered address, Campus Palmas Altas, in Seville, on November 21, 2016, at 11:00 a.m., on first call, and if the required quorum is not met, on second call, the next day, November 22, 2016, at the same time and place, in order to approve resolutions to comply with the terms and conditions of the Restructuring Agreement dated 24 September 2016 (see Note 18).

› Once the Restructuring Agreement was signed on September 24, 2016, an accession process to the rest of financial creditors began, period that ended on October 28, 2016, with the support of 86.0% of the financial creditors to which it was addressed, being therefore over the legally required majority (75 per cent) and allowing on October 28, 2016 the filing with the Mercantile Courts of Seville of the application for approval of the Restructuring Agreement. The Mercantile Court nº 2 of Seville had issued on October 31, 2016 the ruling by which allow the processing of the application due to its compliance with the needed formal requirements which consisted in filing the agreement to which the approval was expected and the auditor´s certification that confirmed the adoption by more than the 75% liability financial creditors.

› Once filed the homologation request, the following procedures in the United States and the United Kingdom were initiated:

- A Company Voluntary Arrangement ("CVA") in England and Wales at the request of Abengoa Concessions Investments Limited in accordance with Part I of the English Insolvency Act 1986; and

- Various procedures under Chapter 11 ("Chapter 11") of the U.S. Bankruptcy Code at the request of various subsidiaries incorporated in the United States.

Both the CVA and the Chapter 11 procedures have the objective of extending the Standard Restructuring Terms described previously to the liabilities of the companies promoting such procedures for those creditors that have not acceded to the Restructuring Agreement.

› On November 8, 2016 the Judge of the Mercantile Court of Seville No. 2 issued a resolution declaring the judicial approval of the Restructuring Agreement and extending the effects of the Standard Restructuring Terms set out in the Restructuring Agreement to those creditors of financial liabilities who have not signed the agreement or have otherwise expressed their disagreement with it. This agreement has been claimed by several creditors, although so far, the Court has not resolved yet such claims.

› As mentioned before, on November 9, 2016, in accordance with Clause 7.1.1(b) of the Restructuring Agreement, ACIL initiated a company voluntary arrangement pursuant to Part I of the Insolvency Act 1986 (the "CVA") to compromise its obligations as a guarantor of the Loans and the Notes (each term as defined below) owed to Guarantee Creditors, who have not adhered to the Restructuring Agreement prior to the end of the Supplemental Accession Period, through a write-off of 97 per cent of such guarantee obligations to reflect the compromise of the principal obligations under the Loans and Notes owed to such Guarantee Creditors. In such dates, the Nominees delivered to ACIL's creditors copies of the CVA Documents which included (i) the Notice of Meeting regarding the Creditors' Meeting, which would be held on 24 November 2016 at 10.00 a.m. (London time) at Linklaters LLP, 1 Silk Street, London EC2Y 8HQ, United Kingdom; (ii) the CVA Proposal; and (iii) the Statement of Affairs (together, the "CVA Documents"). The Creditors´ Meeting took place on November 24, 2016 and aproved the CVA agaisnts which, no claims were presented.

› The Extraordinary General Shareholders' Meeting of the Company held on second call on 22 November 2016, approved all the resolutions submitted for their approval and included in the agenda of the meeting that was submitted to this Commission by way of a material fact on 21 October 2016 (official register number 243836), except for the proposal to collapse the current dual-class share structure into a single-class share structure included under point 5 of the agenda, which was not brought to a vote as the required minimum quorum was not met. The Company informs that the non-approval collapse of the current dual-class share structure into a single-class share structure does not affect the implementation of the Restructuring Agreement.

- On 17 January 2017, Global Loan Agency Services Limited, as Restructuring Agent, notified the parties to the Restructuring Agreement in writing and in accordance with the Restructuring Agreement that it had received all of the documents or evidence listed in Schedule 5 of the Restructuring Agreement, in form and substance satisfactory to the Restructuring Committee and the NM1 Committee, thereby making January 17, 2017 the restructuring effective date (the "Restructuring Effective Date"). Following the occurrence of the Restructuring Effective Date on 17 January 2017, the Company provided a supplemental restructuring accession and securities crediting notice, dated 18 January 2017 (the "Supplemental Restructuring Accession and Securities Crediting Notice"), to its Existing Creditors in connection with the Restructuring Agreement. During such period, those Existing Creditors which had not adhered to the Restructuring Agreement during the initial accession period, had the opportunity to do it. Additionally, the Company required to all creditors that had not adhered to the Restructuring Agreement to provide the information required in order to receive the financial instruments (equity and debt) to which they had right as a consequence of its accession to the Restructuring Agreement. On February 3, 2017, the company announced that, after the end of the additional accession period, the Restructuring Agreement had been supported by the 93.97%.

- Finally, on 14 February 2017, the Company informed that, in light of the situation in Mexico andin order to accelerate the completion of the Restructuring and begin implementing the Viability Plan as soon as possible, Abengoa, together with some of its principal creditors and investors, has developed a proposal for the adjustment of the drawdown mechanism of new money financing (the "Drawdown Proposal") set out in the Term Sheet and the Restructuring Steps Plan to the Restructuring Agreement, maintaining the initial structure of the transaction.

  Such Drawdown Proposalwill require certain amendments to the Term Sheet, the Restructuring Steps Plan, the Restructuring Agreement and the New Money Financing Commitment Letter.

  In light of the fact that the consent of the Majority Participating Creditors is required to approve such amendments, the Company further informs that the Restructuring Agent will be providing an amendment request document, dated February 14, 2017 (the "Amendment Request Document"), to all Participating Creditors, which details the amendment request in connection with the Drawdown Proposal(the "Amendment Request") and in response to which all Participating Creditors should vote to approve or not approvethe proposed amendments set out therein. Abengoa hereby requested that all Participating Creditors perform the following actions as soon as possible and in any case before 5:00 pm (London Time) on February 28, 2017(the "Response Deadline"):

  (A) carefully review the proposed amendments set out in the Amendment Request Document (the "Amendments"); and

  (B) vote "Yes" (to approve the Amendments) or "No" (to not approve the Amendments) through (i) submission of Electronic Instructions, in the case of Existing Noteholders, or (ii) a response to the Restructuring Agent, in the case of Existing Non-Noteholders, in both cases as will be described in the documentation that accompanies such Amendment Request Document.

b) <u>On the other hand, in relation with the proceedings in Brazil, on the occasion of the mentioned situation of Abengoa, it should be known that</u>;

- On January 29, 2016, Abengoa filed the recuperação judicial applications in Brazil about the companies Abengoa Concessões Brasil Holding S.A., Abengoa Construção Brasil Ltda and Abengoa Greenfield Brasil Holding S.A, which were admitted on February 22, 2016. This measure was undertaken provided that the Company incurred in a "Crise econômico scenario", which is contemplated in Brazilian Law 11,101/05. "Recuperação judicial" consists in a proceeding provided by the Brazilian Law which allows corporations to restructure their debt in an orderly manner and continue as a going concern once the financial difficulties are overcome.

- In relation to the aforementioned, on April 20, 2016, Abengoa Brazil presented the Viability Plan (plano de Recuperaçao) in which the main premises are based on the divestment of certain concessional transmission line assets in operation, as well as the divestment of lines which currently are under construction. It is expected that these divestments will allow a favorable agreement to repay the debt already restructured in companies under recuperação judicial (negotiations are in progress with creditors) as well as the possible preservation of the construction activity in Brazil. As explained in Note 7 of these explanatory notes, both asset batches have been classified as non-current assets held for sale and discontinued operations due to the compliance, at December 31, 2016, of the IFRS 5´s requirements. In relation with lines in operation, on June 24, 2016, Abengoa has received an offer by which the asset fair value estimation have been made. This offer, will serve as starting price in the judicial auction process provided to this kind of insolvency proceedings in Brazil.

› On the other hand, and regardless of the mentioned negotiation process, on June 28, 2016, ANEEL´s Board of Director decided to authorize the Electricity Inspection Service Office "SFE" and the Superintendent of Economy and Financial Inspection "SFF" for the issuance of a communication to the owner companies of construction in progress (ATEs), informing about the contract breach, which may lead to a declaration of revocation of the concessions. On July 21, 2016 the owner companies of the assets under construction (ATEs) received the formal communication of breach that generated administrative processes, in which ATEs required a solution with ANEEL in order to try to compensate the execution of guarantees and penalties to be required as compensation for reversible assets. These processes are awaiting the pronouncement of ANEEL. According to Director´s opinion, it is expected to reach an amicable solution and therefore a non-significant impact is estimated.

Additionally, in relation to the legal possibility of transfer of those assets under construction, the "Senado Federal" (legislative authority of Brazilian Government to federal legislation issues), on October 19, 2016 approved the Conversion Project in Medida Provisoria law ("MP") n. 735/2016. This allows the tender to transfer the control of contributions in capital share in concessional companies, in which the contract of concession were signed until December 2015, 31 hypothes that applies to ATEs under construction. Next step to the conversion to law of this MP is the possibility to cancel by the President of the Republic, which has a term of 15 days since November 3, 2016, date in which the legislative process was received. The Temporary Measure was cancelled on 18 November 2016 A ruling was issued in the Judicial Recovery process on 2 December 2016 in which it was decided: i) to include these expiration proceedings in the Judicial Recovery process; ii) to suspend the proceedings and the execution of warranties to preserve the assets of holding companies in Judicial Recovery. A special hearing was scheduled for December 31, 2016 at which the Ministry of Mines and Energy, the ANEEL representative and the judicial administrator are called to appear. La Asamblea de Acreedores queda fijada para el 31 de marzo de 2017. The creditor´s meeting is scheduled on March 31, 2017.

c) Additionally, in relation to the proceedings in United States, on occasion as well of the mentioned situation of Abengoa, indicate that,

› On February 1, 2016 and February 10, 2016, certain creditors initiated involuntary bankruptcy petitions to the Missouri Bankruptcy Court against the American affiliates Abengoa Bioenergy Nebraska, L.L.C. and Abengoa Bioenergy Company, L.L.C. respectively. After responding to the petitions, on February 24, 2016, both companies mentioned above along with Abengoa Bioenergy Outsourcing, LLC, Abengoa Bioenergy Engineering and Construction, LLC, Abengoa Bioenergy Trading US, LLC, and Abengoa Bioenergy Holding US, LLC opted to file for voluntary creditors´ protection under Chapter 11 provided by the USA Law. These petitions have been filed in order to allow the Company to continue as a going concern and, consequently, they included the authorization request for the payment of taxes, salaries and insurance premiums and other first day motions. Additionally, a request for the approval of a debtor-in-possession financing arrangement amounting to US$41 million was also filed. The hearing for these initial motions took place on March 2, 2016 and, during them, such companies were authorized to borrow an initial amount of US$8 million (which were additionally complemented with US$1.5 million authorized on March 29, 2016).

› Moreover, on March 23, 2016, certain creditors filed an involuntary insolvency proceeding against Abengoa Bioenergy Biomass of Kansas, LLC (ABBK) at the Kansas court.

› Also on March 29, the following American affiliates Abeinsa Holding Inc.; Abencor USA, LLC; Teyma Construction USA, LLC; Abeinsa EPC, LLC; Inabensa USA, LLC; Nicsa Industrial Supplies, LLC; Abener Construction Services, LLC; Abener North America Construction, LP; Abengoa Solar, LLC; Teyma USA & Abener Engineering and Construction Services General Partnership; Abeinsa Abener Teyma General Partnership; Abener Teyma Mojave General Partnership; and Abener Teyma Inabensa JV filed, under the "United States Bankruptcy Code" and the Delaware court, the named Chapter 11 in order to allow the companies to comply with their obligations and minimize the loss of value of their businesses. Such companies have requested authorization for the payment of taxes, salaries and insurances as well as other first day motions.

› In relation to all the above, on March 28 and 29, 2016, and in accordance with the clause 5.2 of the Standstill agreement mentioned before, Abengoa, S.A. and several of its Spanish affiliates (the "Chapter 15 Debtors") commenced cases under Chapter 15 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware ("Delaware Bankruptcy Court"). In these cases, the Chapter 15 Debtors seek recognition by the Delaware Bankruptcy Court of the proceeding commenced in the Spanish Court to obtain judicial approval (homologación judicial) of the Standstill Agreement (the "Spanish Proceeding") and application of the Standstill Agreement within the territorial jurisdiction of the United States. In the initial hearings held on March 31, 2016, the Delaware Bankruptcy Court granted the Chapter 11 Debtors' requests relief and the Initial Chapter 15 Debtors' requested provisional relief to stay creditor actions against them. Both hearings were uncontested and all motions were granted.

- Additionally, on April 6 and 7, 2016 Abengoa US Holding, LLC and seven other affiliated U.S. debtors (collectively, the "Additional Chapter 11 Debtors") each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the Delaware Bankruptcy Court (together with the Chapter 11 cases filed on March 29, 2016, the "Chapter 11 Proceedings"). All of the cases filed by the Additional Chapter 11 Debtors are being jointly administered with the lead Chapter 11 Proceeding filed on March 29, 2016 in the Delaware Bankruptcy Court. The Additional Chapter 11 Debtors are comprised of the following legal entities: Abener Teyma Hugoton General Partnership, Abengoa Bioenergy Biomass of Kansas, LLC, Abengoa Bioenergy Hybrid of Kansas, LLC, Abengoa Bioenergy New Technologies, LLC, Abengoa Bioenergy Technology Holding, LLC, Abengoa US Holding, LLC, Abengoa US Operations, LLC and Abengoa US, LLC.

- The Company further informs that at the initial hearing held on April 27, 2016 on the Chapter 11 petitions filed on April 6 and 7, 2016 by the additional Chapter 11 Debtors, the Delaware Bankruptcy Court granted the first-day relief requested by all but one of those debtors. With respect to ABBK's Delaware case, it was noted that on April 25, 2016 the U.S. Bankruptcy Court for the District of Kansas (the "Kansas Bankruptcy Court") had issued an order denying ABBK's request to transfer to the Delaware Bankruptcy Court an involuntary Chapter 11 case commenced against it on March 23, 2016 in the Kansas Bankruptcy Court. Referring to the Kansas Bankruptcy Court's ruling and the Delaware Bankruptcy Court stated that it would honor that decision, ordered a stay of ABBK's Chapter 11 case in Delaware, and directed ABBK to show why its Delaware case should not be dismissed. On May 2, 2016, ABBK moved to certify the Kansas Bankruptcy Court's ruling for direct appeal to the U.S. Court of Appeals for the Tenth Circuit and requested a stay of the Kansas bankruptcy case order pending the outcome of that appeal.

- The Company further informs that on April 26, 2016 its subsidiary Abengoa Solar LLC ("Abengoa Solar"), one of the Initial Chapter 11 Debtors, filed a motion requesting the Delaware Bankruptcy Court's authorization to consummate the sale of interests that two of Abengoa Solar's non-debtor subsidiaries hold in project entities responsible for the financing, design, construction, operation, maintenance, and transfer to the State of Israel of a concentrated solar energy thermal power station plant currently under construction there (the "Ashalim Project"). At the hearing on the motion held on May 3, 2016, the Delaware Bankruptcy Court authorized Abengoa Solar to make this transaction.

- On June 12, 2016, the American affiliate companies Abengoa Bioenergy Meramec Renewable, LLC, Abengoa Bioenergy Funding, LLC, Abengoa Bioenergy Maple, LLC, Abengoa Bioenergy of Indiana, LLC, Abengoa Bioenergy of Illinois, LLC y Abengoa Bioenergy Operations, LLC, commenced a voluntary Chapter 11 case in the Missouri Bankruptcy Court. In the framework of these proceedings and the already initiated Chapter 11 proceeding by Abengoa Bioenergy US Holding, LLC, this and the affiliate companies mentioned have filed motions in the East Missouri Bankruptcy Court in relation with the sale proceeding of the two Maple plants located on Indiana and Illinois, the plant of Ravenna and the plant of York. Additionally, to facilitate the sale of the Maple plant, the current creditors of such plants have agreed to concede additional financing for an amount of US$10 million (debtor-in-.possession financing).

- Continuing with the sale proceeding commented above, on August 22, 2016 as approved by the United States Bankruptcy Court for the Eastern District of Missouri (the "Bankruptcy Court"), an auction over certain assets of Abengoa Bioenergy US Holding, LLC (the Company.) has been conducted following the process previously agreed among certain debtors and debtors in possession (the "Debtors") and such Company, on June 12, 2016, Abengoa Bioenergy US Holding, LLC and certain Debtors filed a motion (the "Motion") with the Bankruptcy Court seeking, among other things, entry of an order (the "Bidding Procedures Order"); (a) approving certain auction and bidding procedures (the "Bidding Procedures") in connection with the sale of the Debtors' bioenergy plants in Ravenna, Nebraska, York, Nebraska, Mt. Vernon, Indiana, Madison, Illinois and Colwich, Nebraska (collectively, the "Purchased Assets"), (b) authorizing the Debtors to enter into stalking horse purchase agreements with KAAPA Ethanol Holdings, LLC for the Ravenna Assets, Green Plains, Inc. for the Mt. Vernon and Madison Assets (the "Maple Assets") and Biourja Trading, LLC for the York Assets, (c) approving procedures relating to the assumption and assignment of executory contracts and unexpired leases, and (d) scheduling an auction (the "Auction") and sale approval hearing (the "Sale Hearing").

- On June 15, 2016, the Bankruptcy Court entered the Bidding Procedures Order, and subsequently, the Debtors' investment banker, Carl Marks, engaged in an extensive marketing process for all of the Purchased Assets. Pursuant to the Bidding Procedures Order, certain competing bids were submitted, and on the aforementioned date (August 22, 2016), the Debtors conducted the Auction, the results of which were that: (i) KAAPA Ethanol Holdings, LLC was the successful bidder for the Ravenna Assets at US$115 million, (ii) Green Plains, Inc. was the successful bidder for the Maple Assets at US$200 million, (iii) Green Plains, Inc. was the successful bidder for the York Assets at US$37 million, and (iv) ICM, Inc. was the successful bidder for the Colwich Assets at US$3.15 million.

- The Bankruptcy Court scheduled to conduct a hearing on August 29, 2016, where the sale of the plants of Ravenna, Maple and York were approved at the same prices of the mentioned before. Such sales were realized at September 30, 2016, date in which the debtor-in-possession financing were liquidated simultaneously in relation with the asset of these companies. The net sale proceeds will then be distributed pursuant to a plan of liquidation already approved by the Bankruptcy Court last October 31, 2016 and is awaiting the creditors committee.

- Additionally, on July 18, 2016, and in the Chapter 11 proceeding framework, already initiated by ABBK, the investment bank Ocean Park Advisors was hired to seek a strategic partner interested in buying the bioethanol plant and the co-generation plant located in Hugoton, Kansas.

- On June 12, 2016, the companies Abengoa Bioenergy Holdco, Inc. and Abengoa Bioenergy Meramec Holding, Inc., have initiated voluntary proceedings of Chapter 11 in the Delaware Bankruptcy Court, where other Chapter 11 resolutions of other American affiliates exist, as well as the Chapter 15 proceeding of Abengoa mentioned before.

- Additionally, last October 28, 2016, Abengoa Bioenergy New Technologies LLC, in the bankruptcy proceeding framework at the Delaware Bankruptcy Court, has applied for authorization to sell the pilot plant and the warehouse (excluding any land in which a construction exists) to Green Plains Inc. (or any of its affiliates) and/or Green Plains York LLC amounted to US$1,250,000. Such authorization was provided by the Court on December 6, 2016.

- On the other hand, on October 31, 2016, the Courts of Delaware approved the application of Abengoa to the creditors committee which propose an only plan which contains other four different plans itself: (i) EPC Restructuration Plan, which consist in the restructuring of the following companies: Abener Teyma Mojave General Partnership; Abener North America Construction LP; Abeinsa Abener Teyma General Partnership; Teyma Construction USA LLC; Teyma USA & Abener Engineering and Construction Services partnership; Abeinsa EPC LLC; Abeinsa Holding Inc.; Abener Teyma Hugoton General Partnership; Abengoa Bioenergy New Technologies LLC; Abener Construction Services LLC; Abengoa US Holding LLC; Abengoa US LLC; and Abengoa US Operations LLC; (ii) Solar Restructuring Plan which propose the restructuring of Abengoa Solar LLC; (iii) EPC liquidation Plan which propose the liquidation of de Abencor USA LLC; Abener Teyma Inabensa Mount Signal Joint Venture; Inabensa USA LLC; and Nicsa Industrial Supplies LLC, and (iv) Bioenergy and Maple Liquidation plan which propose the liquidation of Abengoa Bionergy Hybrid of Kansas LLC; Abengoa Bioenergy Technology Holding LLC; Abengoa Bioenergy Meramec Holding Inc.; and Abengoa Bioenergy Holdco Inc. In relation with the Chapter 11 proceedings performed in Delaware, last December 15, 2016, the Reorganization Plan in some cases, and the Liquidation in others, were confirmed by the Courts after reaching the majority support of creditors and having rejected the Courts the petitios presented by some of them. In relation with the Bioenergy companies proceeding in Missouri State, it is expected the votation to approve the corresponding Plan at the end of April 2017. As of the date of these Consolidated FInancial Statements, management is not aware of any significant impacts that could arise from the liquidation plans other than the ones already discussed.

- Finally, on 15 December 2016, the United States Bankruptcy Court where the Chapter 11 proceedings referred to in the Restructuring Agreement signed on 24 September 2016 were being dealt with, has entered an order confirming the Debtors' Modified First Amended Plans of Reorganization and Liquidation(the "Chapter 11 Plan").

- Additionally to all the mentioned before, last November 16, 2016, and in accordance to what is stated in the Restructuring Agreement clause 7, Abengoa Concessions Investment Limited ("ACIL") initiated the proceeding provided by the Chapter 15 of the United States Bankruptcy Code in the Delaware Courts to recognize the restructuring proceeding initiated in the British Courts (Company Voluntary Arrangement –CVA-) in the United Stated jurisdiction. The Delaware Courts conceded to ACIL, with no exception, such recognition on December 8, 2016.

d) <u>In relation to the bankruptcy declaration by the Court of Rotterdam of Abengoa Bioenergy Netherlands, B.V. on May 11, 2016 were appointed both a liquidator and supervising judges, it should be noted that:</u>

- After such bankruptcy declaration and appointment of a liquidator, the liquidation process of the company started and therefore, since that moment, the loss of control was effective.

- In the framework of such bankruptcy proceeding, on May 11, 2016, the company Alcogroup communicated an agreement to acquire the plant has been signed. The acquisition was approved by the competent Court last September 22, 2016, and according to the information received at the same date from the Administrator, the price established was €50 million, which would be addressed to the payment of suppliers and creditors according to a plan defined and approved by the competent Court.

e) Regarding the declaration of bankruptcy of Abengoa México, S.A. de C.V..

- On December 20, 2016 the Company informed that it had come to its knowledge that the Sixth Court in Civil Affairs of Mexico City has issued an appealable resolution declaring the bankruptcy (concurso mercantil) of Abengoa Mexico, S.A. de C.V. ("Abengoa Mexico") despite the report of the court appointed expert (Visitador) which spoke against it. Despite the declaration, the control of the company remains with the current management.

- In pursuit of reaching an agreement with its creditors, Abengoa Mexico has suggested a lock-up agreement aiming to subscribe the bankruptcy of the company and provide it to creditors and file it to the Courts according to the following terms:

  (i) In relation with common debts, Abengoa México has proposed the following treatment:

    a) proposal to capitalize the ordinary interests to be paid, being therefore part of the principal;

    b) the principal will be paid quarterly since March 2018;

    c) the principal to be paid will generate new interests, varying the period depending on the date of the resolution of approval of the agreement;

    d) the annual interest rate is fixed to 7% with an increase of 50 basis points per semester until the total payment;

    e) default interests due at the date of declaration of bankruptcy will be rejected by creditors. However, the default in payment of the amounts agreed will suppose the generation of default interests with a 14% rate during the period of default;

  (ii) in relation with credits against the bankruptcy estate and secured credits, it will be paid in accordance with the contracts and documents related;

  (iii) in relation with tax credits, Abengoa Mexico will propose to pay them in accordance with the applicable tax jurisdiction;

  (iv) finally, the treatment of subordinated credits will mean the inability to pay to subordinated creditors until the common credits are paid.

- Once the Restructuring Agreement is completed and the recapitalization of the Group described in Note 2.1.1.a), the company will develop the agreed Updated Viability Plan with creditors and investors, which is focused on the traditional business of Engineering and Construction, where the company accumulates more than 75 years of experience. Specifically, this Updated Viability Plan focusses the activity in the energy and environmental industry. This business will be combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has a competitive advantage, mainly of technological kind, which allows a bigger added value projects. Regarding the mentioned Updated Viability Plan, will allow sustainable growing of Abengoa, based on the following five principles:

  1) A multidisciplinary team and a culture and ability of multifunctional work.

  2) Experience in engineering and construction and specially the outstanding strength in business development of high potential growing such as energy and water.

  3) Technology abilities in our target markets, mainly in solar and water energy.

  4) A more efficient organization with more competitive general expenses.

  5) A financial approach adjusted to the current reality in which financial discipline and a rigorous evaluation of financial risks are key milestones.

- Based on the foregoing, and in prevision of the fulfillment of the agreement with financial creditors of the Company which assure the financial stability of Abengoa and the ability to generate resources from its operations as stated in the Updated Viability Plan, Abengoa´s Directors have deemed it appropriate to present the Consolidated Financial Statements for the year ended December 31, 2016 on a going concern.

  Based on the application of the going concern basis, Abengoa´s Directors have prepared these Consolidated Financial Statements applying the International Financial Reporting Standards ('IFRS') consistently with Consolidated condensed interim financial statements and Consolidated Financial Statements filed in prior periods. For that purpose, and according to the aforementioned accounting framework, Abengoa´s Directors have made their best estimates and assumptions (see Note 3) in order to record the assets, liabilities, revenues and expenses as of December 31, 2016 in accordance with the existing information by the time of formulating these Consolidated Financial Statements.

- The current situation of the Group, which continues to be affected by a strong limitation of financial resources for more than a year and a half now, has significantly influenced the evolution of the business not only in terms of a generalised slowdown and deterioration of the group's operations but also as a result of numerous insolvency or bankruptcy proceedings involving companies not included in the Company's Updated Viability Plan.

  In this situation, on the basis of management's best estimates according to International Financial Reporting Standards ('IFRS'), the directors have quantified and accounted for the negative impact derived from this situation in the Consolidated Income Statement at 31 December 2016.

  The impact of a generalised slowdown in the Group's business activity primarily comes from a slowdown in the projects performed, which has resulted in 1) a sharp increase in the estimated cost of reactivating the business (and therefore quantification of the impact of the estimated provision to cover the increase in construction costs due to the reactivation of the project compared to the previously estimated costs; 2) a decrease in the asset recovery value or fair value (and therefore quantification of the impact of the estimated impairment of the value of the asset under construction; and 3) possible failure to meet contractual deadlines (and therefore quantification of the impact comes primarily from the amount of the guarantee that has been seized or is pending seizure). In this sense, the Group has deteriorated all those projects which development is not feasible in this moment given the lack of financing in the mid term in accordance with the Updated Viability Plan.

  As far as the impact of the numerous insolvency or judicial bankruptcy proceedings involving companies not included in the company's Updated Viability Plan, the impacts arise primarily from a decrease in the recovery value or fair value of the assets associated with the companies (and therefore the quantification of the impact requires estimating the impairment of the value of the assets themselves) and the possible contingencies that could arise during the insolvency or bankruptcy proceedings themselves (and therefore the quantification of the impact requires estimating the provision for such contingencies).

- In this sense, the most significant negative impacts recorded in results as of December 31, 2016, which have reached €-6,772 million, are mainly related to provisions of construction projects costs, to the results coming from the sale of certain assets and the impairment of certain project assets and tax credits as well as financial expenses due to default interests and the execution of bank guarantees or with a high probability of execution given the situation of the company.

  The following table shows the detail of such impacts (in million euros):

Item	Total
Project Construction costs provision (see Note 5.1.a)	(245)
Sale of assets (see Note 6.2.b)	58
Impairment of assets (see Note 5.1.b)	(6,036)
Default interests, guarantees and other financial expenses (see Notes 28 and 30)	(521)
Others	(28)
	(6,772)

- Due to all the above, the parent company, Abengoa, S.A., has incurred in losses since 2015 which has supposed a significant decrease in Equity and, as a consequence, at December 31, 2016 presents a negative net equity. In accordance with the Article 363 of the Spanish Corporation Law, a Company will be in dissolution situation when losses lead Net Equity to an amount lower than half shared capital, unless an increase or decrease in capital share were enough.

  In the parent company Abengoa Director´s opinion, the expected measures in the effective application of the signed Restructuring Agreement will allow to gain a financial stability once there is a positive impact recognized in the income statement derived from debt write-offs, capital increases expected and, in addition to provide the Group with the necessary financial resources to reactivate the activity. On the other hand, Directors are confident on generating future resources from operations given such financial resources and the application of the Updated Viability Plan, which will allow to rise the market confidence, the provision of liquidity to the Company and the continuance of its activity to operate in a competitive and sustainable manner in the future.

- From an accounting perspective, the Restructuring Agreement is subject to IFRIC 19 "Cancellation of financial liabilities with equity instruments", derecognising a portion of the debt to be cancelled at book value, registering the equity instrument to be handed over at fair value and recognising the difference between both amounts in the Income statement. With the portion of debt to be refinanced, and given that the conditions of the debt to be refinanced have been substantially modified, IAS 39 "Financial instruments, recognition and measurement" will be applied, derecognising the portion of the debt to be refinanced at book value, registering the equity instrument to be handed over at fair value and recognising the difference between both amounts in the Income statement. Regarding the cancellation of the liabilities subject to the standard conditions of the agreement (amounts payable to creditors who have not signed the agreement), since there is no obligation to deliver capital instruments in order to cancel 97% of the liabilities, the terms of IAS 39 apply to both the derecognition of the percentage of the liability mentioned

above and the recognition of a new liability equal to 3% of the original liability which will initially be recorded at fair value and later at amortised cost.

Abengoa management estimates that the positive impact on the group's income and equity could be between €6,000-6,500 million. The final amount will depend on a series of factors which will be concreted by the time the agreement is implemented. On the other hand, Abengoa management estimates that during the month of March all of the conditions precedent established in the Reorganization Agreement, common in these types of contracts, will be fulfilled and therefore the accounting impacts mentioned above will be recognized.

2.1.2. Application of new accounting standards

a) Standards, interpretations and amendments effective from January 1, 2016, applied by the Group:

- Improvements to IFRSs 2012-2014 cycles. These improvements are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IAS 1 (Amendment) 'Presentation of Financial statements'. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IAS 16 (Amendment) 'Property, Plant and Equipment' and IAS 38 'Intangible Assets', regarding to acceptable methods of amortization and depreciation. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IFRS 10 (Amendment) 'Consolidated Financial statements', IFRS12 ' Disclosure of Interests in Other Entities' and IAS28 'Investments in Associates and Joint Ventures' relating to investment entities: clarification of the exception to consolidate. These amendments are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU, and have already been endorsed by the EU.
- IAS 27 (Amendment) 'Separate Financial statements' regarding the reinstatement of the equity method as an accounting option in separate Financial statements. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IFRS 11 (Amendment) 'Joint Arrangements' regarding acquisition of an interest in a joint operation. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IAS 16 (Amendment) 'Property, Plants and Equipment' and IAS 41 (Amendment) 'Biological assets'. These amendments are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU

Abengoa's Directors believe that the applications of these amendments have not had any material impact.

b) Standards, interpretations and amendments published that will be effective for periods after December 31, 2016:

- IFRS 9 'Financial Instruments'. This Standard will be effective from January 1, 2018 under IFRS-IASB published in the official bulletin of the EU on November 29, 2016.
- IFRS 15 'Revenues from contracts with Customers'. IFRS 15 is applicable for periods beginning on or after 1 January 2018 under IFRS-EU, earlier application is permitted, that has already been adopted by the EU on September 22, 2016 and published in the official bulletin of the EU on October 29, 2016.
- Introduction of IFRS 16 "Leases" which supersedes IAS 17. Lessees will recognize most leases in the balance sheet as financed purchases. This standard will apply to periods beginning after January 1, 2019.
- IAS 7 (Amendment) "Statement of cash flow" related to disclosures. This standard will apply to annual periods beginning after January 1, 2017. Not already endorsed by the EU.
- IAS 12 (Amendment) "Income taxes" related to the recognition of not realized deferred taxes. This standard will apply to annual periods beginning after January 1, 2017 under IFRS-IASB, earlier application is permitted.
- Annual Improvements to IFRSs 2014-2016 (published on December 8, 2016). These improvements are mandatory for periods beginning on or after January 1, 2018 under IFRS-EU and have not been adopted by the EU yet.
- IFRIC 22 Foreign Currency Transaction and advance consideration which establish the transaction date to determine the exchange rate applicable to transactions with advances in foreign currency. This interpretation is mandatory for periods beginning on or after January 1, 2018 under IFRS-EU and has not yet been adopted by the EU.
- IFRS 10 (Amendment) "Consolidated Financial Statements" and IAS 28 "investments in associates and joint ventures" in relation with the treatment of the sale or the contribution of assets between an investor and its associate or joint venture. The application of this standard has been delayed without definite date of application.

The Group is currently in the process of evaluating the impact on the Consolidated condensed interim financial statements derived from the application of the new standards and amendments that will be effective for periods beginning after December 31, 2016.

2.2. Principles of consolidation

In order to provide information on a consistent basis, the same principles and standards applied to the parent company have been applied to all other consolidated entities.

All subsidiaries, associates and joint ventures included in the consolidated group for the year 2016 (2015) that form the basis of these Consolidated Financial Statements are set out in Appendices I (XII), II (XIII) and III (XIV), respectively.

Note 6 to these Consolidated Financial Statements reflects the information on the changes in the composition of the Group.

a) Subsidiaries

Subsidiaries are those entities over which Abengoa has control.

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company will reassess whether or not it controls an investee when facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

The value of non-controlling interest in equity and the consolidated results are shown, respectively, under non-controlling interests' in the Consolidated Statements of Financial Position and 'Profit attributable to non-controlling interests' in the Consolidated Income Statements.

Profit for the period and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results of the non-controlling interests has a total negative balance.

When necessary, adjustments are made to the Financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are fully eliminated on consolidation.

Abengoa develops a part of its activity by developing integrated products that consist of designing, constructing, financing, operating and maintaining a project (usually a large-scale asset such as a power transmission line, desalination plants, thermo-solar plants, etc.), usually owned under a B-O-T concession arrangement (Build – Operate – Transfer) for a specific period of time (usually 2-3 years) and then though a long term non-recourse financing scheme (project finance).

In order to evaluate the control of these projects, it is necessary to address the corporate purpose of these projects finance to assess the decision making process. In this sense, all relevant decisions are basically identified in the following two completely different phases each other. On the one hand the construction phase and, on the other, the operation phase. Each of the aforementioned phases has fully independent activities and decisions on which the compliance with the control requirements stated above should be assessed.

During the construction phase of the projects under review, the activity related to that phase is developed under general conditions of a framework agreement, where the relevant decisions are related to the approval of the structure and specific features of the project financing (in terms of disposition, guarantees, maturities, cost, etc.) and the approval of the execution/construction costs of the project and the existence of a third party related to the project (Grantor, regulator, partner, etc.) which participates actively in the relevant decision-making during the construction phase. In these cases, given the level of involvement of the third party in the construction project, several measures of participation, control and approval thereof are set in the case of carrying out actions that may influence the relevant aforementioned actions.

During the operation phase of the project under review, the activity related to that phase is developed under the normal industry conditions of the sector to which the project belongs, in which the relevant decisions are related to business management (in terms of production process, yields based on operating costs, financing costs, amortizations, investments, budget approval, etc.) and the corporate governance (in terms of sharing dividends, capital increases/reductions, business plan, etc.) In this phase, the third party that was related to project during the construction phase has ceased to exercise control after having accomplished their objectives in terms of construction and entry into production of the asset as agreed.

As stated in IFRS 10, paragraph B13, when two or more investors have the current ability to direct relevant activities and those activities occur at different times, the investors shall determine which investor is able to manage the activities that most significantly affect those returns consistently with the treatment of concurrent decision-making rights.

In this sense, an assessment, is periodically carried out to determine whether relevant activities related to the construction phase affect more significantly to the income of these projects and investments due to the effect of those decisions throughout the life of themselves and therefore to determine whether the projects are controlled.

For those cases where a lack of control in the construction phase is determined, the participation is registered under the equity method. Once the project enters in the operating phase, as Abengoa takes control, such participations are registered under the global integration method.

The Group uses the acquisition method to account for business combinations. According to this method, the remuneration transferred for the acquisition of a subsidiary corresponds to the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group and includes the fair value of any asset or liability resulting from a contingent remuneration agreement. Any transferred contingent remuneration is recognized at fair value at the acquisition date and subsequent changes in its fair value are recognized in accordance with IAS 39 either in the Income Statement or in the Statement of Comprehensive Income. Acquisition related costs are expensed as incurred. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree either at the non-controlling interest's proportionate share of the acquirer's net assets on an acquisition basis.

To account the sale or loss of control of subsidiaries, the Group derecognizes the assets, liabilities and all non-controlling interests of the subsidiary at the date of loss of control by their carrying amounts. The fair value of the payment received is also recognized, if any, from the transaction, events or circumstances giving rise to the loss of control, including if any the distribution of shares of the subsidiary to owners as well as the retained investment in the former subsidiary at fair value on the date of loss of control. Amounts recognized in other comprehensive income in relation to the subsidiary are transferred to profit and loss and the difference is recognized as a profit or loss attributable to the parent. The loss of control of a subsidiary may occur in two or more agreements (transactions). In some cases, it may exists circumstances that justify that the multiple agreements should be accounted as a single transaction.

In compliance with Article 155 of Spanish Corporate Law (Ley de Sociedades de Capital), the parent company has notified all these companies that, either by itself or through another subsidiary, it owns more than 10% shares of their capital. Appendix VIII lists the Companies external to the Group which have a share equal to or greater than 10% of a subsidiary of the parent company under the consolidation scope.

The most significant restrictions on subsidiaries refer to the ones imposed on companies with project financing, the guarantees and restrictions of which are explained in notes 2.5. and 19.

b) Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture, different from a joint operation described in section c) below, is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and the assets and liabilities of associates or joint ventures are incorporated in these Consolidated Financial Statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognized in the Consolidated Statement of Financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or implicit obligations or payments made on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted using the equity method since the date on which the investee becomes an associate or a joint venture.

Profits and losses resulting from the transactions of the Company with the associate or joint venture are recognized in the Group's Consolidated Financial Statements only to the extent of interests in the associate or joint venture that are not related to the Group.

In compliance with Article 155 of Spanish Corporate Law (Ley de Sociedades de Capital), the parent company has notified to all these companies that, either by itself or through another subsidiary, it owns more than 10% shares of their capital.

As of December 31, 2016 and 2015, in Director´s opinion there are no significant contingent liabilities in the Group's interests in associates and joint ventures, in addition to those described in Note 22.2.

c) Interest in joint operations and temporary joint operations (UTE)

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group, as a joint operator, recognizes in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly.
- Its liabilities, including its share of any liabilities incurred jointly.
- Its share of the revenue from the sale of the output by the joint operation.
- Its expenses, including its share of any expenses incurred jointly.

When a Group's entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognize its share of the gains and losses until it resells those assets to a third party.

'Unión Temporal de Empresas' (UTE) are temporary joint operations generally formed to execute specific commercial and/or industrial projects in a wide variety of areas and particularly in the fields of engineering and construction and infrastructure projects. They are normally used to combine the characteristics and qualifications of the UTE's partners into a single proposal in order to obtain the most favorable technical assessment possible. UTE are normally limited as standalone entities with limited action, since, although they may enter into commitments in their own name, such commitments are generally undertaken by their partners, in proportion to each investor's share in the UTE.

The partners' shares in the UTE normally depend on their contributions (quantitative or qualitative) to the project, are limited to their own tasks and are intended solely to generate their own specific results. Each partner is responsible for executing its own tasks and does so in its own interests.

The fact that one of the UTE's partners acts as project manager does not affect its position or share in the UTE. The UTE's partners are collectively responsible for technical issues, although there are strict pari passu clauses that assign the specific consequences of each investor's correct or incorrect actions.

They normally do not have assets and liabilities on a stand alone basis. Their activity is conducted for a specific period of time that is normally limited to the execution of the project. The UTE may own certain fixed assets used in carrying out its activity, although in this case they are generally acquired and used jointly by all the UTE's investors, for a period similar to the project's duration, or prior agreements are signed by the partners on the assignment or disposal of the UTE's assets upon completion of the project.

UTE in which the Company participates are operated through a management committee comprised of equal representation from each of the temporary joint operation partners, and such committee makes all the decisions about the temporary joint operation's activities that have a significant effect on its success. All the decisions require consent of each of the parties sharing power, so that all the parties together have the power to direct the activities of the UTE. Each partner has rights to the assets and obligations relating to the arrangement. As a result, these temporary joint operations are consolidated proportionally.

The proportional part of the UTE's Consolidated Statement of Financial Position and Consolidated Income Statement is integrated into the Consolidated Statement of Financial Position and the Consolidated Income Statement of the Company in proportion to its interest in the UTE on a line by line basis.

As of December 31, 2016 and 2015 there are no significant material contingent liabilities in relation to the Group's shareholdings in the UTE, additional to those described in Note 22.2.

d) Transactions with non-controlling interests

Transactions with non-controlling interests are accounted for as transactions with equity owners of the group. When the Group acquires non-controlling interests, the difference between any consideration paid and the carrying value of the proportionate share of net assets acquired is recorded in equity. Gains or losses on disposals of non-controlling interests are also recorded in equity.

When the group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, and any difference between fair value and its carrying amount is recognized in profit or loss. In addition, any amount previously recognized in other comprehensive income in respect of that entity is accounted for as if the group had directly disposed of the related assets or liabilities.

Companies and entities which are third parties the Group and which hold a share equal to or larger than 10% in the share capital of any company included in the consolidation group are disclosed in Appendix VIII.

2.3. Intangible assets

a) Goodwill

Goodwill is recognized as the excess between (A) and (B), where (A) is the sum of the considerations transferred, the amount of any non-controlling interest in the acquiree and in the case of a business combination achieved in stages, the fair value on the acquisition date of the previously held interest in the acquiree and (B) the net value, at the acquisition date, of the identifiable assets acquired, the liabilities and contingent liabilities assumed, measured at fair value. If the resulting amount is negative, in the case of a bargain purchase, the difference is recognized as income directly in the Consolidated Income Statement.

Goodwill relating to the acquisition of subsidiaries is included in intangible assets, while goodwill relating to associates is included in investments in associates.

Goodwill is carried at initial value less accumulated impairment losses (see Note 2.8). Goodwill is allocated to Cash Generating Units (CGU) for the purposes of impairment testing, these CGU's being the units which are expected to benefit from the business combination that generated the goodwill.

b) Computer programs

Costs paid for licenses for computer programs are capitalized, including preparation and installation costs directly associated with the software. Such costs are amortized over their estimated useful life. Maintenance costs are expensed in the period in which they are incurred.

Costs directly related with the production of identifiable computer programs are recognized as intangible assets when they are likely to generate future economic benefit for a period of one or more years and they fulfill the following conditions:

- it is technically possible to complete the production of the intangible asset;
- management intends to complete the intangible asset;
- the Company is able to use or sell the intangible asset;
- there are technical, financial and other resources available to complete the development of the intangible asset; and
- disbursements attributed to the intangible asset during its development may be reliably measured.

Costs directly related to the production of computer programs recognized as intangible assets are amortized over their estimated useful lives which do not exceed 10 years.

Costs that do not meet the criteria above are recognized as expenses in the Consolidated Income Statement when incurred.

c) Research and development cost

Research costs are recognized as an expense when they are incurred.

Development costs (relating to the design and testing of new and improved products) are recognized as an intangible asset when all the following criteria are met:

- it is probable that the project will be successful, taking into account its technical and commercial feasibility, so that the project will be available for its use or sale;
- it is probable that the project generates future economic benefits;
- management intends to complete the project;
- the Company is able to use or sell the intangible asset;

- there are appropriate technical, financial or other resources available to complete the development and to use or sell the intangible asset; and
- the costs of the project/product can be measured reliably.

Once the product is in the market, capitalized costs are amortized on a straight-line basis over the period for which the product is expected to generate economic benefits, which is normally 5 years.

Development costs that do not meet the criteria above are recognized as expenses in the Consolidated Income Statement when incurred.

Grants or subsidized loans obtained to finance research and development projects are recognized as income in the Consolidated Income Statement consistently with the expenses they are financing, following the rules described above.

2.4. Property, plant and equipment

Property, plant and equipment includes property, plant and equipment of companies or project companies which have been self-financed or financed through external financing with recourse facilities or through non-recourse project financing.

In general, property, plant and equipment is measured at historical cost, including all expenses directly attributable to the acquisition, less depreciation and impairment losses, with the exception of land, which is presented net of any impairment losses.

Subsequent costs are capitalized when it is probable that future economic benefits associated with that asset can be separately and reliably identified.

Work carried out by a company on its own property, plant and equipment is valued at production cost. In construction projects of the Company's owned assets carried out by its Engineering and Construction segment which are not under the scope of IFRIC 12 on Service Concession Arrangements (see Note 2.5), internal margins are eliminated. The corresponding costs are recognized in the individual expense line item in the accompanying Income statements. The recognition of an income for the sum of such costs through the line item 'Other income- Work performed by the entity and capitalized and other' results in these costs having no impact in net operating profit. The corresponding assets are capitalized and included in property, plant and equipment in the accompanying balance sheets.

All other repair and maintenance costs are charged to the Consolidated Income Statement in the period in which they are incurred.

Costs incurred during the construction period may also include gains or losses from foreign-currency cash-flow hedging instruments for the acquisition of property, plant and equipment in foreign currency, transferred from equity.

With regard to investments in property, plant and equipment located on land belonging to third parties, an initial estimate of the costs of dismantling the asset and restoring the site to its original condition is also included in the carrying amount of the asset. Such costs are recorded at their net present value in accordance with IAS 37.

The annual depreciation rates of property, plant and equipment (including property, plant and equipment in projects) are as follows:

Items	% of depreciation
Lands and buildings	
Buildings	2% - 3%
Technical installations and machinery	
Installations	3% - 4% - 12% - 20%
Machinery	12%
Other fixed assets	
Data processing equipment	25%
Tools and equipment	15% - 30%
Furniture	10% - 15%
Works equipment	30%
Transport elements	8% - 20%

The assets' residual values and useful economic lives are reviewed, and adjusted if necessary, at the end of the accounting period of the company which owns the asset.

When the carrying amount of an asset is higher than its recoverable amount, the carrying amount is reduced immediately to reflect the lower recoverable amount.

2.5. Fixed assets in projects

This category includes property, plant and equipment, intangible assets and financial assets of consolidated companies which are financed through project debt (see Note 19), that are raised specifically and solely to finance individual projects as detailed in the terms of the loan agreement.

These assets financed through project debt are generally the result of projects which consist of the design, construction, financing, application and maintenance of large-scale complex operational assets or infrastructures, which are owned by the company or are held under a concession agreement for a period of time. The projects are initially financed through medium-term bridge loans (non-recourse project financing in process), generally from 2 to 3 years and later by a long-term project (non-recourse project finance).

In this respect, the basis of the financing agreement between the Company and the bank lies in the allocation of the cash flows generated by the project to the repayment of the principal amount and interest expenses, excluding or limiting the amount secured by other assets, in such a way that the bank recovers the investment solely through the cash flows generated by the project financed, any other debt being subordinated to the debt arising from the non-recourse financing applied to projects until the project debt has been fully repaid. For this reason, fixed assets in projects are separately reported on the face of the Consolidated Statement of Financial Position, as is the related project debt (project finance and bridge loan) in the liability section of the same statement.

Non-recourse project financing (project finance) typically includes the following guarantees:

- Shares of the project developers are pledged.
- Assignment of collection rights.
- Limitations on the availability of assets relating to the project.
- Compliance with debt coverage ratios.
- Subordination of the payment of interest and dividends to meet loan financial ratios.

Once the project finance has been repaid and the project debt and related guarantees have fully extinguished, any remaining net book value reported under this category is reclassified to the Property, Plant and Equipment or Intangible Assets line items, as applicable, in the Consolidated Statement of Financial Position.

Assets in the 'fixed assets in projects' line item of the Consolidated Statement of Financial Position are sub-classified under the following two headings, depending upon their nature and their accounting treatment:

2.5.1. Concession assets in projects

This heading includes fixed assets financed through project debt related to Service Concession Arrangements recorded in accordance with IFRIC 12. IFRIC 12 states that service concession arrangements are public-to-private arrangements in which the public sector controls or regulates the services to be provided using the infrastructure and their prices, and is contractually guaranteed to gain, at a future time, ownership of the infrastructure through which the service is provided. The infrastructures accounted for by the Group as concessions are mainly related to the activities concerning power transmission lines, desalination plants and generation plants (both renewable as conventional). The infrastructure used in a concession can be classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the agreement.

a) Intangible assets

The Group recognizes an intangible asset when the demand risk is assumed by the operator to the extent that it has a right to charge final customers for the use of the infrastructure. This intangible asset is subject to the provisions of IAS 38 and is amortized linearly, taking into account the estimated period of commercial operation of infrastructure which generally coincides with the concession period.

The Group recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with IAS 11 'Construction Contracts'. As indicated in Note 2.7, the interest costs derived from financing the project incurred during construction are capitalized during the period of time required to complete and prepare the asset for its predetermined used.

Once the infrastructure is in operation, the treatment of income and expenses is as follows:

- Revenues from the updated annual royalty for the concession, as well as operations and maintenance services are recognized in each period according to IAS 18 'Revenue' in Revenue.
- Operating and maintenance costs and general overheads and administrative costs are charged to the Consolidated Income Statement in accordance with the nature of the cost incurred (amount due) in each period.
- Financing costs are classified within heading finance expenses in the Consolidated Income Statement.

b) Financial assets

The Group recognizes a financial asset when the risk of demand is assumed by the grantor to the extent that the concession holder has an unconditional right to receive payments for construction or improvement services. This asset is recognized at the fair value of the construction or improvement services provided.

The Group recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with IAS 11 'Construction contracts'.

The financial asset is subsequently recorded at amortized cost method calculated according to the effective interest method, the corresponding income from updating the flows of collections is recognized as revenue in the Consolidated Income Statement according to the effective interest rate.

The finance expenses of financing these assets are classified under the financial expenses heading of the Consolidated Income Statement.

As indicated above for intangible assets, income from operations and maintenance services is recognized in each period as Revenue according to IAS 18 'Revenue'.

2.5.2. Other assets in projects

This heading includes tangible fixed and intangible assets which are financed through a project debt and are not subject to a concession agreement. Their accounting treatment is described in Notes 2.3 and 2.4.

2.6. Current and non-current classification

Assets are classified as current assets if they are expected to be realized in less than 12 months after the date of the Consolidated Statements of Financial Position. Otherwise, they are classified as non-current assets.

Liabilities are classified as current liabilities unless an unconditional right exists to defer their repayment by at least 12 months following the date of the Consolidated Statement of Financial Position.

2.7. Borrowing costs

Interest costs incurred in the construction of any qualifying asset are capitalized over the period required to complete and prepare the asset for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its internal use or sale, which in Abengoa is considered to be more than one year.

Costs incurred relating to non-recourse factoring are expensed when the factoring transaction is completed with the financial institution.

Remaining borrowing costs (ordinary interest on principal, late interest, etc.) are expensed in the period in which they are incurred.

In relation to late interest associated to debts signatory companies of the Restructuring Agreement, and in line with the information contained in note 2.1.1, since March 18, 2016 (date of the composition contract) this interest is no longer carried to fiscal year expenses. As indicated in such contract, among the obligations assumed by the parties, creditors must abstain from claiming or accepting the payment of any amounts owed as current amortization or advance payments of principal or interest and may not charge late interest on payments due to non-payment of such amounts during the protection period guaranteed in the composition agreement (initially through 28 October 2016). These restrictions imposed on creditors are maintained following the signing of the reorganization agreement, extending them either until the implementation date of the agreement or the termination date thereof, depending on which milestone is reached first.

2.8. Impairment of non-financial assets

At 31 December 2016, the non-financial assets not classified as held for sale are not significant because, given the current situation of the company described in Note 2.1.1., an asset disinvestment process has begun and these assets have therefore been recognised as assets held for sale (see Note 7 for additional information on the standards used to determine fair value and subsequently quantify the impairment of the value of those assets).

The above notwithstanding, the details of the main accounting standards used to analyse the impairment of other non-financial assets not classified as held for sale are given below.

Annually, Abengoa performs an analysis of impairment losses of goodwill to determine the recoverable amount.

In addition, Abengoa reviews its property, plant and equipment, fixed assets in projects and intangible assets with finite and indefinite useful life to identify any indicators of impairment. This review is made annually or in less time, in the event of an indication of impairment detected.

If indications of impairment exit, Abengoa calculates the recoverable amount of the asset as the higher of its fair value less costs to sell and its value in use, defined as the present value of the estimated future cash flows to be generated by the asset. In the event that the asset does not generate cash flows independently of other assets, Abengoa calculates the recoverable amount of the Cash-Generating Unit to which the asset belongs.

When the carrying amount of the Cash Generating Unit to which these assets belong is lower than its recoverable amount, assets are impaired.

Assumptions used to calculate value in use include a discount rate, growth rates and projected changes in both selling prices and costs. The discount rate is estimated by Management, to reflect both changes in the value of money over time and the risks associated with the specific Cash-Generating Unit. Growth rates and changes in prices and costs are projected based on internal and industry projections and management experience respectively.

The main assumptions used in calculating the value in use are:

- 10-year financial projections were used for those Cash-Generating Units (CGUs) that have high growth potential based on cash flows taken into account in the strategic plans for each business unit, considering a residual value based on the cash flow in the final year of the projection.

  For the most part, the main cash-generating units (CGUs) with high growth potential are intangible assets (goodwill arising from acquisitions and assets under development) belonging to the Engineering and Industrial Construction and water operating segments. The discount rates (WACC) used to calculate the recoverable amount of those CGUs are located between 6% and 9%. The use of these 10-year financial projections was based on the assumption that it is the minimum period necessary for the discounted cash flow model to reflect all potential growth in the CGUs in each business segment showing significant investments. The aforementioned estimated cash flows were considered to be reliable due to their capacity to adapt to the real market and/or business situation faced by the CGU in accordance with the business's margin and cash-flow experience and future expectations (these businesses are very recurrent with predictable activities based on a controlled portfolio, hiring expectations, regulations, etc.).

  Additionally, it should be noted that such flows, as part of the business plan of each company are reviewed and approved every six months by Senior Management so that the estimates are continually updated to ensure consistency with the actual results obtained and the discount rates.

  In these cases, given that the period used is reasonably long, the Group then applies a zero growth rate for the cash flows subsequent to the period covered by the strategic plan.

- For concession assets with a defined useful life and with a project debt, cash flow projections until the end of the project are considered and no terminal value is assumed.

  The main cash generating units (CGUs) mainly refer to concessional assets pertaining to the Engineering and Industrial Construction and water operating segments. The discount rates (WACC) used to calculate the recoverable amount of those CGUs is between 6% and 10%.

  The use of such financial projections is justified by these concessional assets which are characteristics of based on a contractual structure (framework agreement) that permit the Company to estimate quite accurately the costs of the project (both in the construction and in the operations periods) and revenue during the life of the project, given that they are regulated by long term sales agreements, such as take-or-pay or power purchase agreements.

  In this way, projections take into account real data based on the contract terms and fundamental assumptions based on specific reports prepared by experts, assumptions on demand and assumptions on production. Additionally, assumptions on macro-economic conditions are taken into account, such as inflation rates, risk free rates, country risk, interest rates, etc. and discount rates are calculated seminually by and independent expert.

- 5-year cash flow projections are used for all other CGUs, considering the residual value to be the cash flow in the final year projected.

- Cash flow projections of CGUs located in other countries are calculated in the functional currency of those CGUs and are discounted using rates that take into consideration the risk premium. Present values obtained with this method are then converted to euros at the year-end exchange rate of each currency.

- Taking into account that in most CGUs the specific financial structure is linked to the financial structure of the projects that are part of those CGUs, the discount rate used is adjusted, if necessary, in accordance with the business of the specific activity and with the risk associated with the country where the project is located.

- In any case, sensitivity analysis are performed, especially in relation with the discount rate used, residual value and fair value changes in the main business variables, in order to value whether possible changes in the estimates of these items impact the possible recovery of recognized assets.

In the event that the recoverable amount of an asset is lower than its carrying amount, an impairment charge for the difference is recorded in the Consolidated Income Statement under the item 'Depreciation, amortization and impairment charges'. With the exception of goodwill, impairment losses recognized in prior periods which are later deemed to have been recovered are credited to the same income statement heading.

2.9. Financial Investments (current and non-current)

Financial investments are classified into the following categories, based primarily on the purpose for which they were acquired:

a) financial assets at fair value through profit and loss;

b) loans and accounts receivable; and

c) available for sale financial assets.

Classification of each financial asset is determined by management upon initial recognition, and is reviewed at each year end.

a) Financial assets at fair value through profit and loss

This category includes the financial assets acquired for trading and those initially designated at fair value through profit and loss. A financial asset is classified in this category if it is acquired mainly for the purpose of sale in the short term or if it is so designated by Management. Financial derivatives are also classified at fair value through profit and loss when they do not meet the accounting requirements to be designated as hedging instruments.

These financial assets are recognized initially at fair value, without including transaction costs. Subsequent changes in fair value are recognized under 'Gains or losses from financial assets at fair value' within the 'Finance income or expense' line of the Consolidated Income Statement for the period.

b) Loans and accounts receivable

Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments, not listed on an active market.

In accordance with IFRIC 12, certain assets under concessions qualify as financial receivables (see Note 2.5.1.b).

Loans and accounts receivable are initially recognized at fair value plus transaction costs and are subsequently measured at amortized cost in accordance with the effective interest rate method. Interest calculated using the effective interest rate method is recognized under 'Interest income from loans and credits' within the 'Finance income' line of the Consolidated Income Statement.

c) Available for sale financial assets

This category includes non-derivative financial assets which do not fall within any of the previously mentioned categories. For Abengoa, they primarily comprise shares in companies that, pursuant to the regulations in force, have not been included in the scope of consolidation for the years ended December 31, 2016 and 2015 and in which the Company's stake is greater than 5% and lower than 20%.

Financial assets available for sale are initially recognized at fair value less transaction costs and subsequently measured at fair value, with changes in fair value recognized directly in equity, with the exception of translation differences of monetary assets, which are charged to the Consolidated Income Statement. Dividends from available-for-sale financial assets are recognized under 'Other finance income' within the 'Other net finance income/expense' line of the Consolidated Income Statement when the right to receive the dividend is established.

When available for sale financial assets are sold or impaired, the accumulated amount recorded in equity is transferred to the Consolidated Income Statement. To establish whether the assets have been impaired, it is necessary to consider whether the reduction in their fair value is significantly below cost and whether it will be for a prolonged period of time. The cumulative gain or loss reclassified from equity to profit or loss when the financial assets are impaired is the difference between their acquisition cost (net of any principal repayment and amortization) and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss. Impairment losses recognized in the Consolidated Income Statement are not subsequently reversed through the Consolidated Income Statement.

Acquisitions and disposals of financial assets are recognized on the trading date, i.e. the date upon which there is a commitment to purchase or sell the asset. Available for sale financial assets are derecognized when the right to receive cash flows from the investment has expired or has been transferred and all the risks and rewards derived from owning the asset have likewise been substantially transferred.

At the date of each Consolidated Statement of Financial Position, the Group evaluates if there is any objective evidence that the value of any financial asset or any group of financial assets has been impaired. This process requires significant judgment. To make this judgment, the Group assesses, among other factors, for how long and to what extent the fair value of an investment will be below its cost, considering the financial health and short-term prospects of the company issuing the securities, including factors such as the industry and sector return, changes in the technology and cash flows from operating and financing activities.

2.10. Derivative financial instruments and hedging activities

Derivatives are recorded at fair value. The Company applies hedge accounting to all hedging derivatives that qualify to be accounted for as hedges under IFRS.

When hedge accounting is applied, hedging strategy and risk management objectives are documented at inception, as well as the relationship between hedging instruments and hedged items. Effectiveness of the hedging relationship needs to be assessed on an ongoing basis. Effectiveness tests are performed prospectively and retrospectively at inception and at each reporting date, following the dollar offset method or the regression method, depending on the type of derivatives.

The Company has three types of hedges:

a) Fair value hedge for recognized assets and liabilities

Changes in fair value of the derivatives are recorded in the Consolidated Income Statement, together with any changes in the fair value of the asset or liability that is being hedged.

b) Cash flow hedge for forecasted transactions

The effective portion of changes in fair value of derivatives designated as cash flow hedges are recorded temporarily in equity and are subsequently reclassified from equity to profit or loss in the same period or periods during which the hedged item affects profit or loss. Any ineffective portion of the hedged transaction is recorded in the Consolidated Income Statement as it occurs.

When options are designated as hedging instruments (such as interest rate options described in Note 14), the intrinsic value and time value of the financial hedge instrument are separated. Changes in intrinsic value which are highly effective are recorded in equity and subsequently reclassified from equity to profit or loss in the same period or periods during which the hedged item affects profit or loss. Changes in time value are recorded in the Consolidated Income Statement, together with any ineffectiveness.

When the hedged forecasted transaction results in the recognition of a non-financial asset or liability, gains and losses previously recorded in equity are included in the initial cost of the asset or liability.

When the hedging instrument matures or is sold, or when it no longer meets the requirements to apply hedge accounting, accumulated gains and losses recorded in equity remain as such until the forecast transaction is ultimately recognized in the Consolidated Income Statement. However, if it becomes unlikely that the forecasted transaction will actually take place, the accumulated gains and losses in equity are recognized immediately in the Consolidated Income Statement.

c) Net investment hedges in foreign operation

Hedges of a net investment in a foreign operation, including the hedging of a monetary item considered part of a net investment, are recognized in a similar way to cash flow hedges.

- The gain or loss of the hedge which is determined as effective will be directly recognized as equity though the Consolidated Statements of Changes in Equity; and
- The ineffective portion will be recognized in the Consolidated Income Statement.

The gain or loss of the hedge related to the portion which has been recognized directly as equity will be reclassified to the Consolidated Income Statement when the foreign operation is sold or otherwise disposed of.

Contracts held for the purposes of receiving or making payment of non-financial elements in accordance with expected purchases, sales or use of goods ('own-use contracts') of the Group are not recognized as derivative instruments, but as executory contracts. In the event that such contracts include embedded derivatives, they are recognized separately from the host contract, if the economic characteristics of the embedded derivative are not closely related to the economic characteristics of the host contract. The options contracted for the purchase or sale of non-financial elements which may be cancelled through cash outflows are not considered to be own-use contracts.

Changes in fair value of derivative instruments which do not qualify for hedge accounting are recognized immediately in the Consolidated Income Statement. Trading derivatives are classified as a current assets or liabilities.

2.11. Fair value estimates

Financial instruments measured at fair value are presented in accordance with the following level classification based on the nature of the inputs used for the calculation of fair value:

- Level 1: Inputs are quoted prices in active markets for identical assets or abilities.
- Level 2: Fair value is measured based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (derived from prices).
- Level 3: Fair value is measured based on unobservable inputs for the asset or liability.

In the event that prices cannot be observed, the management shall make its best estimate of the price that the market would otherwise establish based on proprietary internal models which, in the majority of cases, use data based on observable market parameters as significant inputs (Level 2) but occasionally use market data that is not observed as significant inputs (Level 3). Different techniques can be used to make this estimate, including extrapolation of observable market data. The best indication of the initial fair value of a financial instrument is the price of the transaction, except when the value of the instrument can be obtained from other transactions carried out in the market with the same or similar instruments, or valued using a valuation technique in which the variables used only include observable market data, mainly interest rates. According to current legislation (IFRS-EU), differences between the transaction price and the fair value based on valuation techniques that use data that is not observed in the market, are not initially recognized in the income statement.

a) Level 2 valuation

The majority of Abengoa's portfolio comprises financial derivatives designated as cash flow hedges, is classified as level 2 and mainly corresponds to the interest rate swaps (see Note 14).

Credit risk effect on the valuation of derivatives is calculated for each of the instruments in the portfolio of derivatives classified within level 2, using the own risk of the Abengoa companies and financial counterparty risk.

Description of the valuation method

- Interest rate swaps

  Interest rate swap valuations are made by valuing the swap component of the contract and valuing the credit risk.

  The most common methodology used by the market and applied by Abengoa to value interest rate swaps is to discount the expected future cash flows according to the parameters of the contract. Variable interest rates, which are needed to estimate future cash flows, are calculated using the curve for the corresponding currency and extracting the implicit rates for each of the reference dates in the contract. These estimated flows are discounted with the swap zero curve for the reference period of the contract, 1, 3 or 6 months.

  The effect of the credit risk on the valuation of the interest rate swaps depends on its settlement. If the settlement is favorable for the Company, the counterparty credit spread will be incorporated to quantify the probability of default at maturity. If the expected settlement is negative for the company, its own credit risk will be applied to the final settlement.

  Classic models for valuing interest rate swaps use deterministic valuation of variable rates, based on future outlooks. When quantifying credit risk, this model is limited by considering only the risk for the current paying party, ignoring the fact that the derivative could change sign at maturity. A payer and receiver swaption model is used for these cases. This enables the associated risk in each swap position to be reflected. Thus, the model shows each agent's exposure, on each payment date, as the value of entering into the 'tail' of the swap, i.e. the live part of the swap.

- Interest rate Caps and Floors

  Interest rate caps and floors are valued by separating the derivative in the successive caplets/floorlets that comprise the transaction. Each caplet or floorlet is valued as a call or put option, respectively, on the reference interest rate, for which the Black-Scholes approach is used for European-type options (exercise at maturity) with minor adaptations and following the Black-76 model.

- Forward foreign exchange transactions

  Forward contracts are valued by comparing the contracted forward rate and the rate in the valuation scenario at the maturity date. The contract is valued by calculating the cash flow that would be obtained or paid from theoretically closing out the position and then discounting that amount.

- Commodity swaps

  Commodity swaps are valued in the same way as forward foreign exchange contracts, calculating the cash flow that would be obtained or paid from theoretically closing out the position.

› Equity options

Equity options are valued using the Black-Scholes model for American-type options on equities.

› Embedded derivatives in convertible bonds

The embedded derivatives in convertible bonds consist of an option to convert the bond into shares in favor of the bondholder; call options for the issuer to repurchase the bonds at a specific price on specific dates; and put options for the bondholder to redeem the bonds at a specific price and on specific dates. Since these are Bermuda-type options (multiple exercise dates), they are valued using the Longstaff-Schwartz model and the Monte Carlo method.

Variables (Inputs)

Interest rate derivative valuation models use the corresponding interest rate curves for the relevant currency and underlying reference in order to estimate the future cash flows and to discount them. Market prices for deposits, futures contracts and interest rate swaps are used to construct these curves. Interest rate options (caps and floors) also use the volatility of the reference interest rate curve.

Exchange rate derivatives are valued using the interest rate curves of the underlying currencies in the derivative, as well as the corresponding spot exchange rates.

The inputs in equity models include the interest rate curves of the corresponding currency, the price of the underlying asset, as well as the implicit volatility and any expected future dividends.

To estimate the credit risk of the counterparty, the credit default swap (CDS) spreads curve is obtained in the market for important individual issuers. For less liquid issuers, the spreads curve is estimated using comparable CDSs or based on the country curve. To estimate proprietary credit risk, prices of debt issues in the market and CDSs for the sector and geographic location are used.

The fair value of the financial instruments that results from the aforementioned internal models, takes into account, among other factors, the terms and conditions of the contracts and observable market data, such as interest rates, credit risk, exchange rates, commodities and share prices, and volatility. The valuation models do not include significant levels of subjectivity, since these methodologies can be adjusted and calibrated, as appropriate, using the internal calculation of fair value and subsequently compared to the corresponding actively traded price. However, valuation adjustments may be necessary when the listed market prices are not available for comparison purposes.

b) Level 3 valuation

Level 3 includes available for sale financial assets, as well as derivative financial instruments whose fair value is calculated based on models that use non observable or illiquid market data as inputs.

Fair value within these elements was calculated by taking as the main reference the value of the investment - the company's cash flow generation based on its current business plan, discounted at a rate appropriate for the sector in which each of the companies is operating. Valuations were obtained from internal models. These valuations could vary where other models and assumptions made on the principle variables had been used, however the fair value of the assets and liabilities, as well as the results generated by these financial instruments are considered reasonable.

Detailed information on fair values is included in Note 12.

2.12. Inventories

Inventories are valued at the lower of cost or net realizable value. In general, cost is determined by using the first-in-first-out (FIFO) method. The cost of finished goods and work in progress includes design costs, raw materials, direct labor, other direct costs and general manufacturing costs (assuming normal operating capacity). Borrowing costs are not included. The net realizable value is the estimated sales value in the normal course of business, less applicable variable selling costs.

Cost of inventories includes the transfer from equity of gains and losses on qualifying cash-flow hedging instruments related with the purchase of raw materials or with foreign exchange contracts.

2.13. Biological assets

Abengoa recognizes sugar cane in production as biological assets. The production period of sugar cane covers the period from preparation of the land and sowing the seedlings until the plant is ready for first production and harvesting. Biological assets are classified as property, plant and equipment in the Consolidated Statement of Financial Position. Biological assets are recognized at fair value, calculated as the market value less estimated harvesting and transport costs.

Agricultural products harvested from biological assets, which in the case of Abengoa are cut sugar cane, are classified as inventories and measured at fair value less estimated sale costs at the point of sale or harvesting.

Fair value of biological assets is calculated using as a reference the forecasted market price of sugarcane, which is estimated using public information and estimates on future prices of sugar and ethanol. Fair value of agricultural products is calculated using as a reference the price of sugar cane made public on a monthly basis by the Cane, Sugar and Alcohol Producers Board (Consecana).

Gains or losses arising as a result of changes in the fair value of such assets are recorded within 'Operating profit' in the Consolidated Income Statement.

To obtain the fair value of the sugar cane while growing, a number of assumptions and estimates have been made in relation to the area of land sown, the estimated TRS (Total Recoverable Sugar contained within the cane) per ton to be harvested and the average degree of growth of the agricultural product in the different areas sown.

2.14. Clients and other receivables

Clients and other receivables relate to amounts due from customers for sales of goods and services rendered in the normal course of operation.

Clients and other receivables are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest rate method, less provision for impairment. Trade receivables due in less than one year are carried at their face value at both initial recognition and subsequent measurement, provided that the effect of not discounting flows is not significant.

A provision for impairment of trade receivables is recorded when there is objective evidence that the Group will not be able to recover all amounts due as per the original terms of the receivables. The existence of significant financial difficulties, the probability that the debtor is in bankruptcy or financial reorganization and the lack or delay in payments are considered evidence that the receivable is impaired.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate. When a trade receivable is uncollectable, it is written off against the bad debt provision.

Clients and other receivables which have been factored with financial entities are derecognized and hence removed from assets on the Consolidated Statement of Financial Position only if all risks and rewards of ownership of the related financial assets have been transferred, comparing the Company's exposure, before and after the transfer, to the variability in the amounts and the calendar of net cash flows from the transferred asset. Once the Company's exposure to this variability has been eliminated or substantially reduced, the financial asset has been transferred, and is derecognized from the Consolidated Statement of Financial Position (See Note 4.b).

2.15. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in bank and other highly-liquid current investments with an original maturity of three months or less which are held for the purpose of meeting short-term cash commitments.

In the Consolidated Statement of Financial Position, bank overdrafts are classified as borrowings within current liabilities.

2.16. Share capital

Parent company shares are classified as equity. Transaction costs directly attributable to new shares are presented in equity as a reduction, net of taxes, to the consideration received from the issue.

Treasury shares are classified in Equity-Parent company reserves. Any amounts received from the sale of treasury shares, net of transaction costs, are classified as equity.

2.17. Government grants

Non-refundable capital grants are recognized at fair value when it is considered that there is a reasonable assurance that the grant will be received and that the necessary qualifying conditions, as agreed with the entity assigning the grant, will be adequately met.

Grants related to income are recorded as liabilities in the Consolidated Statement of Financial Position and are recognized in 'Other operating income' in the Consolidated Income Statement based on the period necessary to match them with the costs they intend to compensate.

Grants related to fixed assets are recorded as non-current liabilities in the Consolidated Statement of Financial Position and are recognized in 'Other operating income' in the Consolidated Income Statement on a straight-line basis over the estimated useful economic life of the assets.

2.18. Loans and borrowings

External resources are classified in the following categories:

a) project debt (see Note 19);

b) corporate financing (see Note 20).

Loans and borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost and any difference between the proceeds initially received (net of transaction costs incurred in obtaining such proceeds) and the repayment value is recognized in the Consolidated Income Statement over the duration of the borrowing using the effective interest rate method.

Interest free loans and loans with interest rates below market rates, mainly granted for research and development projects, are initially recognized at fair value in liabilities in the Consolidated Statement of Financial Position. The difference between proceeds received from the loan and its fair value is initially recorded within 'Grants and Other liabilities' in the Consolidated Statement of Financial Position, and subsequently recorded in 'Other operating income- Grants' in the Consolidated income statement when the costs financed with the loan are expensed. In the case of interest free loans received for development projects where the Company record an intangible asset, income from the grant will be recognized according to the useful life of the asset, at the same rate as we record its amortization.

Commissions paid for obtaining credit lines are recognized as transaction costs if it is probable that part or all of the credit line will be drawn down. If this is the case, commissions are deferred until the credit line is drawn down. If it is not probable that all or part of the credit line will be drawn down, commission costs are expensed in the period.

2.18.1. Abengoa Convertible notes

Pursuant to the Terms and Conditions of each of the convertible notes issued issued by Abengoa in the last years except for the 2019 notes, when investors exercise their conversion right, the Company may decide whether to deliver shares of the company, cash, or a combination of cash and shares (see Note 20.3 for further information).

In accordance with IAS 32 and IAS 39, since Abengoa has a contractual right to choose the type of payment and one of these possibilities is paying through a variable number of shares and cash, the conversion option qualifies as an embedded derivative. Thus, the convertible bond is considered a hybrid instrument, which includes a component of debt and an embedded derivative for the conversion option held by the bondholder.

The Company initially measures the embedded derivative at fair value and classifies it under the derivative financial instruments liability heading. At the end of each period, the embedded derivative is re-measured and changes in fair value are recognized under 'Other net finance income or expense' within the 'Finance expense net' line of the Consolidated Income Statement. The debt component of the bond is initially recorded as the difference between the proceeds received for the notes and the fair value of the aforementioned embedded derivative. Subsequently, the debt component is measured at amortized cost until it is settled upon conversion or maturity. Debt issuance costs are recognized as a deduction in the value of the debt in the Consolidated Statement of Financial Position and included as part of its amortized cost.

In relation to the convertible bonds maturing in 2017, in accordance with IAS 32 and IFRIC 19, a profit or loss is recognized for the difference between the equity instrument converted and the cancelled debt book value as a consequence of the reclassification from debt to convertible equity instruments, when they contain an embedded derivative and the initial terms of the instrument remain unchanged.

In relation to the convertible bonds maturing in 2019, at the beginning of 2014, the Board of Directors expressly and irrevocably stated, with binding effect, that in relation to the right conferred on Abengoa to choose the type of payment, the Company shall not exercise the cash settlement option in the event that bondholders decide to exercise their conversion right early during the period granted for that effect and Abengoa, S.A. shall therefore only settle this conversion right in a fixed number of shares. Accordingly, the fair value at the beginning of the year of the derivative liability embedded in the convertible bond was reclassified as equity since after that date the conversion option meets the definition of an equity instrument.

2.18.2. Altantica Yield convertible bonds

Based on their terms and conditions, these instruments were classified as hybrids comprising a debt contract (liability) and an implicit derivative (also a liability) as established in IAS 32: "Financial instruments: Presentation". More specifically, classification as a hybrid instrument originates in the cash payment to be made by Abengoa to the holder of the instrument on the maturity date if the trading price of Atlantica Yield stock were lower than the range established in the terms and conditions of the contract.

The accounting treatment of the share swap in relation to the hybrid instrument issued by Abengoa which is convertible to shares in its subsidiary Atlantica Yield is based on the company's accounting policy, which is consistent with the accounting framework applicable to the Consolidated Financial Statements according to IAS 8 "Accounting policies, changes in accounting estimates and errors".

In this regard, and unlike what happens when accounting for the conversion of a compound financial instrument, IFRS standards do not specify how the conversion of a hybrid instrument should be treated from an accounting standpoint. Therefore, according to paragraph 10 and following of IAS 8, an accounting policy must be established that is applied consistently to the conversion of these types of hybrid liability instruments.

Consequently, when devising its accounting policy Abengoa considered the contents of the guidelines of an international accounting firm for interpreting accounting policy. According to those guidelines, when reclassifying liability to equity derived from a change in the factual conditions of a financial instrument, when the contractual terms have not changed, it is permissible to establish as an accounting policy, and by analogy with IFRIS 19, the recognition in the income statement for the period, of the difference between the carrying value of the cancelled financial liability (or part of a financial liability) and the consideration paid according to the 41st paragraph of IAS 39.

2.18.3. Ordinary notes

The company initially recognizes ordinary notes at fair value, net of issuance costs incurred. Subsequently, notes are measured at amortized cost until settlement upon maturity. Any other difference between the proceeds obtained (net of transaction costs) and the redemption value is recognized in the Consolidated Income Statement over the term of the debt using the effective interest rate method.

2.19. Current and deferred income taxes

Income tax expense for the period comprises current and deferred income tax. Income tax is recognized in the Consolidated Income Statement, except to the extent that it relates to items recognized directly in equity. In these cases, income tax is also recognized directly in equity.

Current income tax expense is calculated on the basis of the tax laws in force or about to enter into force as of the date of the Consolidated Statement of Financial Position in the countries in which the subsidiaries and associates operate and generate taxable income.

Deferred income tax is calculated in accordance with the Consolidated Statement of Financial Position liability method, based upon the temporary differences arising between the carrying amount of assets and liabilities and their tax base. However, deferred income tax is not recognized if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined using tax rates and regulations which are enacted or substantially enacted at the date of the Consolidated Statement of Financial Position and are expected to apply and/or be in force at the time when the deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only when it is probable that sufficient future taxable profit will be available to use deferred tax assets.

Deferred taxes are recognized on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is not probable that temporary differences will reverse in the foreseeable future.

2.20. Employee benefits

Bonus schemes

The Group records the amount annually accrued in accordance with the percentage of compliance with the plan's established objectives as personnel expense in the Consolidated Income Statement

Expenses incurred from employee benefits are disclosed in Note 29

2.21. Provisions and contingencies

Provisions are recognized when:

- there is a present obligation, either legal or constructive, as a result of past events;
- it is more likely than not that there will be a future outflow of resources to settle the obligation; and
- the amount has been reliably estimated.

Provisions are initially measured at the present value of the expected outflows required to settle the obligation and subsequently valued at amortized cost following the effective interest method.

Contingent liabilities are possible obligations, existing obligations with low probability of a future outflow of economic resources and existing obligations where the future outflow cannot be reliably estimated. Contingences are not recognized in the Consolidated Statements of Financial Position unless they have been acquired in a business combination.

2.22. Trade payables and other liabilities

Trade payables and other liabilities are obligations arising from the purchase of goods or services in the ordinary course of business and are recognized initially at fair value and are subsequently measured at their amortized cost using the effective interest method.

Other liabilities are obligations not arising from the purchase of goods or services in the normal course of business and which are not treated as financing transactions.

Advances received from customers are recognized as 'Trade payables and other current liabilities'.

Non-recourse confirming

Abengoa's payment management policy requires all group companies to pay their suppliers and vendors using non-recourse bank confirming payments (also called non-recourse confirming) as a general rule, without differentiating between those group suppliers that, for various reasons, may be part of each company's supply chain. Regardless of whether the invoice originates from an external or a Group supplier, the underlying document of the non-recourse confirming will always be a commercial invoice, in other words an invoice derived from the operational activities of a specific company.

The International Financial Reporting Standards ('IFRS') do not explicitly state the accounting treatment applicable to the aforementioned transactions. Nevertheless, the European Securities and Markets Authority (ESMA) issued a public statement on October 27, 2015 which defines their priorities when preparing the Financial statements for the year 2015, in order to promote consistent application of the IFRS among issuers. The aforementioned statement state that these types of transactions (also called "reverse factoring") should be analyzed depending on the economic substance of the agreements, so that issuers can conclude whether the trade debt should be classified as financial debt within the Statements of financial position, or payments made should be classified as financial or operational within the Cash flow statements. In either case, ESMA recommends that the issuer provides clear details of the accounting classification policy that it has applied, indicating the assumptions that have been made and the corresponding quantitative impacts.

Consequently, provided that there are no material changes to the conditions of the trade debt (for example, to the due date, the amount or the interest rates, if applicable), the fact that due to the use of confirming, the new legal creditor is a financial institution instead of the supplier, does not change the economic character of the debt that arose from the operational activities of the Group company, regardless of whether it originated from an external or a group supplier.

Consequently, the accounting policy consistently chosen by Abengoa over the last few years regarding its supplier balances associated with non-recourse confirming has been to record them until their due date under the "Suppliers and other accounts payable" heading in the Statements of financial position regardless of whether the collection rights have been assigned by the creditor to a financial institution and whether it originates from an external or a group supplier. Although in case of group suppliers, there could be characteristics that might lead to different interpretations.

Notwithstanding the foregoing, in 2015, there was a new interpretation the relevant regulatory agencies. Since the new interpretation, amounts corresponding to supplier balances associated to non-recourse confirming which has been originated from a group supplier were reclassified as "Corporate Financing" under current liabilities the statement of financial position as of December 31, 2015, despite their original commercial economic substance.

2.23. Foreign currency transactions

a) Functional currency

Financial statements of each subsidiary within the Group are measured and reported in the currency of the principal economic environment in which the subsidiary operates (subsidiary's functional currency). The Consolidated Financial Statements are presented in euro, which is Abengoa's functional and reporting currency.

b) Transactions and balances

Transactions denominated in a currency different from the subsidiary's functional currency are translated into the subsidiary's functional currency applying the exchange rates in force at the time of the transactions. Foreign currency gains and losses that result from the settlement of these transactions and the translation of monetary assets and liabilities denominated in foreign currency at the year-end rates are recognized in the Consolidated Income Statement, unless they are deferred in equity, as occurs with cash-flow hedges and net investment in foreign operations hedges.

c) Translation of the Financial statements of foreign companies within the Group

Income statements and Statements of financial position of all Group companies with a functional currency different from the group's reporting currency (euro) are translated to euros as follows:

1) All assets and liabilities are translated to euros using the exchange rate in force at the closing date of the Consolidated Financial Statements.

2) Items in the Income Statement are translated into euros using the average annual exchange rate, calculated as the arithmetical average of the average exchange rates for each of the twelve months of the year, which does not differ significantly from using the exchange rates of the dates of each transaction.

3) The difference between equity, including profit or loss calculated as described in (2) above, translated at the historical exchange rate, and the net financial position that results from translating the assets, and liabilities in accordance with (1) above, is recorded in equity in the Consolidated Statement of Financial Position under the heading 'Accumulated currency translation differences'.

Results of companies carried under the equity method are translated at the average annual exchange rate calculated described in (2.c.) above.

Goodwill arising on the acquisition of a foreign company is treated as an asset of the foreign company and is translated at the year-end exchange rate.

2.24. Revenue recognition

a) Ordinary income

Ordinary income comprises the fair value of sales of goods or services, excluding VAT or similar taxes, any discounts or returns and excluding sales between Group entities.

Ordinary income is recognized as follows:

- Income from the sale of goods is recognized when the Group delivers the goods to the client, the client accepts them and it is reasonably certain that the related receivables will be collectible.
- Income from the sale of services is recognized in the period in which the service is provided.
- Interest income is recognized using the effective interest rate method. When a receivable is considered impaired, the carrying amount is reduced to its recoverable amount, discounting the estimated future cash flows at the original effective interest rate of the instrument and recording the discount as a reduction in interest income. Income from interest on loans that have been impaired is recognized when the cash is collected or on the basis of the recovery of the cost when the conditions are guaranteed.
- Dividend income is recognized when the right to receive payment is established.

b) Construction contracts

Costs incurred in relation to construction contracts are recognized when incurred. When the outcome of a construction contract cannot be reliably estimated, revenues are only recognized up to the amount of the costs incurred to date that are likely to be recovered.

When the outcome of a construction contract can be reliably estimated and it is probable that it will be profitable, revenue from the contract is recognized over the term of the contract. When it is probable that the costs of the project will be greater than its revenue, expected loss is recognized immediately as an expense. To determine the appropriate amount of revenue to be recognized in any period, the percentage of completion method is applied. The percentage of completion method considers, at the date of the Statement of Financial Position, the actual costs incurred as a percentage of total estimated costs for the entire contract.

Partial billing that has not yet been settled by the clients and withholdings are included under the Trade and other receivables heading.

Gross amounts owed by clients for ongoing works in which the costs incurred plus recognized profits (minus recognized losses) exceed partial billing are presented as assets under the heading of 'Unbilled Revenue' within 'Clients and other receivables' heading of the Statement of Financial Position.

On the other hand, amounts outstanding from customers for work in progress for which the billing to date is greater than the costs incurred plus recognized profits (less recognized losses) are shown as liabilities within the line item 'Advance payments from clients' in the Trade payables and other current liabilities caption of the Consolidated Statement of Financial Position.

Lastly, as stated in point 2.4 on the measurement of property, plant and equipment in internal asset construction projects outside the scope of IFRIC 12 on Service Concession Arrangements (see Note 2.5), revenues and profits between group companies are eliminated, meaning that such assets are shown at their acquisition cost.

Contract amendments (instructions from the client to change the scope of the initial work to be done) will be registered as income only when in probable that the client approve the amendment and it is possible to quantify reliably the ordinary revenues after the amendment.

Claims from clients due to not included costs in the initial scope of the contracted work will be registered as revenues only when exist advanced negotiations, is probable that the client will accept the claim and the amount can be quantified reliably.

c) Concession contracts

Concession contracts are public services agreements for periods usually between 20 and 30 years including both the construction of infrastructure and future services associated with the operation and maintenance of assets in the concession period which are under the scope of IFRIC 12. Revenue recognition, as well as, the main characteristics of these contracts are detailed in Note 2.5.

2.25. Leases

Lease contracts of fixed assets in which a Group company is the lessee and substantially retains all the risks and rewards associated with the ownership of the assets are classified as finance leases.

Finance leases are recognized at inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments over the contract term. Each lease payment is distributed between debt and financing costs, in a way which establishes a constant interest rate on the outstanding debt. The amounts to be paid over the lease term, net of financing costs, are recognized as non-current and current payables, as appropriate. The interest portion of the financing costs is charged to the Consolidated Income Statement over the period of the lease agreement, in order to obtain a constant periodic interest rate on the balance of the outstanding debt in each period. Assets acquired under finance lease agreements are depreciated over the shorter of the useful life of the asset and the lease term.

Lease agreements undertaken by the Group in which the entity entering into the agreement does not substantially retain all the risks and rewards associated with the ownership of the asset are classified as operating leases. Payments made under operating leases are charged to the Consolidated Income Statement (net of any incentives received from the lessor) on a straight-line basis over the lease term.

2.26. Segment reporting

Information on the Group's operating segments is presented in accordance with internal information provided to the Group's Chief Operating Decision Maker (CODM). The CODM, responsible for assigning resources and evaluating the performance of the operating segments, has been identified as the Chairman.

The President evaluates business from an activity and geographic perspective. As described in Note 5, the CODM reviews the business by 5 operating segments which are in turn grouped, for business purposes, into 2 activities: Engineering & Construction and Concession-type Infrastructures.

Geographically, the Group reports financial information by 6 regions which are Spain (home market), North America, South America (except Brazil), Brazil, Europe (except Spain) and other (the remaining overseas markets).

For detailed information on segment reporting, see Note 5.

2.27. Environmental assets

Equipment, installations and systems used to eliminate, reduce or control possible environmental impacts are recognized applying the same criteria used for other similar assets.

Provisions made for the environmental restoration, the costs of restructuring and the litigations are recognized when the company has a legal or constructive obligation as a result of past events, it becomes probable that an outflow of resources will be necessary to settle the obligation and the outflow can be reliably estimated.

Note 33.6 gives additional information on the Group's environmental policies.

2.28. Severance payments

Severance payments are made to employees in the event that the company terminates their employment contract prior to the normal retirement age or when the employee voluntarily accepts redundancy in the terms offered by the employer. The Group recognizes severance payments when it is demonstrably committed to third parties to provide indemnities for leaving the company or to dismiss the current workers in accordance with a detailed formal plan, with no possibility of retracting.

2.29. Assets held for sale and discontinued operations

The Group classifies property, plant and equipment, intangible assets and disposal groups (groups of assets that are to be sold together with their directly associated liabilities) as non-current assets held for sale when, at the date of the Consolidated Statement of Financial Position, an active program to sell them has been initiated by Management and the sale is foreseen to take place within the following twelve months.

The Group includes in discontinued operations those business lines which have been sold or otherwise disposed of or those that meet the conditions to be classified as held-for-sale. Discontinued operations also include those assets which are included in the same sale program together with the business line. Entities which are acquired exclusively with a view for resale are also classified as discontinued operations.

Assets held for sale or disposal groups are measured at the lower of their carrying value or fair value less estimated costs necessary to sell them. They are no longer amortized or depreciated from the moment they are classified as non-current assets held for sale.

Assets held for sale and the components of disposal groups are presented in the Consolidated Statement of Financial Position grouped under a single heading as 'Assets held for sale'. Liabilities are also grouped under a single heading as 'Liabilities held for sale'.

The after-tax profit or loss on discontinued operations is presented in a single line within the Consolidated Income Statement under the heading 'Profit (loss) from discontinued operations, net of tax'.

As indicated in IFRS 5, the elimination of intragroup transactions with companies classified as discontinued operations are performed in continuing operations or in the line of discontinued operations, depending on how they reflect more appropriately the business' continuity or not in each case.

Further information is provided on Non-current assets held for sale and discontinued operations in Note 7.

2.30. Third-Party Guarantees and Commitments

The types of guarantees given to third parties in the normal course of activities in Abengoa:

a) Bank guarantees and surety insurances: Correspond to guarantees provided by financial entities to Group companies to comply with any commitment made to a third party (Bid bonds, performance and others)

   In case of breach of the undertaken commitment, and therefore, a possible obligation with the financial entity, the Company proceeds to recognize a liability in the Consolidated Statement of Financial Position sheet only when outflows of resources are probable.

b) Guarantees: Correspond to commitments documented by a Group company to a third party (Bid Bonds, performance, financing and others)

In case of breach of the undertaken commitment, and therefore, a possible obligation with the third party, the Company proceeds to recognize a liability in the Consolidated Statement of Financial Position sheet only when outflows of resources are probable, provided that such obligation was not previously recognized in the balance sheet.

Further information provided in Note 23.

Note 3.- Critical accounting estimates and judgements

In Abengoa's Consolidated Financial Statements under IFRS-EU requires assumptions and estimates to be made which have an impact on assets, liabilities, income, expenses and disclosures related. Actual results could be different from estimated. The most critical accounting policies, which have been taken into account in these Consolidated Financial Statements, are:

- Impairment of intangible assets and goodwill.
- Impairment of assets classified as held for sale.
- Revenue and expense from construction contracts.
- Service concession agreements.
- Income taxes and recoverable amount of deferred tax assets.
- Derivatives and hedging.
- Guarantees provided to third parties.

Some of these critical accounting policies require the deployment of significant judgement by The Board of Directors in order to determine appropriate assumptions and estimates to determine these critical accounting policies. These estimates and assumptions are not only based on historical experience of the Company, but also, on the advice of experts and consultants, other circumstances and expectations and forecasts as of the end of the reporting period. Directors´ assessment has to be considered given the business environment of the industries and geographies in which the Group operates, taking into account the future development of the business. Provided its nature, these judgments and assumptions are subject to an inherent degree of uncertainty and, thus, the real results may materially differ from assumptions and estimates used. Upon the occurrence of such event, assets and liabilities will be adjusted.

Based in what has been exposed in Note 2.1 regarding the application of the going concern basis of accounting Abengoa's Consolidated Financial Statements corresponding as of December 31, 2015, estimates and assumptions have been made by the Board of Directors in order to determine the impacts of that situation over the assets, liabilities, income, expenses and commitments recorded therein.

Upon the occurrence of a significant change in the facts and circumstances upon which estimates and assumptions have been made, management might be required to amend such estimates and assumptions in future periods. Changes in accounting estimates are recognized prospectively, in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Impairment of intangible assets and goodwill

Goodwill and Intangible assets which have not yet come into operation or that have an indefinite useful life are not amortized and are tested for impairment on an annual basis or whenever there an impairment indicator exists. Goodwill is tested for impairment within the Cash-Generating Unit to which it belongs. Other intangible assets are tested individually, unless they do not generate cash flows independently from other assets, in which case they are tested within the Cash-Generating Unit to which they belong.

For those cash generating units with high growth potential, the Group uses cash flow projections for a period of 10 years based on the cash flows identified in the Group's strategic plans, which are reviewed and approved every six months by the Management of the Group. The residual value is calculated based on the cash flows of the latest year projected using a steady or nil growth rate. The use of a 10 year period is based on the consideration that this is the minimum period needed to be used in order to appropriately reflect all the potential growth of these cash generating units. In addition, 10 year projections are prepared based on the historical experience within the Group in preparing long-term strategic plans, which are considered reliable and are prepared on the basis of the Group's internal control system. These cash flows are considered reliable since they can easily adapt to the changes of the market and of the business segment to which cash generating units belong, based on the Group's past experience on cash flows and margins and on future expectations.

For other cash generating units the Group uses cash flows projections based on a 5 years period, calculating the residual value based on the cash flows of the latest year projected, 'using a zero growth rate'.

Projected cash flows are discounted using the Weighted Average Cost of Capital (see Note 2.8), adjusted for the specific risks associated to the business unit to which the cash generating unit belongs.

At the 2016 year-end the company recognised an expense for impairment losses in the value of intangible assets with indefinite useful life and there were no significant intangible assets not yet in use in the amount of €163 million (see Note 8.1). At the 2015 year-end there were no significant impairment expenses under this heading.

Impairment of assets classified as held for sale.

The Group classifies property, plant and equipment, intangible assets and disposal groups (groups of assets that are to be sold together with their directly associated liabilities) as non-current assets held for sale when, at the date of the Consolidated Statement of Financial Position, an active program to sell them has been initiated by Management and the sale is foreseen to take place within the following twelve months.

Assets held for sale or disposal groups are measured at the lower of their carrying value or fair value less estimated costs necessary to sell them. They are no longer amortized or depreciated from the moment they are classified as non-current assets held for sale.

A loss in the value of these assets due to impairment is recognised when the fair value less the cost of sale is less than the carrying value.

To analyse the fair value and subsequently quantify the possible impairment of assets held for sale, in some cases significant accounting estimates and judgments must be made when it is not possible to explicitly quantify all possible risks.

The standards used to analyse the impairment of assets held for sale are detailed in note 7 of this report.

At the 2016 year end, the company recognised an expense for impairment losses in the value of assets held for sale in the amount of 4,122 million euros (13 million euros in 2015) as the difference between the carrying value and the fair value less the cost of sale (see Note 7).

Revenue from construction contracts

Revenue from construction contracts is recognized using the percentage-of-completion method for contracts whose outcome can be reliably estimated and it is probable that they will be profitable. When the outcome of a construction contract cannot be reliably estimated, revenue is recognized only to the extent it is probable that contract costs incurred will be recoverable.

As described in Note 2.24.b), the percentage of completion is determined at the date of Consolidated Statement of Financial Position based on the actual costs incurred as a percentage of total estimated costs for the entire contract.

Revenue recognition using the percentage-of-completion method involves the use of estimates of certain key elements of the construction contracts, such as total estimated contract costs, allowances or provisions related to the contract, period of execution of the contract and recoverability of the claims. The Company has established, over the years, a robust project management and control system, with periodic monitoring of each project. This system is based on the long-track record of the Group in constructing complex infrastructures and installations. As far as practicable, the Group applies past experience in estimating the main elements of construction contracts and relies on objective data such as physical inspections or third parties confirmations. Nevertheless, given the highly tailored characteristics of the construction contracts, most of the estimates are unique to the specific facts and circumstances of each contract.

Although estimates on construction contracts are periodically reviewed on an individual basis, we exercise significant judgments and not all possible risks can be specifically quantified.

It is important to point out that, as stated in Note 2.4 about Property plant and equipment, in the internal asset construction projects outside the scope of IFRIC 12 of Service Concession Arrangements (see Note 2.5), the totality of the revenues and profits between group companies is eliminated, meaning that said assets are shown at their acquisition cost.

Concession Agreements

The analysis on whether the IFRIC 12 applies to certain contracts and activities involves various complex factors and it is significantly affected by legal interpretation of certain contractual agreements or other terms and conditions with public sector entities.

Therefore, the application of IFRIC 12 requires extensive judgment in relation with, amongst other factors, (i) the identification of certain infrastructures (and not contractual agreements) in the scope of IFRIC 12, (ii) the understanding of the nature of the payments in order to determine the classification of the infrastructure as a financial asset or as an intangible asset and (iii) the recognition of the revenue from construction and concessionary activity.

Changes in one or more of the factors described above may significantly affect the conclusions as to the appropriateness of the application of IFRIC 12 and, therefore, the results of operations or our financial position (see Note 10.1).

Income taxes and recoverable amount of deferred tax assets

Determining income tax expense requires judgment in assessing the timing and the amount of deductible and taxable items, as well as the interpretation and application of tax laws in different jurisdictions. Due to this fact, contingencies or additional tax expenses could arise as a result of tax inspections or different interpretations of certain tax laws by the corresponding tax authorities.

Group Management assesses the recoverability of deferred tax assets on the basis of estimates of the future taxable profit. In making this assessment, Management considers the foreseen reversal of deferred tax liabilities, projected taxable profit and tax planning strategies. This assessment is carried out on the basis of internal projections, which are updated to reflect the Group's most recent operating trends.

The Group's current and deferred income taxes may be impacted by events and transactions arising in the normal course of business as well as by special non-recurring circumstances. The assessment of the appropriate amount and classification of income taxes is dependent on several factors, including estimates of the timing and realization of deferred tax assets and the timing of income tax payments.

At the end of 2016, there is an expense due to the deferred tax assets impairment amounted to €369 million, in which €119 million correspond to assets of companies classified as held for sale (see Note 24.2). At the end of 2015, there was not any significant amount registered for this concept.

Actual collections and payments may materially differ from these estimates as a result of changes in tax laws as well as unforeseen future transactions impacting the income tax balances.

Derivatives financial instruments and hedging

The Group uses derivatives in order to mitigate risks arising from foreign exchange, interest rates and changes in the prices of assets and commodities purchased (principally aluminum, grain, ethanol, sugar and gas). Derivatives are initially recognized at fair value on the date that the derivative contract is entered into for, and are subsequently re-measured at fair value at each reporting date (see Notes 2.10 and 2.11 for a full description of the accounting policy for derivatives).

Contracts held for the purposes of receiving or making payment of non-financial elements in accordance with expected purchases, sales or use of goods (own-use contracts) of the Group are not recognized as financial derivative instruments, but as executory contracts. In the event that such contracts include embedded derivatives, those derivatives are recorded separately from the original contract, if the economic characteristics of the embedded derivative are not closely related to the economic characteristics of the original host contract. Options contracted for the purchase or sale of non-financial elements which may be cancelled through cash outflows are not considered to be 'own-use contracts'.

The inputs used to calculate fair value of our derivatives are based on observable prices on not quoted markets, through the application of valuation models (Level 2). The valuation techniques used to calculate fair value of our derivatives include discounting estimated future cash flows, using assumptions based on market conditions at the date of valuation or using market prices of similar comparable instruments, amongst others. The derivatives valuation and the identification and valuation of embedded derivatives and own-use contracts require the use of considerable professional judgment. These determinations were based on available market information and appropriate valuation methodologies. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

Third-party guarantees

The analysis of the guarantees committed to third parties, given the exceptional nature and uncertainty of the current situation of the company provided by the Article 5 bis of Ley Concursal, requires a complex judgment to estimate the contractual breaches that may exits and as a consequence of possible breaches, the outflow of resources probability that may give rise to the recognition of a financial liability on the company's consolidated balance sheet.

Such situation could affect the facts and circumstances in which these estimations are based and that could arise significant changes on them.

At the 2016 year-end, a financial liability in the amount of €368 million was recognised. (See Notes 20.5 and 23.1)

Note 4.- Financial risk management

Abengoa's activities are undertaken through its operating segments and are exposed to various financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk.

Notwithstanding Abengoa's current situation as discussed in note 2.1. which has affected the management of the company's liquidity and capital risks, the Risk Management Model used by Abengoa has always attempt to minimize the potential adverse impact of such risks upon the Group's financial performance.

Risk is managed by the Group's Corporate Finance Department, which is responsible for identifying and evaluating financial risks in conjunction with the Group's operating segments, quantifying them by project, region and company, and diversifying the sources of finance in an attempt to prevent concentrations.

Written internal risk management policies exist for global risk management, as well as for specific areas of risk, such as foreign exchange risk, credit risk, interest rate risk, liquidity risk, the use of hedging instruments and derivatives and the investment of cash surpluses.

In addition there are official written management regulations regarding key controls and control procedures for each company and the implementation of these controls is monitored through Internal Audit procedures.

The Group is affected by the following financial risks:

a) Market risk

Market risk arises when group activities are exposed fundamentally to financial risk derived from changes in foreign exchange rates, interest rates and changes in the fair values of certain raw materials.

To hedge such exposure, Abengoa uses currency forward contracts, options and interest rate swaps as well as future contracts for commodities. The Group does not generally use derivatives for speculative purposes.

- Foreign exchange rate risk: the international activity of the Group generates exposure to foreign exchange rate risk. Foreign exchange rate risk arises when future commercial transactions and assets and liabilities recognized are not denominated in the functional currency of the group company that undertakes the transaction or records the asset or liability. The main exchange rate exposure for the Group relates to the US Dollar against the Euro.

  To control foreign exchange risk, the Group purchases forward exchange contracts. Such contracts are designated as fair-value or cash-flow hedges, as appropriate.

  In the event that the exchange rate of the US Dollar had risen by 10% against the euroas of December 31, 2016, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been a loss of €24,707 thousand (loss of €27,185 thousand on 2015) mainly due to the US Dollar net asset position of the Group in companies with euro as functional currency and an increase of €25 thousand (decrease of €1,649 thousand in 2015) in other reserves as a result of the cash flow hedging effects on highly probable future transactions.

Details of the financial hedging instruments and foreign currency payments as of December 31, 2016 and 2015 are included in Note 14 to these Consolidated Financial Statements.

- Interest rate risk: arises mainly from financial liabilities at variable interest rates.

  Abengoa actively manages its risks exposure to variations in interest rates associated with its variable interest debt.

  In project debt (see Note 19), as a general rule, the Company enters into hedging arrangements for at least 80% of the amount and the timeframe of the relevant financing.

  In corporate financing (see Note 20), as a general rule, 80% of the debt is covered throughout the term of the debt. Additionally, Abengoa has issued notes at a fixed interest rate in the last years.

  The main interest rate exposure for the Group relates to the variable interest rate with reference to the Euribor.

  To control the interest rate risk, the Group primarily uses interest rate swaps and interest rate options (caps and collars), which, in exchange for a fee, offer protection against an increase in interest rates.

  In the event that Euribor had risen by 25 basic points as of December 31, 2016, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been a profit of €1,515 thousand (€7,316 thousand in 2015) mainly due to the increase in time value of hedge interest rate options (caps and collars) and an increase of €2,331 (€28,379 thousand in 2015) in other reserves mainly due to the increase in value of hedging interest derivatives (swaps, caps and collars).

  A breakdown of the interest rate derivatives as of December 31, 2016 and 2015 is provided in Note 14 of these Notes to the Consolidated Financial Statements.

- Risk of change in commodities prices: arises both through the sale of the Group's products and the purchase of commodities for production processes. The main risk of change in commodities prices for the Group is related to the price of gas and steel (until classified in the Bioenergy operating segment as a discontinued operation, the price of grain, ethanol and sugar constituted a significant risk for the Company).

  Aiming to control the risk of change in commodities prices, the Group uses futures and options listed on organized markets, as well as OTC (over-the-counter) contracts with financial institutions, to mitigate the risk of market price fluctuations.

  At December 31, 2016 there is not any commodity derivative instrument, therefore, there would not have existed variations in equity or the Consolidated Income Statement as a consequence of changes in prices.

  In the event that the grain price had risen by 10% as of December 31, 2015, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been null and a decrease iin other reserves amounted to €1,349 thousand.

  A breakdown of the commodity derivative instruments as of December 31, 2016 ad 2015 is included in Note 14 to these Consolidated Financial Statements.

b) Credit risk

The main financial assets exposed to credit risk derived from the failure of the counterparty to meet its obligations are trade and other receivables, current financial investments and cash.

a) Clients and other receivables (see Note 15).

b) Current financial investments and cash (see Notes 13, 14, 15 and 17).

- Clients and other receivables: Most receivables relate to clients operating in a range of industries and countries with contracts that require ongoing payments as the project advances; the service is rendered or upon delivery of the product. It is a common practice for the company to reserve the right to cancel the work in the event of a material breach, especially non-payment.

  In general, and to mitigate the credit risk, prior to any commercial contract or business agreement, the company policy is that the company holds a firm commitment from a leading financial institution to purchase the receivables through a non-recourse factoring arrangement. Under these agreements, the company pays the bank for assuming the credit risk and also pays interest for the discounted amounts. The Company always assumes the responsibility that the receivables are valid.

  Abengoa derecognizes the factored receivables from the Consolidated Statement of Financial Position when all the conditions of IAS 39 for derecognition of assets are met. In other words, an analysis is made to determine whether all risks and rewards of the financial assets have been transferred, comparing the company's exposure, before and after the transfer, to the variability in the amounts and the calendar of net cash flows from the transferred asset. Once the company's exposure to this variability has been eliminated or substantially reduced, the financial asset is transferred.

In general, Abengoa considers that the most significant risk to its operations posed by these assets is the risk of non-collection, since: a) trade receivables may be quantitatively significant during the progress of work performed for a project or service rendered; b) it is not under the company's control. However, the risk of delays in payment is considered negligible in these contracts and generally associated with technical problems, i.e., associated with the technical risks of the service rendered and therefore under the company's control.

In any event, in order to cover those contracts in which there could, theoretically, be a risk of late payment by the client associated with the financial asset, Abengoa has determined that not only must the *de jure* risk of insolvency be covered (bankruptcy, etc.) but the *de facto* risk as well (which arises due to the client's own cash management, without a generalised debt moratorium).

Consequently, if as a result of the individualised assessment of each contract it is concluded that the relevant risk associated with these contracts has been conveyed to the financial institution, the accounts receivable balance on the consolidated financial statement is derecognised once the rights are assigned to the financial institution in accordance with IAS 39.20.

For further information about the risk of the counterparty of 'Clients and other receivable accounts', in Note 15 there is a disclosure of their credit quality and the ageing of their maturity, as well as the evolution on provisions for receivables for the years ended December 31, 2016 and 2015.

- Financial investments: to control credit risk in financial investments, the Group has established corporate criteria which require that counterparties are always highly rated financial entities and government debt, as well as establishing investing limits with periodic reviews.

Given the above and considering the aging of the main financial assets with exposure to such risk, it is considered that, at the end of the year 2016, no significant amounts in arrears are susceptible to be disclosed in addition to the information required by IFRS 7.

c) Liquidity risk

During the last year Abengoa's liquidity and financing policy during the last years has had intended to ensure that the company could have sufficient funds available to meet its financial obligations as they fall due. Abengoa has been using two main sources of financing:

- Project debt (Non-recourse project financing), which is typically used to aimed to finance any investment on project asset (see Notes 2.5 and 19).
- Corporate Financing, used to finance the activities of the remaining companies which are not financed under the aforementioned financing model. This means of financing is managed through Abengoa S.A., which pools cash held by the rest of the companies so as to be able to re-distribute funds in accordance with the needs of the Group (see Notes 2.18 and 20) and has carried out the obtention of the resources needed from the bank and capital markets.

To manage the working capital, Abengoa usually uses non-recourse confirming with various financial entities to outsource the trade payables payments, and non-recourse factoring. In addition, Abengoa has short term financing lines including commercial paper.

As said in Note 2.1.1, the Company has subscribed a financial Restructuring Contract, which in Directors´opinion, once signed and with the achievement of the Viability Plan associated to the Group´s ability to generate cash from operations which will allow the financial restitution of the parent company Abengoa, S.A., and to provide to Abengoa the optimal capital structure and the liquidity enough to continue its activity and operate in a competitive and sustainable manner in the future.

d) Capital risk

During the last year the Group has managed capital risk aimed to be able to ensure the continuity of the activities of its subsidiaries from an equity standpoint by maximizing the return for the shareholders and optimizing the structure of equity and debt in the respective companies or projects.

Since the admission of its shares to trade on the stock market, the company has grown in the following ways:

- cash flows generated by conventional businesses;
- financing of new investments through project debt (project finance and bridge loan), which also generates business for conventional businesses;
- corporate financing, either through banks or capital markets;
- issuance of new shares of subsidiaries through organized markets;
- asset rotation;

The leverage objective of the activities of the company has not generally measured based on the level of debt on its own resources, but on the nature of the activities:

- for activities financed through project debt, each project is assigned a leverage objective based on the cash and cash flow generating capacity, generally, of contracts that provide these projects with highly recurrent and predictable levels of cash flow generation;
- for activities financed with Corporate Financing, the objective is to maintain reasonable leverage, depending on their optimal capital structure.

As indicated in note 2.1.1, the Company has signed a financial Restructuring Agreement . In the directors' opinion, once that reorganisation agreement is implemented and with the achievement of the Viability Plan associated by means of the Group´s ability to generate cash from operations which will allow the financial restitution of the parent company Abengoa, S.A., and to provide to Abengoa the optimal capital structure and the liquidity enough to continue its activity and operate in a competitive and sustainable manner in the future.

Note 5.- Segment information

5.1. Information by business segment

- As indicated in Note 1, Abengoa's activity is grouped under the following two activities:
  - Engineering and construction; includes the traditional engineering business in the energy and water sectors, with more than 70 years of experience in the market. This activity comprises one operating segment Engineering and Construction.

    Abengoa specializes in carrying out complex "turnkey projects" for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuels plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others. In addition, this segment includes activities related to the development of thermo-solar technology, water management technology and innovative technology businesses such as hydrogen energy or the management of energy crops.
  - Concession-type infrastructures; groups together the company's proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. These assets generate low demand risk and the Company focuses on operating them as efficiently as possible.

    The Concession-type infrastructures activity comprises four operating segments:

    - Solar – Operation and maintenance of solar energy plants, mainly using thermo-solar technology.

    - Water – Operation and maintenance of facilities aimed at generating, transporting, treating and managing water, including desalination and water treatment and purification plants.

    - Transmission – Operation and maintenance of high-voltage transmission power line infrastructures.

    - Cogeneration and other – Operation and maintenance of conventional cogeneration electricity plants.
- As a consequence of the sale processes opened given the discontinuance of Bioenergy and the transmission lines in Brazil based on the Updated Viability Plan of Abengoa approved by the Board of Directors on August 3, 2016, and due to the significance of their activities developed by Abengoa, their Income Statement and Cash flow statements have been reclassified to discontinued operations in the Consolidated Income Statement and in the Consolidated cash flow statement as of December 31, 2016 and 2015. The classification has been done in accordance with the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations'.

  Directors consider that the signature of the Restructuring Agreement will involve the application of measures determined in the Updated Viability Plan (see Note 2.1.1). Consequences that would overcome relating to financial information presented by segments are being assessed in accordance with the IFRS 8 "Operating Segments".
- Abengoa's Chief Operating Decision Maker ('CODM') assesses the performance and assignment of resources according to the above identified segments. The CODM in Abengoa considers the revenues as a measure of the activity and the EBITDA (Earnings before interest, tax, depreciation and amortization) as measure of the performance of each segment. In order to assess the performance of the business, the CODM receives reports of each reportable segment using revenues and EBITDA. Net interest expense evolution is assessed on a consolidated basis given that the majority of the corporate financing is incurred at the holding level and that most investments in assets are held at project companies which are financed through project debt. Amortization and impairment charges are assessed on a consolidated basis in order to analyze the evolution of net income and to determine the dividend pay-out ratio. These charges are not taken into consideration by CODM for the allocation of resources because they are non-cash charges.

The process to allocate resources by the CODM takes place prior to the award of a new project. Prior to presenting a bid, the company must ensure that the project debt for the new project has been obtained. These efforts are taken on a project by project basis. Once the project has been awarded, its evolution is monitored at a lower level and the CODM receives periodic information (revenues and EBITDA) on each operating segment's performance.

a) The following table shows the Segment Revenues and EBITDA for the years 2016 and 2015:

	Revenue		EBITDA	
Item	2016	2015 (1)	2016	2015 (1)
Engineering and construction				
Engineering and construction	1,367,278	3,381,778	(326,653) (2)	169,309
Total	**1,367,278**	**3,381,778**	**(326,653)**	**169,309**
Concession-type infrastructure				
Solar	37,141	166,534	21,492	115,001
Water	58,932	52,978	40,722	42,291
Transmission lines	1,447	1,643	(221)	(1,026)
Cogeneration and other	45,255	43,832	23,442	17,874
Total	**142,775**	**264,987**	**85,435**	**174,140**
Total	**1,510,053**	**3,646,765**	**(241,218)**	**343,449**

(1) Restated figures. On December 31, 2016, the Company has reclassified the Income Statement for the period ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

(2) Includes construction cost provisions of projects given the situation of the company and the applications of measures established in the approved Viability Plan for an amount of €-245 million (see Note 2.1.1).

The reconciliation of segment EBITDA with the profit attributable to owners of the parent is as follows:

Line	2016	2015
Total segment EBITDA	(241,218)	343,449
Amortization and depreciation	(1,900,720)	(372,821)
Financial expenses net	(1,161,781)	(736,935)
Share in profits/ (losses) of associates	(587,375)	(8,307)
Income tax expense	(371,566)	(88,427)
Profit (loss) from discontinued operations, net of tax	(3,352,377)	(479,649)
Profit attributable to non-controlling interests	(14,019)	129,212
Profit attributable to the parent company	**(7,629,056)**	**(1,213,478)**

b) The assets and liabilities by segment as of December 31, 2016 and December 31, 2015 are as follows:

	Engineering and construction	Concession-type infrastructure				Industrial production	
Item	Eng. and const. (1)	Solar (1)	Water	Trans. (1)	Cog. and other (1)	Biofuels (1)	Balance as of 31.12.16 (2)
Assets allocated							
Intangible assets	73,837	34	1,697	-	529	-	76,097
Property plant and equipment	177,260	178	-	-	-	-	177,438
Fixed assets in projects	-	3,975	235,252	7,537	150,891	-	397,655
Current financial investments	142,127	963	1,414	3,684	1,704	-	149,892
Cash and cash equivalents	265,106	1,574	2,309	6,017	2,783	-	277,789
Subtotal allocated	**658,330**	**6,724**	**240,672**	**17,238**	**155,907**	**-**	**1,078,871**
Unallocated assets							
Non-current and associated financ. invest. (1)	-	-	-	-	-	-	888,110
Deferred tax assets	-	-	-	-	-	-	615,226
Other current assets	-	-	-	-	-	-	1,427,255
Assets held for sale	1,688	696,210	402,277	1,874,960	1,042,192	1,887,165	5,904,492
Subtotal unallocated	-	-	-	-	-	-	**8,835,083**
Total Assets	-	-	-	-	-	-	**9,913,954**

(1) Include an impairment recognized at Decembrer 31, 2016 amounted to €-6,036 million given the situation of the company (see Notes 6, 7, 8, 9, 10, 11, 15, 20 and 24).

(2) See Note 7 to see assets and liabilities classified as non-current assets held for sale given the compliance of the IFRS5 "Non-current assets held for sale and discontinued operations.

	Engineering and construction	Concession-type infrastructure				Industrial production	
Item	Eng. and const.	Solar	Water	Trans.	Cog. and other	Biofuels (2)	Balance as of 31.12.16 (1)
Liabilities allocated							
L-T and S-T corpor. financing	2,710,419	77,362	104,541	371,683	145,941	2,982,952	6,392,898
L-T and S-T project debt	3,914	508,605	21,439	1,000,960	480,586	-	2,015,504
L-T and S-T lease liabilities	21,102	-	-	-	-		21,102
Subtotal allocated	**2,735,435**	**585,967**	**125,980**	**1,372,643**	**626,527**	2,982,952	**8,429,504**
Unallocated liabilities							
L-T and S-T Other loans and borrowings	-	-	-	-	-	-	1,251,151
L-T grants and other liabilities	-	-	-	-	-	-	65,940
Provisions and contingencies	-	-	-	-	-	-	50,819
L-T derivative financial instruments	-	-	-	-	-	-	5,535
Deferred tax liabilities	-	-	-	-	-	-	172,856
L-T personnel liabilities	-	-	-	-	-	-	3,234
Other current liabilities	-	-	-	-	-	-	2,828,346
Liabilities held for sale	149,947	392,421	234,211	1,261,815	314,090	1,534,053	3,886,536
Subtotal unallocated	-	-	-	-	-	-	**8,264,417**
Total liabilities	-	-	-	-	-	-	**16,693,921**
Equity unallocated	-	-	-	-	-	-	**(6,779,968)**
Total liabilities and equity unallocated	-	-	-	-	-	-	**1,484,450**
Total liabilities and equity	-	-	-	-	-	-	**9,913,954**

(1) See Note 7 for a better understanding of assets and liabilities classified as non-current liabilities held for sale given the compliance with the stipulations and requirements of IFRS 5, 'Non-Current Assets Held for Sale and Discontinued Operations'.

(2)) Regardless of the classification of certain assets in assets held for sale (see Note 7), the distribution by segments of the L-T and S-T corpor. financing at corporate level remains aiming to keep showing the final destination of funds.

	Engineering and construction	Concession-type infrastructure				Industrial prod.	
Item	Eng. and const.	Solar	Water	Trans.	Cog. and other	Biofuels	Balance as of 12.31.15
Assets allocated							
Intangible assets	245,242	355	6,775	-	318	1,193,287	1,445,977
Property plant and equipment	173,235	19,822	-	-	-	961,017	1,154,074
Fixed assets in projects	-	-	244,742	2,178,107	161,190	775,624	3,359,663
Current financial investments	344,600	26,912	4,471	14,954	5,834	122,050	518,821
Cash and cash equivalents	338,479	52,899	8,788	29,394	11,468	239,910	680,938
Subtotal allocated	**1,101,556**	**99,988**	**264,776**	**2,222,455**	**178,810**	**3,291,888**	**7,159,473**
Unallocated assets							
Non-current and associated financ. invest.	-	-	-	-	-	-	2,311,418
Deferred tax assets	-	-	-	-	-	-	1,584,751
Other current assets	-	-	-	-	-	-	2,315,698
Assets held for sale	18,178	877,042	445,272	84,721	1,702,411	128,235	3,255,859
Subtotal unallocated	-	-	-	-	-	-	**9,467,726**
Total Assets	-	-	-	-	-	-	**16,627,199**

	Engineering and construction	Concession-type infrastructure				Industrial prod.	
Item	Eng. and const.	Solar	Water	Trans.	Cog. and other	Biofuels	Balance as of 12.31.15
Liabilities allocated							
L-T and S-T corpor. financing	1,602,848	619,930	102,988	357,352	134,390	2,811,537	5,629,045
L-T and S-T project debt	136,985	337,109	78,376	1,712,168	453,945	351,523	3,070,106
L-T and S-T lease liabilities	21,827	-	-	-	-	14,715	36,542
Subtotal allocated	**1,761,660**	**957,039**	**181,364**	**2,069,520**	**588,335**	**3,177,775**	**8,735,693**
Unallocated liabilities							
L-T Other loans and borrowings	-	-	-	-	-	-	902,484
L-T grants and other liabilities	-	-	-	-	-	-	234,193
L-T and S-T provisions and contingencies	-	-	-	-	-	-	68,554
L-T derivative financial instruments	-	-	-	-	-	-	38,002
Deferred tax liabilities	-	-	-	-	-	-	317,689
L-T personnel liabilities	-	-	-	-	-	-	3,631
Other current liabilities	-	-	-	-	-	-	4,682,615
Liabilities held for sale	154,375	246,187	356,773	68,860	319,842	42,386	1,191,423
Subtotal unallocated	-	-	-	-	-	-	**7,438,591**
Total liabilities	-	-	-	-	-	-	**16,174,284**
Equity unallocated	-	-	-	-	-	-	**452,915**
Total liabilities and equity unallocated	-	-	-	-	-	-	**7,891,506**
Total liabilities and equity	-	-	-	-	-	-	**16,627,199**

The criteria used to obtain the assets and liabilities per segment, are described as follows:

- With the objective of presenting liabilities by segment, Net Corporate Debt has been allocated by segments, since its main purpose is to finance investments in projects and in companies with the need to expand their businesses and lines of activity of the Group. Additionally, bridge loans issued at the corporate level have been allocated between different operating segments depending on the projects where funds have been allocated. The distribution of the corporate debt, at December 31, 2016, regardless of the classification of certain assets and liabilities held for sale (see Note 7), remains by segment in order to keep showing the final destination of funds.

c) The investments in intangible assets, property, plant and equipment and fixed assets in projects for the years, 2016 and 2015 is as follows:

Item	2016	2015 (1)
Engineering and construction		
Engineering and construction	16,738	103,364
Total	16,738	103,364
Concession-type infrastructure		
Solar	9,264	674,126
Water	11,387	120,799
Transmission lines	7,366	41,680
Cogeneration and other	127,678	460,052
Total	155,695	1,296,657
Total investments by segments	172,433	1,400,021
Discontinued operations	68,328	781,384
Total	240,761	2,181,405

(1) Restated figures. On December 31, 2016 the Company has classified the cash flow statement of the period December 31, 2016 and 2015 of the operating segment of Bioenergy and of the transmission line owner companies in Brazil as profit/loss from discontinued operations, given their significant activities developed within Abengoa (see Note 7).

d) The distribution of depreciation, amortization and impairment charges by segments for the years 2016 and 2015 is as follows:

Item	2016 (1)	2015 (2)
Engineering and construction		
Engineering and construction	842,376	236,709
Total	842,376	236,709
Concession-type infrastructure		
Solar	585,824	94,006
Water	33,525	27,479
Transmission lines	19,015	13,629
Cogeneration and other	419,980	998
Total	1,058,344	136,112
Total	1,900,720	372,821

(1) Includes an impairment recognized during the year 2016 amounted to -1,796 million given the situation of the Company (see Notes 7, 8, 9, 10 and 15). Additionally, at December 31, 2016, the company has recognized an impairment amounted to -€4,420 classified as results from discontinued operations, as financial expense and as share in profit (loss) of associates carried under the equity method.

(2) Restated figures. On December 31, 2016, the Company has reclassified the income statements for 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

5.2. Information by geographic areas

a) The revenue distribution by geographical region for the years, 2016 and 2015 is as follows:

Geographical region	2016	%	2015 (*)	%
- North America	359,090	24%	722,487	20%
- South America (except Brazil)	238,520	16%	1,296,815	36%
- Brazil	98,843	7%	521,697	14%
- Europe (except Spain)	160,384	11%	24,495	1%
- Other regions	440,429	29%	644,839	18%
- Spain	212,787	14%	436,432	12%
Consolidated Total	1,510,053	100%	3,646,765	100%
Outside Spain amount	1,297,266	86%	3,210,333	88%
Spain amount	212,787	14%	436,432	12%

(*) Restated figures. On December 31, 2016 there has been classified the income statement for the period ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies as profit/loss from discontinued operations, given their significant activities developed within Abengoa (see Note 7).

b) The net book value of Intangible assets and Property, plant and equipment by geographical region as of December 31, 2016 and 2015 is as follows:

Geographic region	Balance as of 12.31.16	Balance as of 12.31.15
Spain	115,786	684,669
- North America	29,624	1,085,114
- South America (except Brazil)	27,496	35,862
- Brazil	64,421	280,394
- Europe (except Spain)	1,179	497,240
- Other regions	15,029	16,772
Foreign market	137,749	1,915,382
Total	253,535	2,600,051

c) The net book value of fixed assets in projects by geographic region as of December 31, 2016 and 2015 is as follows:

Geographic region	Balance as of 12.31.16	Balance as of 12.31.15
Spain	86,200	253,643
- North America	673	541,607
- South America (except Brazil)	237,829	145,264
- Brazil	7,261	2,141,947
- Europe (except Spain)	-	126,803
- Other regions	65,692	150,399
Foreign market	311,455	3,106,020
Total	397,655	3,359,663

Note 6.- Changes in the composition of the Group

6.1. Changes in the consolidation group

a) In 2016 a total of 7 subsidiaries (44 in 2015), 4 associates (4 in 2015) and zero joint ventures (5 in 2015), were included in the consolidation group, which are identified in Appendices I, II, III, XII, XIII and XIV to these Consolidated Financial Statements.

These changes did not have a significant impact on the overall consolidated amounts in 2016 and 2015.

In addition, during 2016, 1 joint ventures were included in the Consolidation perimeter (UTE), (5 in 2015), with partners which do not being to the Group, have commenced their activity or have started to undertake a significant level of activity during 2016.

The amounts set out below represent the Group's proportional interest in the assets, liabilities, revenues and profits of the UTE with non Group partners, which have been included in the Consolidated Financial Statements in 2016 and 2015:

Item	2016	2015
Non-current assets	29,463	6,828
Current assets	92,383	115,138
Non-current assets liabilities	12,458	18,477
Current liabilities	109,388	103,489

Item	2016	2015
Revenue	70,729	57,682
Expenses	(16,204)	(47,566)
Profit (loss) after taxes	10,116	4,362

b) During the year ended December 31, 2016 a total of 57 subsidiaries were no longer included in the consolidation perimeter (17 in 2015), 3 associates (no associates in 2015) and 8 joint ventures (2 in 2015), which are identified in Appendix IV, V and VI and which did not have any material impact in the Consolidated Income Statement, except for disposals mentioned in Note 6.3b).

During 2016, 19 UTE, (38 in 2015), which do not belong to the Group, were excluded from the consolidated group because they had ceased their activities or had become insignificant in relation to overall group activity levels. The proportional consolidated revenues of these UTE in 2016 have been €0 (were null in 2015).

Within the companies which have left the consolidation perimeter at the 2016 year-end , is Abengoa Bioenergy Netherlands, B.V. given that, as a consequence of the declaration of bankruptcy by the Court of Rotterdam of such company on May 11, 2016, the appointment of a Liquidator and the consequent loss of control (see Note 2.1 and 8.2) recognizing in the Consolidated Income Statements for 2016 an impairment expense of €545 million. Additionally, and also within the companies which have left the consolidation perimeter at the 2016 year-end is Abengoa Bioenergía San Roque, S.A., as a consequence of the declaration of bankruptcy by the Court of Rotterdam on November 2, 2016, the appointment of a Liquidator and the consequent loss of control (see Note 2.1 and 8.2) recognizing in the Consolidated Income Statements for 2016 an impairment expense of €10 million.

c) Additionally, the mainly changes in the consolidation method are related to Abengoa Vista Ridge (see Note 6.2) which, given the sale of the 80% interest, is now consolidated through the equity method and the company Khi Solar One, Ltc. whose assets and liabilities are classified as assets and liabilities held for sale (see Note 7) and were integrated in the Consolidated Financial Statements of 2015 trough the equity method, are currently consolidated through the global integration method once obtained the control of the company.

d) During 2015, the mainly changes in the consolidation method were the following:

- Kaxu Solar One, Ltd. and Helioenergy 1 and 2, which were recorded under the equity method in the Consolidated Financial Statements as of December 31, 2014, started to be consolidated after we gained control over them (see Note 6.3). Both Kaxu Solar One, Ltd, Helioenergy 1 and 2 were incorporated to Atlantica Yield´s consolidation perimeter in 2015 which was recorded under the equity method.
- As a result of the sale of the Atacama I Project to APW-1 in 2015, this project which was fully consolidated, began to be consolidated by the equity method once post control.
- Atlantica Yield and its subsidiaries, which until then were consolidated into the Consolidated Financial Statements (classified as assets and liabilities held for sale and discontinued operations) started to be recorded by the equity method after we lost control over those companies. Regarding the analysis to determine Abengoa's loss of control over Atlantica Yield and the shift to significant influence over the latter, a key consideration was the gradual reduction of the holding and the corporate governance changes that occurred throughout FY 2015.

Regarding the gradual reduction in the stake held in Abengoa Yield, note 7.1. a) of the notes to the Consolidated Financial Statements at 31 December 2015 identifies each one of the sales by stages carried out in 2015. Following the conversion of the Atlantica Yield convertible bonds, as of 31 December 2015 the percentage of ownership was 41.86%. The reduction in share ownership was considered key to determining Abengoa's loss of control over Atlantica since it resulted in a reduction of Abengoa's representation on the Board of Directors of Atlantica Yield by one directorship as of 25 November 2015. At that time, Abengoa had 3 directors out of a total of 8. A simple majority is needed for motions to be passed by the Board.

It is important to note that the Board of Directors of Atlantica Yield is the main body responsible for overseeing the Company's operations, approving the long-term business strategy, financial and organisation plans and objectives and supervising the CEO's performance.

In view of the above, it was determined that the Board was a relevant body to be considered in the control analysis and that as of the 2015 year-end Abengoa did not have a majority of directors on the Board.

On the other hand, Abengoa's delegated committees such as the Appointments and Compensation Committee and the Audit Committee were composed at the year-end of 1 Abengoa member and 2 independent members in the case of the former and 5 independent members in the case of the latter, meaning that Abengoa did not have a majority of representatives on either one of these committees.

Moreover, as regards the changes to corporate governance, the most significant change made to the structure and operation of the corporate governance system in 2015 was that no Atlantica Yield shareholder would be entitled to appoint more than one-half less 1 of the Board members, regardless of ownership percentage.

This change to the structure and operation of the corporate governance system was also considered critical in determining the loss of control over Atlantica Yield, since the primary purpose of those changes was to limit Abengoa's control over the General Meeting of Shareholders and the Board of Directors by restricting voting rights and reinforcing the role of independent directors.

In addition, when assessing the loss of control it was also important to consider the strength of the changes made. Under British law, any change to the structure and operation of the corporate governance system must be approved by the general meeting with the favourable vote of 75%. It was therefore considered very unlikely that changes would be made in the future that would be favourable to Abengoa's control over the rest of the shareholders, considering the percentage of ownership at the end of the fiscal year and bearing in mind Abengoa's deteriorating situation due to the events and circumstances starting in the second half of FY 2015.

Finally, the assessment of the loss of control at the end of FY 2015 also considered the existing contracts between Abengoa and Atlantica Yield (or their respective subsidiaries) in order to identify situations that could restrict the independence of Atlantica Yield, concluding that none of those contracts placed limits on the independent operation of Atlantica Yield.

In view of the above, at 31 December 2015 it was considered that the company had in effect lost its control over the holding. Consequently, the company proceeded to deconsolidate Atlantica Yield and its subsidiaries and began carrying them by the equity method.

- Finally, the companies Rioglass Solar and its subsidiaries, which were consolidated into the Consolidated Financial Statements for the year 2014, started to be recorded by the equity method after we lost control over those companies in 2015 (see Note 6.3.b).

6.2. Main acquisitions and disposals

a) Acquisitions

- There were no significant acquisitions during the years 2016 and 2015.

b) Disposals

- During 2016, the most significant disposals were as follows:
  - At the end of January 2016, the sale of the interest in Abengoa Solar Emirates Investment Company B.V. (TASEIC), parent company of Shams Power Company (owner company of a 100MW thermo-solar plant developed by Abengoa in Abu Dhabi) was concluded. As a consequence of this sale Abengoa received an amount of US$30 million and has had a positive impact of €1 million in the Consolidated Income Statement.
  - On March 31, 2016, the sale of the interest in the company Nicefield (owner company of a 70MW wind farm developed by Abengoa in Uruguay) was concluded. This sale concluded with an amount of US$0.4 million, releasing the company´s obligations of US$38 million of debt and its related guarantees, and has a positive impact in the Consolidated Income Statement of €3 million.
  - At the beginning of April 2016, an agreement between Abengoa and Vela Energy, S.L. was closed for the sale of four photovoltaic plants located in the province of Seville and Jaen. The agreement, included in the divestment plan announced by the Company, has contributed with a debt reduction of €50 million, as well as a net cash inflow of €12 million and a negative impact in the Consolidated Income Statements for an amount of €4 million.
  - On April 16, 2016 an agreement between Abengoa and a group of investors (Estudios y Explotaciones de Recursos, S.A.U. Ingeniería de Manutención Asturiana, S.A., Noy Negev Energy, Limited Partnership and Shikun & Binui - Solel Boneh Infrastructure Ltd.) was signed for the transaction of all the Abengoa´s interest until that moment in the Project of Ashalim, consisting on the construction and operation of a 110MW thermo-solar plant located in Ashalim (Israel). The total amount of the transaction has been €64 million and was subjected to a number of conditions including the approval by creditors of the financing terms and the corresponding authorities of the State of Israel. In 2016, all of the conditions have been accomplished and therefore its collection. Such sale transaction has contributed with a negative impact in the Consolidated Income Statement of €17 million (see Note 7).
  - On May 30, 2016, an agreement between Abengoa and Layar Castilla, S.A.U. has been signed for the transaction of all Abengoa´s interest in Explotaciones Varias, S.L. which aims the organization and operation of activities and businesses in relation to the acquisition of agricultural plot and its operation in agricultural, hunting and farming businesses directly, on partnership or by lease, the planting of crops, irrigation works and sanitation. This sale was completed for an amount of €16 million and has contributed with a positive impact in the Consolidated Income Statement of €1 million.
  - At the beginning of June 2016, the agreement between Abengoa and the Company Garney has been closed for the transaction of the 80% Abengoa Vista Ridge LLC´s interest as owner Company of the assets associated to a water and conduction plant in United States. The agreement has contributed to a debt reduction of €105 million and no cash generation. As a consequence, the control over the assets has been transferred. Thus, and according to IFRS 10 – Consolidated Financial Statements, the loss of control over the company has supposed the disposal of all the assets and liabilities associated to the Company at book value on the date in which the loss of control was effective, as well as all minority interest of the Company and the valuation of the 20% interest at fair value at the

date of loss of control. Due to all the above, it has been recorded a positive impact in the Consolidated Income Statement of €74 million (see Note 30.3).

- On July 5, 2016, an agreement between Abengoa and Excellance Field Factory, S.L.U. (affiliate company of Ericsson) was signed for the sale of the deployment and maintenance of communication networks and subscriber loop business, currently operated by Abentel, to such company expressly created by Ericsson. The agreement, subjected to the compliance of certain conditions, involve the collection of €5 million as established and has not had a significant impact in the Consolidated Income Statement of Abengoa.

- On August 3, 2016, the company completed the transaction of the 80% interest that held in the company Fotovoltaica Solar Sevilla, S.A. that corresponds with a photovoltaic solar plantof 1MW of capacity. The total price obtained from the sale reached €3million approximately and has not any significant impact in the Consolidated Income Statement of Abengoa.

- Within the 1G plants sale process in United States (Indiana, Illinois, Nebraska and York) in the Chapter 11 proceeding initiated (see Note 2.1.1), at the end of September the sale of such plants has been closed at the price established by the Court. Such sale has supposed a cash inflow of €128 million without impact in the Consolidated Income Statement given the previous impairment recognized at fair value due to its reclassification as asset held for sale (see Note 7). The net cash received will be distributed according to the liquidation plan to be presented.

- In addition, within the 2G plants sale process in United States (Hugoton) in the Chapter 11 proceeding initiated (see Note 2.1.1), at the end of November the sale of such plant has been closed at the price established by the Court. Such sale has supposed a cash inflow of €46 million without impact in the Consolidated Income Statement given the previous impairment recognized at fair value due to its reclassification as asset held for sale (see Note 7). The net cash received will be distributed according to the liquidation plan to be presented.

- Finally, and following the agreement reached with the infrastructure fund EIG Global Energy Partners ('EIG') on April 7, to establish the Joint Venture (JV) Abengoa Projects Warehouse I, LLP (APW-1) which structure consist of 55% invested by EIG and a remaining non-controlling interest of 45% by Abengoa, it should be note that, at the end of the year, the two asset transfer contributions to such JV were made by Abengoa (one corresponds to the 100% interest on CSP Atacama 1 and PV Atacama 1, solar plant project companies located in the Atacama Desert, Chile, and another second corresponds to a minority interest contribution of the power transmission line assets in Brazil).

After the 2015 year-end close, considering the Company's situation and the fact that this situation was preventing the company from fulfilling certain contractual obligations assumed under the contract signed with EIG for the creation of the APW – 1 joint venture in March 2016, the company began negotiations with the partner to try and reach a new agreement to regulate the relationship between the parties regarding the shares transferred to date, considering the global agreement initially reached for the construction of APW-1. The conclusion of these negotiations was a pre-requisite for the effectiveness of the Restructuring Agreement signed in September 2016. As a result of these negotiations, a new agreement was reached with EIG in the month of October 2016.

As a consequence of that agreement, Abengoa will waive its rights to APW-1 in terms of its participation and the credits to which it was entitled, recognising an impairment expense of 375 million euros in the Consolidated Income Statement as a result. Moreover, the acquisition rights of a minority stakeholding held by APW-1 to certain transmissions lines in Brazil will be transferred to Abengoa in exchange for monetary compensation of 450 million dollars by Abengoa. This monetary compensation is subject to the Restructuring Agreement to which EIG has adhered. As a result, this monetary compensation will be subject to the alternative restructuring conditions which call for 70% to be settled by transferring certain Abengoa shares to EIG and the remaining 30% to be refinanced under the terms of the agreement. In keeping with IAS 39, Abengoa has estimated that the fair value is 128 million euros. Therefore, a financial expense in this amount was recognised in the income statement (see Note 20.5).

Regarding EIG's minority holding in the Brazilian transmission lines, it should be noted that as of 30 June 2016 the shares were owned by APW – I, which means that the transaction was completed in a timely manner. However, under the agreements reached with EIG in October 2016 and in line with what has been previously discussed, the partners of APW-I have committed to take steps needed for the shares to be returned to Abengoa once the debt is recognised by Abengoa as compensation for the breach of contract.

The best estimate as of the present date is that Abengoa will not have to recognise any additional commitments above and beyond those already recognised in relation to APW – 1. This is due to the fact that under the October 2016 agreement with EIG all contracts signed with the partner are terminated and cancelled in their entirety, including the Investment and Contribution Agreement, EIG Commitment Letter, Abengoa Rofo, Brazil Shareholders' Agreement and Abengoa Guarantee. The following contracts are also cancelled: Support Services Agreement and the Transition Agreement.

Finally, regarding note 33.2 on related party transactions, APW-1 has signed contracts with CSP Atacama I and PV Atacama I for solar power plant construction. On this subject, the October 2016 agreement includes an addendum to the original (EPC) solar power plant construction agreement. In addition, it was agreed that Abengoa would find a back-up EPC contractor to participate in the remaining phases of the construction. The documents and materials related to the Abengoa's intellectual property have been deposited into an escrow account. With this information, the back-up contractor would be able to complete the work in the event of an eventual breach by Abengoa as the principal contractor.

› During 2015 financial year, the most significant provisions were as follows:

› Abengoa has closed the sale of certain assets to Atlantica Yield, pursuant to the plan to accelerate the sale of assets approved at the end of 2014 and the beginning of 2015, which was made in compliance with the Right of First Offer agree the details of asset transferred to Atlantica Yield are described below:

- The sales of Solacor 1 and Solacor 2 and PS10 and PS 20 (thermo-solar assets with a combined capacity of 131 MW located in Spain) and Cadonal (wind farm of 50 MW, located in Uruguay) were concluded in early 2015. This sale of assets was completed for a total amount of USD 312 million and it was made pursuant to the Right of First Offer agreement signed between the two companies.

- During February 2015, full stake held in Skikda and Honnaine (two desalination plants in Algeria), as well as 29.6% of the stake held in Helioenergy 1 and 2 (thermo-solar assets in Spain) was sold. The sale of assets has been completed for a total amount of €79.5 million. Furthermore, on June 25, 2015, the sale of the full stake held in transmission lines in Peru (ATN2) (40% stake) has been closed. The sale of assets has been completed for a total amount of €30.1 million.

  As a result of this transaction, Abengoa registered a negative impact of €6 million, recognized in retained earnings reserves, related to the difference between the amount received from the sale, net of expenses, and the net book value of the transferred assets without impact on the consolidated equity.

- On the other hand, as of May 11, 2015, Abengoa reached an agreement with Atlantica Yield to sell a third asset package for total cash proceeds of approximately €610 million (ROFO 3). The transaction was approved by both Atlantica Yield and Abengoa's Board of Directors. Abengoa subscribed a 51 % of the capital increase that Atlantica Yield has placed to finance this acquisition, resulting in a net cash outflow for Abengoa of USD341.7 million (€311 million).

  Regarding this third package, full stake held in Helios 1 and 2 (100 MW solar complex), Solnova 1, 3 and 4 (150 MW solar complex) and the remaining 70.4% stake in Helioenergy 1 and 2, all in Spain, have been sold at the end of May. The sale of assets was completed for a total amount of €503.6 million. In relation to Helioenergy 1 and 2, 29.6% of the stake held by Abengoa had been sold to Atlantica Yield during February 2015 (Abengoa held a 50% stake at the end of 2014) and the acquisition of the 50% stake held by external partners was closed prior to the sale of the remaining stake held by Abengoa.

  As a result of this transaction, Abengoa registered a negative impact of €61 million, recognized in retained earnings reserves, related to the difference between the amount received from the sale, net of expenses and the net book value of the transferred assets without impact on the consolidated equity.

- Additionally, the third asset package included the sale of 51% stake in Kaxu (100 MW solar complex) in South Africa, which was closed on July 30, 2015, for a total amount of USD 120 million (€109.2 million).

  As a result of this transaction, Abengoa registered a negative impact €19 million, recognized in retained earnings reserves, related to the difference between the amount received from the sale net of expenses and the net book value of the transferred assets without impact on the consolidated equity.

- As of July 27, 2015 Abengoa has reached an agreement with Atlantica Yield to sell a fourth asset package (ROFO 4) comprised of two renewable assets. The sale of those assets to Atlantica Yield closed for €277 million. The payment of €19 million is outstanding as of December 31, 2015 which have been collected in 2016. In opinion of the Directors it is expected to be collected in the short term. The assets consist of Solaben 1 and 6 (100MW solar complex), located in Spain and in operation since 2013, which has recently been rated by S&P as BBB. On September 30, 2015, the assets closed their refinancing in the capital markets and the sale to Atlantica Yield was completed. As a result of the aforementioned refinancing, Abengoa registered an additional net cash inflow of €71 million (€25 million on September 30, 2015 and €46 million on October 1, 2015).

  As a result of this transaction, Abengoa registered a negative impact of €7 million, recognized in retained earnings reserves, related to the difference between the amount received from the sale net of expenses and the net book value of the transferred assets without impact on the consolidated equity.

The following table summarizes the assets transferred to Atlantica Yield under the ROFO agreements:

ROFO	Proyect
ROFO 1	Solacor 1 y 2
ROFO 1	PS10 y PS20
ROFO 1	Cadonal
ROFO 2	Skikda
ROFO 2	Honnaine
ROFO 2 y 3	Helioenergy 1 y 2
ROFO 2	ATN2
ROFO 3	Helios 1 y 2
ROFO 3	Solnova 1, 3 y 4
ROFO 3	Kaxu Solar One
ROFO 4	Solaben 1 y 6

- During December 2015, and as a consequence of the agreement reached with the holder non-controlling shareholder of Rioglass Solar, control over the company was transferred. Accordingly, as established by IFRS 10, Consolidated Financial Statements, the loss of control over the company and its subsidiaries led to the recognition from the Financial statements of all the assets and liabilities related to those companies at their book values at the date when control was lost as well as all non-controlling interest on those companies. Additionally, the investment retained was recognized at its fair value at the date when control was lost. This operation had no significant impact in the Consolidated financial statement at the end of 2015

- During May 2015, the Company has concluded the sale of the stake of 51% in Linha Verde Transmissora de Energia S.A. ("Linha Verde").

6.3. Business combinations

- There are no new significant business combinations in the Group in FY 2016.

- The most significant business combinations in FY 2015 were as follows:

  - During February 2015, Consolidation of Kaxu Solar One, Ltd., the company that owns the thermo-solar plant in Kaxu, in South Africa, previously accounted through the equity method, began during February 2015, once control over this company was obtained as it entered a stage in which relevant decisions were no longer subject to the control and approval of the Public Administration. This change of control of the company and its consolidation meaned that its assets and liabilities had been integrated according to IFRS 3 ('Business combinations') with no significant differences arising between the book value in Abengoa's consolidation and its fair value.

    The assets and liabilities related to Kaxu Solar One, Ltd. consolidated at the date of control acquisition are shown in the following table:

	Amount at the date of taking control
Non-current assets	502,807
Current assets	16,002
Non-current and current liabilities	(480,084)
Equity	(38,725)

Furthermore, there were no significant contingent liabilities in the above project. Lastly, revenue and profit or loss of Kaxu Solar One, Ltd since the taking of control through December 31, 2015 were €44,968 thousand and a loss of €19,815 thousand, respectively. The aforementioned amounts of revenue and profit or loss for the current reporting period, as though the taking control date would have occurred on January 1, 2015, did not differ significantly from those recorded since the date when control was obtained outlined above.

The sale of Kaxu Solar One to Atlantica Yield was closed on July 30, 2015, in compliance with the Right of First Offer agreement signed between Abengoa and Atlantica Yield (see Note 6.2).

At the end of the year ended December 31, 2015, as Kaxu Solar One, Ltd became an Atlantica Yield´s subsidiary and was integrated by the equity method within the Consolidated Statements of Financial Position (see Note 11).

› Consolidation of project companies Helioenergy 1 and 2 (thermo-solar assets with a capacity of 100MW in Spain), previously accounted through the equity method, began on April 29, 2015, once control over these companies was obtained as result of the acquisition of the 50% stake hold from external partners, bringing the holding in Helioenergy 1 and 2 to 100%.This acquisition brought Abengoa a cash outflow of €38.8 million. This change of control of the companies and consequently their consolidation meaned that their assets and liabilities had been integrated according to IFRS 3 ('Business combinations') with no significant differences arising between the book value in Abengoa's consolidation and their fair value.

The amount of assets and liabilities related to Helioenergy 1 & 2 consolidated at the date of taking control is shown in the following table:

Current and non-current	Notas de memoria
Financial debt	Note 19 Project debt y Note 20 Corporate financing
Lease-back	Note 20 Corporate financing
Finance lease	Note 20 Corporate financing
Borrowings and other loans	Note 20 Corporate financing
Trade and other accounts payable	Note 25 Trade payables and other current liabilities
Derivatives and hedging instruments	Note 14 Derivative financial instruments
Other liabilities	Note 21 Grants and other liabilities

Furthermore, there were no significant contingent liabilities in the above projects. Lastly, revenue and profit or loss of Helioenergy 1 & 2 since the taking of control was €44,805 thousand and an income of €4,856 thousand, respectively. The aforementioned amounts of revenue and profit or loss for the current reporting period, as though the taking control date had occurred on January 1, 2015, were €57,690 thousand and an income of €5,088 thousand, respectively.

In addition, during 2015 the sale of Helioenergy 1 & 2 to Atlantica Yield was closed, in compliance with the Right of First Offer agreement signed between Abengoa and Atlantica Yield (see Note 6.2).

Therefore, at the end of year 2015, as Helioenergy 1 & 2 became an Atlantica Yield's subsidiaries and were integrated by equity method within the Consolidated Statements of Financial Position (see Note 11).

Note 7.- Non-current assets held for sale and discontinued operations

The asset disinvestment plan started at the end of 2014. Abengoa's Board of Directors, on September 23, 2015, aimed to reinforce its financial structure through the implementation of the plan through the sale or partial divestment, in case of external equity partners, of certain assets through a new plan that involves the divestment of those assets included in the initial plan which had not been sold at that date, as well as the new assets which were incorporated. Based on this initial plan, others assets have been incorporated given the situation of the Company and the Updated Viability Plan approved by the Board of Directors last August 3, 2016 (see Note 2.1.1) with a view to creating a single asset disinvestment plan.

7.1. Assets in the asset disinvestment plan

The table below shows the included assets of such plan at December 31, 2016. These assets are classified (see Note 6.3) as non-current assets and liabilities held for sale in the Consolidatedstatement of financial position because of the compliance of all the stipulations and requirements of IFRS 5, 'Non-Current Assets Held for Sale and Discontinued Operations':

Asset	Details	Capacity	Net book value of asset 2016 (5)	Net book value of asset 2015 (5)
Solar Power Plant One (SPP1)	Combine cycle in Algeria	150 MW	193,762	222,499
Manaus Hospital / Concecutex	Concessions in Brazil and Mexico	300 camas / 10.000 personas	193,986	157,820
Khi Solar One / Xina Solar One	Solar plants in South Africa	150 MW	397,545	155,308
Tenés / Ghana / Chennai	Desalination plants	360.000 m3/día	315,391	341,872
Abent 3T & ACC4T (2)	Cogeneration plant in Mexico	840 MW	541,811	1,319,284
Atacama 2 (2)	Solar platform in Chile	280 MW	35,150	490,062
Ashalim (1)	Solar plant in Israel	110 MW	-	74,101
Norte III	Combine cycle in Mexico	924 MW	272,572	159,074
ATN 3, S.A. (2)	Transmission lines in Peru	355 km	75,460	77,388
Bioethanol (3)	1G and 2G Bioethanol plant in USA, Europe and Brazil	3.200 ML	725,189	3,035,897
ATE IV-VIII, XVI-XXIV, Manaus y Norte Brasil (4)	Transmission lines in Brazil	9.750 km	1,614,589	2,030,654
Sociedades fotovoltaicas (1)	Solar plants in Spain	11,7 MW	-	52,730
Shams (1)(2)	Solar plants in Abu Dhabi	100 MW	-	18,535
Nicefield S.A (1)	Widn farm in Uruguay	70 MW	-	62,300

(1) Sold during 2016.

(2) Companies related to assets held for sale at December 31, 2015. Circumstances and loss of control of these companies since last August 2015 (see Note 2.1) have delayed the rotation process. However, the intention of Directors remains to sale such companies as established in the Updated Viability Plan approved by the General Shareholders meeting in August 2016.

(3) 1G and 2G plants in USA have been sold during September and December 2016 (see Note 6.2).

(4) €1,454 million correspond to transmission lines in operation.

(5) Carrying amount of assets after the impairment recognized based on its fair value when applicable see Note 7.2).

Additionally, as a consequence of the different open sale proceedings and the discontinuance of the Bioenergy and Brazilian transmission lines businesses based on the Updated Viability Plan of Abengoa, and due to their significant activities developed within Abengoa, they have been classified in the Income Statement, as well as, the cash flow statement for the period ended December 31, 2016, and 2015, to Discontinued operations in the Consolidated Income Statement and the consolidated cash flow statement, in compliance with all assumptions and requirements of the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations'.

7.2. Asset impairment analysis

The main standards applied to the analysis of fair value andthe calculation of possible impairment in the value of assets held for sale when fair value less the cost of sale is less than the carrying value are discussed below.

For cases where there is a difference between the carrying value and fair value, an impairment loss is recognised in the Consolidated Income Statement at December 31, 2016.

The table below summarises the impairment losses arising as the difference between book value and fair market values less the cost of sale (in millions or euros):

Item	Net book value (1)	Fair value	Amount
Bioethanol (1G and 2G plants in USA) (*)	2,258	1,375	(883)
Bioethanol (1G plants in Brazil) (*)	1,643	938	(705)
Transmission lines in Brazil (in operation) (*)	1,640	1,472	(168)
Transmission lines in Brazil (in construction) (*)	964	142	(822)
Solar (Atacama platform in Chile)	945	490	(455)
Power generation (Abent 3T and ACC4T plants)	2,438	1,490	(948)
Khi Solar One / ATN3	653	563	(90)
Tenés / Ghana / Chennai	108	75	(33)
Solar Power Plant One (SPP1)	212	194	(18)
			(4,122)

(*)Registered as Profit (loss) from discontinued operations.

(1) Book value before the impairment based on its fair value

a) Bioethanol segment assets

The assets connected with the 1G and 2G bioethanol plants in the United States (Indiana, Illinois, Nebraska, York and Hugoton) and the 1G plant in Brazil has been recognised at fair value less the cost of sale, since this was less than the book value.

The calculation of fair value was based on the anticipated recovery value after the sale, considering the prices of the offers received in each one of the sale processes involving those assets, which in the USA has been concluded at the end of September and December (see Note 6.2).

The most significant changes in the key assumptions compared to the 2015 year-end were brought about by the circumstances and events that occurred throughout 2016 involving the bioenergy assets (open sales processes and approval of the Updated Viability Plan). This led to the decision by the directors to sell the bioenergy segment (and therefore not to include it in Abengoa's Updated Viability Plan) and as a consequence to classify the bioenergy segment assets under the heading of non-current assets and liability held for sale on the consolidated balance sheet at 31 December 2016, since all of the suppositions and requirements of IFRS 5, "non-current assets held for sale and discontinued operations" were met. Therefore, as of 31 December 2015 the impairment analysis was based on the continued use of the assets at their recoverable value calculated as value-in-use as it was greater than fair less cost to sale, which was estimated using the cash flows from each project.

The change in the key assumptions considered led to the recognition at the 2016 year-end of an impairment loss of €883 million for the 1G and 2G plants in the USA (Indiana, Illinois, Nebraska, York and Hugoton) and €705 million for the 1G plants in Brazil.

b) Assets associated with the Brazil transmission lines

The assets related to transmission lines in Brazil were accounted at the end of 2016 for at fair value less the cost of sale, which is less than the book value.

The calculation of fair value was based on the expected recovery value after the assets were sold, considering the purchase prices offered for the operational assets and the settlement prices assigned in the sales plan presented as part of the recovery plan considered in the legal proceedings underway in Brazil (see Note 2.1) for lines under construction.

The main change in the key assumptions compared to those considered at December 31, 2015 was brought about by the circumstances and events that occurred in 2016 in relation to the ongoing legal actions for recovery involving the companies that owned the transmission line assets. This led the directors to consider selling the transmission lines in Brazil as part of Abengoa's Updated Viability Plan and as a consequence to classify the assets and liabilities related to the transmission line business in Brazil under the heading of non-current assets and liabilities held for sale in the consolidated statement of financial position at December 31, 2016, since all of the suppositions and requirements of IFRS 5 "non-current assets held for sale and discontinued operations" had been met. Therefore, as of 31 December 2015 the impairment analysis was based on the continued use of the assets at their recoverable value calculated as value-in-use, which was estimated using the cash flows from each project and it was higher than fair value less cost to sale.

The change in such key assumptions considered led to the recognition of an impairment loss of €168 million for the transmission lines in operation and €822 million for the lines under construction at the 2016 year-end.

c) Cogeneration and other assets in Mexico

The assets linked to generation plants in Mexico (Abent 3T and ACC4T) were recognised at fair value less the cost to sell, since this is less than the carrying value.

The calculation of fair value was based on the anticipated recovery value following the sale, using market variables adapted to the specific situation of each asset included in the Updated Viability Plan approved by the company in August 2016.

The recovery value was obtained using the discounted cash flow method, applying a Weighted Average Cost of Capital of 11.5% and 9.1% for the Tercer Tren and Cuarto Tren co-generation plants, respectively, without applying growth rates.

The main change in the key assumptions compared to those considered at 31 December 2015 were the result of updating the macroeconomic variables of the models (inflation, interest rate, risk-free rate, country risk etc.) as well as the expected sale price of power based on the most recent auctions. Additionally, in the case of ACC4T, as a consequence of the current situation of the project, with an additional investment need of €516 million, and given the limitations of the Company to obtain funds in the financial market to be able to finance the investment, the Company has revaluated the leverage hypothesis.

The change in such key assumptions under consideration led to the recognition of an impairment loss of €948 million for the difference between carrying value and fair value less the cost of sale.

d) Assets connected to the solar segment in Chile

Assets related to the solar plants located in Chile (Plataforma Solar Atacama) were carried at fair value less the cost to sell because this is less than the book value.

The calculation of recovery value was based on the higher value between the fair value less cost to sell and the value in use, in which has been used the market variables adapted to the specific situation of each asset included in the Updated Viability Plan approved by the company in August 2016.

The recovery values were obtained using the discounted cash flow method, applying a Weighted Average Cost of Capital of 6.4% without any growth rate.

The main change in the key assumptions compared to those considered at 31 December 2015 were the result of updating the macroeconomic variables of the models (inflation, interest rate, risk-free rate, country risk etc.) as well as the expected sale price of power based on the most recent auctions.

The change in the key assumptions under consideration led to the recognition of an impairment loss of €455 million as the difference between carrying value and fair value less the cost to sell.

e) Other assets classified as held for sale

At December 31, 2016 the other assets classified as held for sale are SPP1, Hospital Manaus, Concecutex, Khi, Xina, Tenés, Ghana, Chennai and Norte III and ATN3.

Concecutex, Ghana, Chennai, Xina and Norte III are carried at what their book value was prior to being classified as held for sale (the carrying value being less than fair value less cost to sell.

The calculation of fair value was based on the anticipated recovery value following the sale, using market variables adapted to the specific situation of each asset included in the Updated Viability Plan approved by the Company in August 2016.

Since they are all concession-type assets they share certain similarities with respect to duration, which is limited, and financing, which usually entails long-term project financing in the operational phase, the estimate of recovery value is based on projected cash flows through the end of the asset's useful life, which normally coincides for the most part with the life of the concession. In the few cases in which has been considered the terminal value of the asset, it has supposed an insignificant value in comparison with the whole value of the asset.

The use of these financial forecasts is based on the fact that the concession assets are characterised by a contractual structure (framework agreement) that allows the project to be clearly identified (both in the initial investment phase and in the operational phase) and makes it possible to reasonably project revenues over the useful life, since they are regulated by long-term "take or pay" or "PPA" (power purchase agreement) type agreements.

The forecasts include all known data based on project agreements as well as fundamental assumptions provided by specific studies conducted by experts, such as demand and production hypotheses. In addition, macroeconomic data are projected (exchange rates, interest rates, etc.). In the case of inflation, revenues are contractually indexed and consistent with expenditure inflation considered.

› Solar Power Plant One (SPP1)

The Hassi R'Mel hybrid solar-gas plant, commissioned in 2011, has signed a 25-year PPA that accounts for most of the project's key variables. This plant's revenues are based on the signed PPA contract that establishes the sale price of electricity over the entire life of the plant. On the other hand, the operating and maintenance expenses are based on already signed contracts which coincide with the lifetime of the plant.

For the initial calculation of discount rates Abengoa relies on the reports of independent experts, the last one being prepared by AFI, International Financial Analysts, in September 2015. For each subsequent closing the inputs used to calculate the discount rate were updated using a similar methodology.

The recovery value has been obtained through a discounted cash flow annalisys appliying a weighted average cost of capital of 10.4%. No growth rate has been applied. The main change in the hypothesis taken into consideration in comparison to those applied at December 31, 2015 comes from a change in the discount rate applied in the valuation model, of a more conservative country risk rate, aligning it with the perception of country risk of an international buyer without previous presence in Algeria.

A change in the applied discount rate mainly by the country risk considerated. The change in the key hypothesis has supposed a loss of €18 million due to the difference between the book value and its fair value less cost to sale.

› Hospital Manaus/Concecutex

Both the Hospital of Manaus in Brazil and Concecutex (Centro Cultural Mexiquense de Oriente Cultural) in Mexico are 20 and 21 years respectively concessions with public-private participation. This includes building construction, outfitting, maintenance and management of the building over the life of the contract in exchange for a fee.

The recovery values have been obtained using the discounted cash flow method, applying a discount rate of 15.1% to Hospital de Manaus and 14.2% to Concecutex. Growth rates in either case have not been applyied.

In the case of Manaus Hospital, the company is subsidiary of Abengoa Construçao Brasil, which is in the judicial recuperation proceeding, whic is the reason why no recuperable equity value has been considered.

In the specific case of Concecutex, the discount rate is supported by the reports of independent experts, the latest one by AFI, International Financial Analysts, in September 2015. For each subsequent closing the inputs used to calculate the discount rate were updated using a similar methodology.

› Norte III

The cogeneration plant in Northern Mexico III, Abeinsa Juárez Norte III, S.A. Of C.V., has signed a 25 year PPA that determines most of the key variables of the project. This plant's revenues are based on the signed PPA contract that establishes the sale price of electricity over the entire life of the plant. On the other hand, the operation and maintenance expenses of the plant are projections of the company's historical data.

The recovery values were obtained through fair value less cost to sale. Such fair value takes into account the estimated price to sell under negotiation with a third party, with which a memorandum of understanding has been reached in January 2017.

› Xina Solar One

The thermo-solar plant in South Africa Xina has signed a PPA for 20 years which determines the majority of key variables of the project. Revenues are based on a contract PPA signed which establish the price to sell electricity during the major part of the plant lifetime. On the other hand, operational and maintenance expenses are based on already signed contracts which coincide with the plant lifetime.

The recoverable value has been obtained through a discounted cash flow method, applying a discount rate of 9.9% without any growth rate.

For the calculation of discount rate Abengoa relies on the reports of independent experts, the last one being prepared by AFI, International Financial Analysts, in May 2015. For each subsequent closing the inputs used to calculate the discount rate were updated using a similar methodology.

The recoverable value calculated is 157% higher than the book value the plant Xina. A sensitivity analysis was carried out, especially in relation to the discount rate used and the changes in the key variables of business, being necessary a production of electricity below the 70% of the discount rate of the plant Xina, or a delay in the entry into operation higher than 7 months in order to have a repercussion on the recovery of the asset.

› Khi

The Khi solar thermal power plants in South Africa has been accounted at its fair value less cost to sale given its lower amount than the book value. Such fair value has been obtained from its recovery value after its sale though a discounted cash flow analysis applying a discount rate of 10.1%, and no growth rate.

Khi thermo-solar plant, which entered into operation at the end of 2016, has signed PPAs for 20 years, which determine most of the key variables of project. These plant' revenues are based on the signed PPA contract that establish the sale price of electricity over the entire life of the plant. On the other hand, the operation and maintenance expenses are based on already signed contracts which coincide with the plant lifetime.

The main change in the key hypothesis in comparison with the considerated at December 31, 2015 comes from the facts and circumstances that took place during 2016 which have triggered problems in the ramp up process of the plant and therefore the update of inputs related with the production of the plant and the consequently penalties.

The change in the considered key hypothesis has supposed an impairment loss of €73 million due to the difference between the book value and its fair value less cost to sell.

› Tenés / Ghana / Chennai

The Tenés, Ghana and Chennai desalination plants located in Algeria, Ghana and India have all signed PPAs for 25 years, which determine most of the key variables for each project. The revenues from these plants are based on the signed PPA contracts which establish the sale price of desalinated water throughout the life of the plants. On the other hand, the operation and maintenance expenses are based on already signed contracts that coincide with the plant lifetime.

For the calculation of discount rates Abengoa relies on the reports of independent experts, the last one being prepared by AFI, International Financial Analysts, in September 2015. For each subsequent closing the inputs used to calculate the discount rate were updated using a similar methodology.

In relation with Tenes, the recovery value has been obtained through a discounted cash flow annalisys appliying a discount rate of 10.2% and no growth rate. The main change in the considered hypothesis in comparison with the considered in December 2015, 31 comes from a change in a more conservative discount rate applied aligning it with the perception of country risk of an international buyer without previous presence in Algeria. The change in the key considered hypothesis has supposed a loss of €33 million as a difference between its book value and its fair value less cost to sale.

Both for Ghana and Channai, the net book value corresponds to the recovery value, which has been obtained through the fair value less cost to sale. Such fair value takes into account the expected price of sale which is being negotiated with a third party.

› ATN3

The transmission line in Perú ATN3 has been registered at its fair value less cost to sale due to its lower amount in books. Such fair value has been obtained given its expected recovery value in the offers received in the sale transaction process.

The main change in the considered hypothesis in comparison with the considered in December 2015, 31 comes from the offer received with lower prices than its book value given the facts and circumstances during 2016 which have triggered the deceleration in works of construction and the corresponding loss of value of the asset. The change in the key hypothesis considered has supposed an impairment loss of €17 million as the difference between the book value and its fair value less cost to sale.

7.3 Detail of assets held for sale

At 31 December 2016 and 2015, the details of assets and liabilities classified under assets and liabilities held for sale in the consolidated statement of financial position are as follows:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Property plant and equipment	227,589	-
Fixed assets in projects	4,033,198	3,021,586
Investments in associates	104,542	163,667
Financial investments	257,586	3,306
Deferred tax assets	554,328	11,298
Current assets	727,249	31,589
Project debt	(2,136,622)	(923,497)
Corporate financing	(439,951)	-
Other non-current liabilities	(490,615)	(168,537)
Other current liabilities	(819,349)	(74,976)
Total net assets and liabilities held for sale	**2,017,955**	**2,064,436**

7.4. Details of discontinued operations

a) Brazilian transmission lines segment

› At December 31, 2016 and 2015, the details of the companies which owned the concession assets of the Brazilian transmission lines which were restated under the heading of profit (loss) from discontinued operations on the income statement are as follows:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Revenue	131,531	141,830
Other operating income	15,889	(1,107)
Operating expenses (*)	(1,055,945)	(252,464)
I. Operating profit	(908,525)	(111,741)
II. Financial expense, net	(94,525)	(59,175)
III. Share of profit/(loss) of associates carried under the equity method	204	214
IV. Profit before income tax	(1,002,846)	(170,702)
V. Income tax benefit	(4,488)	(1,455)
VI. Profit for the period from continuing operations	(1,007,334)	(172,157)
VII. Profit attributable to minority interests	(484)	38
VIII. Profit for the period attributable to the Parent Company	**(1,007,818)**	**(172,119)**

(*) The impairment recognized over the assets amounts to 990 million (see Note 7.1).

› Additionally, the details of the cash flow statements of the companies that own the concession assets of the Brazilian transmission lines at December 31, 2016 and 2015 which were reclassified under the heading of discontinued operations are as follows:

Item	12.31.16	12.31.15
Profit for the year from continuing operations adjusted by non monetary items	90,483	105,936
Variations in working capital	(48)	437,080
Interest and income tax received / paid	(44,285)	(55,286)
A. Net cash provided by operating activities	**46,149**	**487,730**
B. Net cash used in investing activities	**(24,582)**	**(515,025)**
C. Net cash provided by financing activities	**(21,157)**	**42,237**
Net increase/(decrease) in cash and cash equivalents	411	14,942
Cash, cash equivalents and bank overdrafts at beginning of the year	29,844	22,989
Translation differences cash or cash equivalent	7,639	(8,087)
Cash and cash equivalents at end of the year	**37,893**	**29,844**

b) Bioenergy segment

› At December 31, 2016 and 2015, the details of the bioenergy business that was restated under the heading of profit (loss) from discontinued operations on the income statement are as follows:

Item	2016 (*)	2015
	1,005,337	1,966,887
Revenue	40,970	73,175
Other operating income	(3,030,421)	(2,197,815)
Operating expenses (*)	(1,984,114)	(157,753)
I. Operating profit	(106,347)	(111,810)
II. Financial expense, net	-	-
III. Share of profit/(loss) of associates carried under the equity method	(2,090,461)	(269,563)
IV. Profit before income tax	(254,582)	66,994
V. Income tax benefit	(2,345,043)	(202,569)
VI. Profit for the period from continuing operations	(420)	3,567
VII. Profit attributable to minority interests	**(2,345,463)**	**(199,002)**

(*) Includes the impairment recognized over the assets amounted to €1,658 million (see Note 7) as well as the impact due to the loss of control of Abengoa Bioenergy Netherlands, B.V. amounted to €454 million (see Note 8.2), and the impairment over tax credits amounted to €119 million (see Note 24).

› Additionally, the details of the cash flow statements of the bioenergy business at December 31, 2016 and 2015 which were reclassified under the heading of discontinued operations are as follows:

Item	12.31.16	12.31.15
Profit for the year from continuing operations adjusted by non monetary items	(194,725)	37,731
Variations in working capital	(11,116)	(208,484)
Interest and income tax received / paid	(13,789)	(41,397)
A. Net cash provided by operating activities	**(219,629)**	**(212,151)**
B. Net cash used in investing activities	**336,950**	**(134,433)**
C. Net cash provided by financing activities	**(202,458)**	**(42,000)**
Net increase/(decrease) in cash and cash equivalents	(85,137)	(388,584)
Cash, cash equivalents and bank overdrafts at beginning of the year	297,257	674,785
Translation differences cash or cash equivalent	14,859	11,055
Cash and cash equivalents at end of the year	**226,979**	**297,257**

Note 8.- Intangible assets

8.1. The detail of variations in 2016 of the main categories included in intangible assets divided into internally generated and other intangible assets is show as follows:

Cost	Goodwill	Development assets	Other	Total
Total cost as of December 31, 2015	364,429	1,241,032	185,497	1,790,958
Additions	-	3,127	-	3,127
Disposals and decreases	-	-	(11,391)	(11,391)
Translation differences	-	446	308	754
Transfer to assets held for sale	(308,922)	(894,601)	(26,933)	(1,230,456)
Total cost as of December 31, 2016	**55,507**	**350,004**	**147,481**	**552,992**

Accumulated Amortization and Impairment	Goodwill	Development assets	Other	Total
Total amort. as of December 31, 2015	-	(256,769)	(88,212)	(344,981)
Additions (amortization)	-	(41,706)	(14,145)	(55,851)
Additions (impairment)	(55,507)	(105,762)	(1,608)	(162,877)
Disposals	-	-	7,628	7,628
Translation differences	-	(416)	(286)	(702)
Change in consolidation	-	(130)	7,088	6,958
Transfer to assets held for sale		54,779	18,151	72,930
Total accum Amort. and Impairment as of December 31, 2016	**(55,507)**	**(350,004)**	**(71,384)**	**(476,895)**
Net balance at December 31, 2016	**-**	**-**	**76,097**	**76,097**

The most significant variation during 2016 mainly corresponds to a decrease caused by the reclassification as assets held for sale of intangible assets related to the Bioenergy business segment given the compliance of all conditions and requirements of the IFRS5 – "non-current assets held for sale and discontinued operations" after its exclusion as continuing operations in the Updated Viability Plan approved by the Company´s Directors. In relation to the aforementioned, intangible assets related to Bioenergy in Brazil (1G plants) and in United States (Hugoton 2G plant) that, after the beginning of their respective sale processes and given that their carrying value are higher than their fair value less cost to sell (taking into account as a reference the price in purchase offer to estimate the fair value), there is an impairment loss of such assets in the Consolidated Income Statement, classified as profit from discontinued operations (see Note 7).

Additionally, there has been a decrease due to the impairment registered over certain intangible assets (goodwill, and development assets) pertaining to the Engineering and Construction segment, due to the uncertain recovery given the problems arisen during the period to keep the activity in an appropriate way because the current situation of the Company. In accordance with the available information for the Directors and based on the best estimates, an expense for such concept amounted of €163 million for has been recorded in the Consolidated Income Statement at December 31, 2016.

8.2. The detail of variations in 2015 of the main categories included in intangible assets divided into internally generated and other intangible assets is show as follows:

Cost	Goodwill	Development assets	Other	Total
Total cost as of December 31, 2014	487,645	1,063,405	295,478	1,846,528
Additions	-	125,764	27,026	152,790
Disposals and decreases	-	-	(41,527)	(41,527)
Translation differences	(80,645)	83,227	5,315	7,897
Change in consolidation	(38,909)	(1,064)	(101,388)	(141,361)
Reclassifications	-	(30,300)	593	(29,707)
Transfer to assets held for sale	(3,662)	-	-	(3,662)
Total cost as of December 31, 2015	**364,429**	**1,241,032**	**185,497**	**1,790,958**

Accumulated Amortization and Impairment	Goodwill	Development assets	Other	Total
Total amort. as of December 31, 2014	-	(192,587)	(85,567)	(278,154)
Additions (amortization)	-	(49,536)	(22,341)	(71,877)
Additions (impairment)		(12,998)	(7,442)	(20,440)
Disposals	-	-	1,024	1,024
Translation differences	-	(2,567)	(477)	(3,044)
Change in consolidation	-	919	26,741	27,660
Reclassifications	-	-	(150)	(150)
Total accum Amort. and Impairment as of December 31, 2015	**-**	**(256,769)**	**(88,212)**	**(344,981)**
Net balance at December 31, 2015	**364,429**	**984,263**	**97,285**	**1,445,977**

The decrease in the cost of goodwill was due to the conversion differences caused by the appreciation of the US dollar and the depreciation of the Brazilian real against the Euro, as well as the decrease of goodwill and other intangible assets related to Rioglass Solar once lost its control and integrated by the equity method.

According to the information available to the Directors, and based on the best estimates, during the year 2015, an impairment charge of approximately €20 million related to Engineering and Construction segment, was recognized in intangible assets mainly related to R&D investments amounting to €13 million due to its doubtful recovery given the current problems and the situation of the Company which was resulted in the filing of the communication provided by the article 5 bis of Ley Concursal (see Note 2.1.1 Basis of Presentation). The methodology used for the valuation of the impairment losses and discount rates are described in Note 2.8.

8.3. There are no intangible assets with indefinite useful life other than goodwill. There are no intangible assets with restricted ownerships or that may be under pledge as liabilities guarantee.

Note 9.- Property, plant and equipment

9.1. The table below shows the detail and movement on the different categories of Property, plant and equipment (PP&E) for 2016:

Cost	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Total balance as of December 31, 2015	485,721	1,219,863	56,589	104,992	1,867,165
Additions	37,980	1,659	-	1,237	40,876
Disposals and decreases	(3,931)	(23,920)	(3,768)	(11,681)	(43,300)
Translation differences	1,039	4,528	46	1,239	6,852
Change in consolidation	(261,011)	(311,374)	(1,863)	(96)	(574,344)
Reclassifications	479	319	-	(9)	789
Transfer to assets held for sale	(93,635)	(745,229)	(48,668)	(30,497)	(918,029)
Total Balance as of December 31, 2016	**166,642**	**145,846**	**2,336**	**65,185**	**380,009**

Accumulated Amortization and Impairment	Buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Total accum. deprec. as of December 31, 2015	(125,876)	(512,300)	-	(74,915)	(713,091)
Additions (amortization)	(4,447)	(9,971)	-	(14,709)	(29,127)
Additions (impairment)	(14,723)	-	-	-	(14,723)
Disposals and decreases	-	15,258	-	20,823	36,081
Translation differences	(14)	(457)	-	(454)	(925)
Change in consolidation	18,594	79,710	-	96	98,400
Reclassifications	-	941	-	14,734	15,675
Transfer from assets held for sale	55,482	361,108		(11,451)	405,139
Total accum. Amort. and Impairment as of December 31, 2016	**(70,984)**	**(65,711)**	**-**	**(65,876)**	**(202,571)**
Net balance at December 31, 2016	**95,658**	**80,135**	**2,336**	**(691)**	**177,438**

The most significant variation during the period ended December 31, 2016, mainly corresponds to the decrease generated by the exit of the consolidation perimeter of Abengoa Bioenergy Netherlands, B.V. after its loss of control over this company as a consequence of the beginning of the liquidation process after the declaration of bankruptcy in May (see Note 2.1.1). In this way, and in accordance with the IFRS 10 – Consolidated Financial Statements, the loss of control over this Company has generated the disposal of all the assets and liabilities related to the Company at book value on the date in which the loss of control was effective, as well as the recognition of the retained interest over this company. Additionally, all assets and liabilities arisen after the loss of control have been recorded at fair value. Given the situation of bankruptcy of the company, the investment fair value has been

obtained based on the recovery amount after the finalization of the liquidation process (no recovery value), recognizing an impairment charge amounted to €454 million in the Consolidated Income Statement as results from discontinued operations, consequence of its reclassification as assets held for sale like all assets and liabilities related to the Bioenergy business segment (see Note 7). Additionally, as a consequence of the financial support given by its parent company Abengoa Bioenergía, S.A. to Abengoa Bioenergy Netherlands, B.V. there is a liability amounted to €96 million (classified as other loans and borrowings) as a claim made by the liquidator.

Additionally to the aforementioned, there is a decrease due to the reclassification as assets held for sale, of the rest of net assets related to the Bioenergy business segment given the compliance of all conditions and requirements of the IFRS5 – "non-current assets held for sale and discontinued operations" after its exclusion as continuing operations in the Updated Viability Plan by the Company Directors. In relation to the aforementioned, there are assets of 1G bioethanol plants in United States (Nebraska and York) that, after the beginning of the sale process initiated within the Chapter 11 proceedings (see Note 2.1.1) and given that the carrying amount is greater than its fair value less cost to sell (taking into account as a reference the price in purchase offer to estimate the fair value), there is an impairment expense in the Consolidated Income Statement, classified as Profit (loss) from discontinued operations (see Note 7).

Finally, it should be noted that there is a decrease caused by the impairment registered in Technical facilities and machinery, as well as in certain lands and constructions not affected to the Abengoa´s business given their uncertain future recoverability given the current situation of the Company. In accordance with the available information by Directors and based on best estimations, there is an expense for such concept in the depreciation, amortization and impairment charges line in the Engineering and Construction segment amounted to €15 million

9.2. The detail and the evolution in each category included in the assets in projects as of December 31, 2015 is as follows:

Cost	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Total balance as of December 31, 2014	513,103	1,303,197	59,441	103,392	1,979,133
Additions	13,974	8,089	8,365	9,136	39,564
Disposals and decreases	(9,968)	(11,100)	-	(5,222)	(26,290)
Translation differences	(4,121)	27,864	1,932	(917)	24,758
Change in consolidation	(30,845)	(108,412)	(3,148)	(1,437)	(143,842)
Reclassifications	3,578	225	(10,001)	40	(6,158)
Total Balance as of December 31, 2015	**485,721**	**1,219,863**	**56,589**	**104,992**	**1,867,165**

Accumulated Amortization and Impairment	Buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Total accum. deprec. as of December 31, 2014	(117,892)	(515,207)	-	(58,721)	(691,820)
Additions (amortization)	(8,358)	(13,130)	-	(16,810)	(38,298)
Additions (impairment)	(4,800)	(48,160)	-	(4,000)	(56,960)
Disposals and decreases	499	5,729	-	3,205	9,433
Translation differences	190	(14,962)	-	563	(14,209)
Change in consolidation	4,670	73,478	-	854	79,002
Reclassifications	(185)	(48)	-	(6)	(239)
Total accum. Amort. and Impairment as of December 31, 2015	**(125,876)**	**(512,300)**	**-**	**(74,915)**	**(713,091)**
Net balance at December 31, 2015	**359,845**	**707,563**	**56,589**	**30,077**	**1,154,074**

During 2015, the decrease of Property, plant and equipment (PP&E) cost was mainly due to the disposal of all the assets related to Rioglass Solar once lost its control and, therefore, consolidated by the equity method (see Note 6.2).

According to the information available to the Directors, and based on the best estimates, during the year 2015, there was an impairment charge of approximately €57 million, of which €47 million were contributed by thermo-solar investments projects impairment located in US due to its doubtful recovery given the current problems and the situation of the Company which has resulted in the filing of the communication provided by the article 5 bis of Ley Concursal (see Note 2.1.1 Basis of Presentation). The aforementioned impairment losses corresponded to assets related to Engineering and construction segment (€40 million) and Bioenergy segment (€17 million). The methodology used for the valuation of the impairment losses and discount rates are described in Note 2.8.

9.3. Property, plant and equipment not assigned to operating activities at the year-end is not significant.

9.4. The companies' policy is to contract all insurance policies deemed necessary to ensure that all Property, plant and equipment is covered against possible risks that might affect it.

9.5. The amount of interest costs capitalized included in PP&E at December 31, 2016 was zero euros (€5,341 thousand in 2015).

9.6. At the end of 2016 and 2015, Property, Plant and Equipment include the following amounts where the group is a lessee under a finance lease:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Capitalized finance-lease cost	2,998	16,575
Accumulated depreciation	(701)	(3,167)
Net carrying amount	2,297	13,408

9.7. The cost of land included in the land and buildings subcategory amounted to €17,515 thousand at December 31, 2016 (€73,661 thousand in 2015).

9.8. The table below sets out the information related to those assets constructed by the Group during 2016 and 2015 classified under the heading Property, plant and equipment of the Consolidated Statement of Financial Position:

Item	12.31.16	12.31.15
Property, plant and equipment constructed by the Group (accumulated)	47,276	945,665
Revenue generated by property, plant and equipment constructed by the Group	16,901	699,883
Operating result of property, plant and equipment constructed by the Group	5,691	202,406

9.9. The book value of Propety, plant and equipment which is in any way restricted or pledged to guarantee liabilities is detailed in Note 23.3.

Note 10.- Fixed assets in projects

As indicated in Note 2.5, included in the consolidation perimeter, there are several interest in companies whose purpose is the development of projects including the design, construction, financing, operation and maintenance of owned assets or assets under concession-type agreements which are financed through project debt.

This note provides a breakdown of fixed assets in projects as well as relevant information related to the assets mentioned before (excluding the detail of project debt which is disclosed in Note 19 to the Consolidated Financial Statements).

10.1. Concession assets in projects

a) The following table shows the changes of 'Concession assets in projects' for 2016:

Cost	Intangible assets	Financial assets	Total
Total as of December 31, 2015	2,485,489	280,166	2,765,655
Additions	-	50,623	50,623
Disposals and decreases	(132,178)	(8,089)	(140,267)
Translation differences	68	(8,953)	(8,885)
Transfer to assets held for sale	(2,343,136)	-	(2,343,136)
Total as of December 31, 2016	10,243	313,747	323,990

Accumulated Amortization and Impairment	Intangible assets	Financial assets	Total
Total accum. amort. as of December 31, 2015	(354,364)	-	(354,364)
Additions (amortization)	(51)	-	(51)
Translation differences	(6)	-	(6)
Transfer to assets held for sale	334,469	-	334,469
Total accum Amort. and Impairment as of December 31, 2016	(19,952)	-	(19,952)
Net balance at December 31, 2016	(9,709)	313,747	304,038

The most significant variation during the period ended December 31, 2016, mainly corresponds to the decrease due to the reclassification, as assets held for sale, of intangible assets of the concessional assets related to the transmission lines in Brazil. These assets comply with all assumptions and requirements of the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations' after the sale process initiated in the "recuperação judicial" framework provided by the Brazilian law (see Note 2.1.1 and 7). Given that the carrying amount is greater than fair value less cost to sell (taking into account as a reference the purchase offer to estimate the fair value) there is an impairment expense in the Income Statement, included as profit (loss) from discontinued operations (see Note 7).

b) The following table shows the evolution in each category of 'Concession assets in projects' for the year 2015:

Cost	Intangible assets	Financial assets	Development assets (*)	Total
Total as of December 31, 2014	4,940,972	284,201	-	5,225,173
Additions	1,171,510	563,409	190,029	1,924,948
Disposals and decreases	-	-	-	-
Translation differences	(685,479)	(29,324)	-	(714,803)
Change in consolidation	(1,839,600)	(28,698)	(190,029)	(2,058,327)
Transfer to assets held for sale	(1,101,914)	(509,422)	-	(1,611,336)
Total as of December 31, 2015	**2,485,489**	**280,166**	**-**	**2,765,655**

(*) Corresponds to the investment in the Atacama I thermo-solar project in Chile until its sale to the APW-1 joint venture (see Note 7.1.b).

Accumulated Amortization and Impairment	Intangible assets	Financial assets	Development assets	Total
Total accum. amort. as of December 31, 2014	(282,984)	-	-	(282,984)
Additions (amortization)	(106,679)	-	-	(106,679)
Additions (impairment)	(241,075)	-		(241,075)
Disposals and decreases	-	-	-	-
Translation differences	23,196	-	-	23,196
Change in consolidation	168,138	-	-	168,138
Reclassifications	2,188	-	-	2,188
Transfer to assets held for sale	82,852	-	-	82,852
Total accum Amort. and Impairment as of December 31, 2015	**(354,364)**	**-**	**-**	**(354,364)**
Net balance at December 31, 2015	**2,131,125**	**280,166**	**-**	**2,411,291**

During the year 2015, the decrease in the concession-type assets cost in projects was mainly due to the classification as assets held for sale of those related to the companies detailed in Note 7.1, included in the sale of assets during the year to Atlantica Yield, and its consolidation by the equity method (see Note 6.3.b and Note 7.1) and the depreciation of the Brazilian real against the Euro. Such decrease was partially offset by the work in progress of various transmission lines in Brazil and Peru (€665 million), thermo-solar plant in Chile (€653 million), water and generating projects in México (€389 million), desalination plants and water projects in Ghana, Algeria, Morocco and US (€98 million), the construction of an Hospital in Brazil (€40 million) and wind farms and a prison in Uruguay (€17 and €11 million respectively).

According to the information available to the Directors, and based on the best estimates, during the year 2015, there was an impairment charge of €241 million related certain concessional assets under construction given the current problems and the situation of the Company which resulted in the filing of the communication provided by the article 5 bis of Ley Concursal (see Note 2.1). The aforementioned impairment losses corresponded to concessional assets of the electric transmissions segment (€185 million), Water segment (€21 million), Solar segment (€23 million) and Cogeneration and other segment (€12 million). All these assets are concessional assets in progress that, according to IFRIC12, revenues, costs and margin of services delivered during the period of construction are recorded in accordance to IAS 11 "construction contracts" (see Note 2.5). The methodology used for the valuation of the impairment losses and discount rates described in Note 2.8.

Capitalized interest cost in project assets for the year ended December 31, 2016 amounts to zero euros (€87,159 thousand in 2015).

Appendix VII to these Consolidated Financial Statements includes certain information on project companies included within the scope of IFRIC 12.

10.2. Other assets in projects

a) The table below shows the detail and movement in 'Other assets in projects' for 2016:

Cost	Land and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Total as of December 31, 2015	280,505	752,550	9,561	294,591	53,737	1,390,944
Additions	699	-	1	-	-	700
Disposals and decreases	-	(655)	-	(246)	-	(901)
Translation differences	499	143	-	3	-	645
Change in consolidation	-	-	-	-	-	-
Reclassifications	-	(3,055)	-	-	-	(3,055)
Transfer to assets held for sale	(114,824)	(737,041)	(9,544)	(290,962)	(53,021)	(1,205,392)
Total as of December 31, 2016	**166,879**	**11,942**	**18**	**3,386**	**716**	**182,941**

Accumulated Amortization and Impairment	Buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Total accum. deprec. as of December 31, 2015	(48,572)	(275,945)	-	(92,055)	(26,000)	(442,572)
Additions (amortization)	(2,793)	(258)		(46)	(99)	(3,196)
Aumentos (deterioro)	(63,234)	-				-
Disposals and decreases	-	-		-	-	-
Translation differences	(1)	(94)		(3)	-	(98)
Change in consolidation	-	-		-	-	-
Reclassifications	(458)	1,979		-	-	1,521
Transfer to assets held for sale	32,339	269,033		91,108	25,775	418,255
Total accum. Amort. and Impairment as of December 31, 2016	**(82,719)**	**(5,285)**	**-**	**(996)**	**(324)**	**(89,324)**
Net balance at December 31, 2016	**84,160**	**6,657**	**18**	**2,390**	**392**	**93,617**

The most significant variation during the year 2016 mainly corresponds to the decrease caused by the reclassification, as assets held for sale, of the fixed assets related to the 1G bioethanol plants in United States (Indiana and Illinois) and Brazil, in compliance with all assumptions and requirements of the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations' after its exclusion from continuing operations in the Updated Viability Plan by the Company Directors. In relation to the aforementioned, after their respective sale processes (both for assets in Brazil and United States) and given that their carrying amount is lower than their fair value less cost to sell (taking into account as a reference the price in purchase offer to estimate the fair value), there has been recognized an impairment charge for such assets in the Consolidated Income Statement, classified as profit (loss) from discontinued operations (see Note 7).

Finally, there is a decrease given the impairment registered over lands and buildings not affected by the Abengoa´s business due to the uncertainty in its future recovery given the situation of the company. According to the information available by the Directors and based on the best estimates possible, an expense amounting to €63 million has been registered as depreciation, amortization and impairment charges in the Engineering and Industrial Construction segment.

b) The table below shows the detail and movement in 'Other assets in projects' for the year 2015:

Cost	Land and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Total as of December 31, 2014	305,587	997,274	22,391	372,170	78,987	1,776,409
Additions	4,125	5,352	11,639	39,925	3,062	64,103
Translation differences	(3,122)	(38,219)	(3,659)	(95,103)	(17,700)	(157,803)
Change in consolidation	(8,356)	(4,683)	-	(46)	-	(13,085)
Reclassifications	44,694	(31,372)	(20,520)	(22,033)	-	(29,231)
Transfer to assets held for sale	(62,423)	(175,802)	(290)	(322)	(10,612)	(249,449)
Total as of December 31, 2015	**280,505**	**752,550**	**9,561**	**294,591**	**53,737**	**1,390,944**

Accumulated Amortization and Impairment	Buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Total accum. deprec. as of December 31, 2014	(67,591)	(304,027)	-	(131,902)	(26,713)	(530,233)
Additions (amortization)	(7,811)	(50,400)	-	(13,649)	(2,657)	(74,517)
Disposals and decreases	163	951	-	-	1,318	2,432
Translation differences	1,370	24,227	-	31,237	1,448	58,282
Reclassifications	(2,336)	306	-	22,033	-	20,003
Transfer to assets held for sale	27,633	52,998	-	226	604	81,461
Total accum. Amort. and Impairment as of December 31, 2015	**(48,572)**	**(275,945)**	**-**	**(92,055)**	**(26,000)**	**(442,572)**
Net balance at December 31, 2015	**231,933**	**476,605**	**9,561**	**202,536**	**27,737**	**948,372**

During the year 2015, the decrease in other assets in project cost was mainly due to the classification as assets held for sale of those related to the companies detailed in Note 7, and the depreciation of the Brazilian real against the euro.

According to the information available to the Directors, no significant losses from impairment of 'Other assets in projects' were recorded during 2015.

c) During the years 2016 and 2015 no financial costs were capitalized in project assets.

d) Fixed assets in projects whose ownership are restricted or pledged as collateral for liabilities (as described in Note 19 for project finance) are detailed in Note 23.3.

e) It is the policy of the Group to enter into a number of insurance policies to cover risks relating to property, plant and equipment.

f) For property, plant and equipment located over third party land, the company has estimated the dismantling costs of affected items, as well as the rehabilitation costs of the place where they are settled (see Note 22.1).

g) At the end of the year 2016, there are no biological assets (€196 millions in 2015).

10.3. Assets constructed by the group

The table below sets out the information related to those assets constructed by the Group during the years 2016 and 2015 classified under the fixed assets in projects heading of the Consolidated Statement of Financial Position (concessions and other assets in projects):

Item	12.31.16	12.31.15
Fixed assets in projects constructed by the Group (accumulated)	397,655	3,067,370
Revenue generated by fixed assets in project constructed by the Group	52,285	1,401,404
Operating result of fixed assets in project constructed by the Group	(36,471)	340,864

Note 11.- Investments in associates

11.1. The detail of the main categories included in financial investment as of December 31, 2016 and 2015 is as follows:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Associates	816,793	918,136
Joint Ventures	6,386	279,555
Total Investments accounted for using the equity method	**823,179**	**1,197,691**

The evolution in investments accounted by the equity method during 2016 and 2015:

Investments accounted by the equity method	31.12.16	31.12.15
Initial balance	1,197,691	311,261
Equity contributions	-	28,558
Changes in consolidation	(4,498)	1,024,853
Reclassification to assets held for sale	(49,766)	(153,590)
Distribution of dividends	(373)	(230)
Impairments	(330,778)	-
Translation differences and Others	11,172	(5,068)
Share of (loss)/profit	(269)	(8,093)
Final balance	**823,179**	**1,197,691**

The most significant variations in investments in associates and joint ventures during the year 2016 correspond to the decrease due to the depreciation caused by the impairment over the APW-1 JV interest (see Note 6.2) which amounted to €244 million after the loss of control of all economic rights over such investment due to the agreement reached with EIG in 2016 (see Note 6), the sale of the investments over Explotaciones Varias, S.L. (see Note 6.2), the reclassification to assets held for sale of the investment in the thermo-solar project Xina in South Africa and the desalination project of Chennai in India (see Note 7) and the impairment over non-significant investments related to the water activity amounted to €5 million. All this variation has been partially offset by the consideration of Abengoa Water USA as associate as a consequence of the loss of control due to the transaction of the 80% interest in Abengoa Vista Ridge LLC (see Note 6.2).

Additionally, there has been a decrease in the investment over the associate Rioglass Solar. In this sense, it should be noted that, related to the agreement reached at the 2015 closing with the minority partner (Rioglass Laminar) in which the control was transferred to that company, a convertible loan had been signed between Abengoa Rioglass as borrower and Rioglass Laminar as lender for an amount of €15 million. Such convertible loan was indispensable to keep the business under going concern and avoiding the bankruptcy of Rioglass. The conversion of the loan into preferred equity (with preference only in the case of liquidation of sale of the company if Abengoa would take part in that) would happened if Abengoa would not have made a number of payments as client until April 20, 2016. In case of the 100% conversion, the preferred equity would be transferred to the outstanding capital and thus, Abengoa´s interest would be diluted to 15%. Once the period ended without compliance by Abengoa given the situation of the Company, a negotiation with the partner Rioglass Laminar is being carried out in order to reach an agreement of the shareholders and specifically concerning the minority interest protection. On December 31, 2016 the loan has not been legally converted yet.

Regardless of the aforementioned, and given the high probability expected by the Directors in the conversion of the loan, at the end of 2016, it has been registered the potential dilution and the expense due to the impairment in the investment over Rioglass Solar in the Consolidated Income Statement for 2016 amounting to €82 million as Share of profit (loss) of associates carried under the equity method.

11.2. The table below contains the details of the main joint ventures and investments carried by the equity method at the end of the years 2016 and 2015:

Company	Typology	% share	Book value	Equity	Assets	Revenues	Profit/loss 2016
Atlantica Yield y filiales	Asoc.	41.47	755,501	1,862,804	9,791,575	878,376	(4,388)
Rioglass Solar Holding y filiales	Asoc.	15.00	36,665	130,792	220,912	116,653	10,336
Others	-	-	31,013	-	-	-	-
Total 2016			**823,179**	**1,993,596**	**10,012,487**	**995,029**	**5,948**

Company	Typology	% share	Book value	Equity	Assets	Revenues	Profit/loss 2015
APW-1 y filiales	Neg. Cto.	45.00	249,316	766,786	1,405,311	2,623	(33,855)
ATE VIII Transmissora de Energía, S.A.	Neg. Cto.	50.00	9,540	19,080	21,642	1,990	391
Atlantica Yield y filiales	Asoc.	41.86	744,913	1,857,412	9,743,158	712,876	(188,688)
Explotaciones Varias, S.L.	Neg. Cto.	50.00	14,546	29,093	43,923	175	(316)
Rioglass Solar Holding y filiales	Asoc.	49.99	114,286	79,827	154,626	70,450	(8,573)
Xina Solar One (Rf) (Pty), Ltd.	Asoc.	40.00	33,140	63,460	421,154	-	(482)
Others			31,950	-	1,508,844	435,050	3,808
Total 2015			**1,197,691**	**2,815,658**	**13,298,658**	**1,223,164**	**(227,715)**

11.3. The shareholding percentages in associates do not differ from the voting rights percentage on them.

The accumulated other comprehensive income as of December 31, 2016 related to investments in associates amounts to €15,142 thousand (€-18,624 thousand as of December 31, 2015).

11.4. At the end of 2016, the most significant contribution to disclose the assets, liabilities and profit and losses corresponding to Atlantica Yield amounted to €755,501 thousand (€744,913 thousand in 2015). Abengoa controls a 41.47% stake in Atlantica Yield. 99.94% of the shares of Atlantica Yield owned by Abengoa have been pledged as collateral for the December 2015, March 2016 and September 2016 credit lines.

At December 31, 2016 and 2015 the Atlantica Yield consolidated assets and liabilities are the following:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Fixed assets in projects	8,477,328	8,554,873
Investments in associates	52,304	49,880
Financial investments	71,859	92,152
Deferred tax assets	192,917	173,118
Other Non-current assets	2,725	-
Current assets	994,443	873,135
Project debt	(5,703,783)	(5,648,284)
Other non-current liabilities	(2,052,010)	(2,059,018)
Other current liabilities	(172,979)	(178,444)
Total net assets and liabilities	**1,862,804**	**1,857,412**

The amount of other comprehensive income amounted to a loss of €80 million (€78 million at 31 December 2015).

The income statement of Atlantica Yield at the closing of fiscal years 2016 and 2015 is shown below:

Item	2016	2015
Revenue	878,376	712,876
Other operating income	59,238	62,355
Operating expenses	(573,864)	(464,646)
I. Operating profit	363,750	310,585
II. Financial expense, net	(366,744)	(474,990)
III. Share of profit/(loss) of associates carried under the equity method	6,007	7,240
IV. Profit before income tax	3,013	(157,165)
V. Income tax benefit	(1,506)	(21,600)
VI. Profit for the period from continuing operations	1,507	(178,765)
VII. Profit attributable to minority interests	(5,895)	(9,923)
VIII. Profit for the period attributable to the Parent Company	(4,388)	(188,688)

Regarding the restrictions on Atlantica Yield transferring funds to Abengoa, at 31 December 2015, in accordance with the terms and conditions of the parent company support agreement signed on 9 December 2014 with Atlantica Yield, Abengoa undertook to pay Atlantica an annual dividend of $18.4 million from the preferred shares held in the company Abengoa Concesiones Brasil Holding (hereinafter "ACBH"), a Brazilian subsidiary through which Abengoa holds the shares in various concession assets pertaining to transmission lines in Brazil. The guaranteed dividend was initially set for a period of five years and Abengoa committed to keep the amount of the dividends to be received from Atlantica Yield on deposit in a bank account.

If at any time during the 5-year period the amount on deposit was less than the amount of outstanding dividends, Atlantica Yield would have the right to withhold all payments due to Abengoa and any of its affiliates, including dividends payable to Abengoa by Atlantica and any payments under agreements entered into by Atlantica Yield and/or its affiliates and Abengoa and/or its affiliates, without affecting the respective obligations to be performed under those agreements.

At December 31, 2016, Atlantica Yield had withheld $19 million of the dividend payable to Abengoa in accordance with the support agreement reached with the parent company.

In relation to the commitments, obligations and contingent liabilities with Atlantica Yield, and as indicated in note 33.2, according to the terms of the Financial Support Agreement, Abengoa has provided Atlantica Yield and its subsidiaries with certain bonds and guarantees totalling €35 million and €786 million to guarantee the performance of certain concession projects for the generation of solar thermal power, wind power and electric transmission lines.

On October 26, 2016, an agreement was signed by Abengoa and Atlantica Yield as part of Abengoa's financial restructuring process and also, as a result of the judicial recovery proceeding of Abengoa Concessões Brasil Holding S.A. in Brazil. Under the agreement, Abengoa will recognise a loan to Atlantica Yield in the amount of USD 333 million related to the cancellation of the guarantee provided by Abengoa in connection with the ACBH preferred stock (Parent Support Agreement). The loan is subject to the court's approval of the financial Restructuring Agreement , which was approved by the Commercial Court No. 2 of Seville.

This recognised loan is subject to the terms of the Restructuring Agreement which was signed by Atlantica Yield. As a result, this loan is subject to the alternative restructuring conditions which call for 70% to be settled by transferring certain Abengoa shares to Atlantica Yield and the remaining 30% to be refinanced under the terms of the agreement. In accordance with the IAS 39, Abengoa has estimated that the fair market value is €95 million and this amount was recognised in the Consolidated Financial Statements.

Atlantica Yield has agreed to invest up to €48 million in Abengoa as part of the first tranche of new money. As a result, 30% of the loan recognised by Abengoa will be considered senior rather than junior debt, in accordance with the terms and conditions of the Restructuring Agreement. The new money provided by Atlantica Yield to Abengoa is guaranteed by shares of Atlantica Yield, which is owned by Abengoa, as well as a cogeneration asset under construction in Mexico (A3T).

Note 12.- Financial instruments by category

The Group's financial instruments are primarily deposits, clients and other receivables, derivatives and loans. Financial instruments by category (current and non-current), reconciled with the Consolidated Statement of Financial Position, are as follows:

Category	Notes	Loans and receivables / payables	Non-hedging derivatives	Hedging derivatives	Available for sale	Balance as of 12.31.16
Available-for-sale financial assets	13	-	-	-	10,252	10,252
Derivative financial instruments	14	-	1,888	-	-	1,888
Financial accounts receivables	15	202,683	-	-	-	202,683
Clients and other receivables	15	1,327,449	-	-	-	1,327,449
Cash and cash equivalents	17	277,789	-	-	-	277,789
Total Financial assets		**1,807,921**	**1,888**	**-**	**10,252**	**1,820,061**
Project debt	19	2,015,504	-	-	-	2,015,504
Corporate financing	20	7,665,151	-	-	-	7,665,151
Trade and other current liabilities	25	2,654,260	-	-	-	2,654,260
Derivative financial instruments	14	-	17,133	-	-	17,133
Total Financial liabilities		**12,334,915**	**17,133**	**-**	**-**	**12,352,048**

Category	Notes	Loans and receivables / payables	Non-hedging derivatives	Hedging derivatives	Available for sale	Balance as of 12.31.15
Available-for-sale financial assets	13	-	-	-	46,399	46,399
Derivative financial instruments	14	-	4,320	24,435	-	28,755
Financial accounts receivables	15	1,557,394	-	-	-	1,557,394
Clients and other receivables	15	2,004,436	-	-	-	2,004,436
Cash and cash equivalents	17	680,938	-	-	-	680,938
Total Financial assets		**4,242,768**	**4,320**	**24,435**	**46,399**	**4,317,922**
Project debt	19	3,070,106	-	-	-	3,070,106
Corporate financing	20	6,325,001	-	-	-	6,325,001
Trade and other current liabilities	25	4,379,252	-	-	-	4,379,252
Derivative financial instruments	14	-	67,682	78,237	-	145,919
Total Financial liabilities		**13,774,359**	**67,682**	**78,237**	**-**	**13,920,278**

The information on the financial instruments measured at fair value, is presented in accordance with the following:

- Level 1: assets or liabilities listed on active markets.
- Level 2: Measured on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as un quoted prices) or indirectly (i.e. derived from valuation models).
- Level 3: Measured on inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following is a breakdown of the Group's assets and liabilities measured at fair value as of December 31, 2016 and 2015 (except assets and liabilities with a carrying amount close to their fair value, non-quoted equity instruments measured at cost and contracts with components that cannot be reliably measured):

Category	Level 1	Level 2	Level 3	Balance as of 12.31.16
Non-hedging derivatives	-	(15,245)	-	(15,245)
Hedging derivatives	-	-	-	-
Available-for-sale	-	-	10,252	10,252
Total	**-**	**(15,245)**	**10,252**	**(4,993)**

Category	Level 1	Level 2	Level 3	Balance as of 12.31.15
Non-hedging derivatives	-	(37,493)	(25,869)	(63,362)
Hedging derivatives	-	(53,802)	-	(53,802)
Available-for-sale	29	-	46,370	46,399
Total	**29**	**(91,295)**	**20,501**	**(70,765)**

Additionally, Note 20 shows the notes and bonds´ fair value. On the other hand, relating to corporate financing recognized at amortized cost, in the past, its amortized cost was similar to its fair value, however, since the circumstances mentioned in Note 2.1.1 its fair value has changed, and cannot be reliably estimated at December 31, 2016.

The financial instruments at fair value, determined from prices published in active markets (Level 1), consist of shares.

The majority of Abengoa's portfolio comprises financial derivatives designated as cash flow hedges, is classified as level 2 and corresponds mainly to the interest rate swaps (see Note 14).

The caption Non-hedging derivatives includes the fair value of the embedded derivatives in the exchangeable and convertible notes (except for the 2019 convertible notes), the fair value of the call options over Abengoa's own shares, as well as those derivatives purchased with the purpose of hedging market risk (interest rate, foreign exchange or commodities) that do not fulfill all the requirements, according to IAS 39 to be recorded as hedges from an accounting point of view.

The most significant item included under level 3 corresponds to the disposal of the investment that Abengoa had in Xfera Moviles, S.A. (see Note 13) as well as the decrease of the convertible loan received as part of the transaction for the sale of Befesa that has been cancelled after closing the agreement between Abengoa and the investment fund Triton Partner for the sale of the convertible loan into Befesa, S.L.U. shares. (see Note 15).

The following table shows the changes in the fair value of level 3 assets for the years 2016 and 2015:

Movements	Amount
Beginning balance as of December 31, 2014	38,118
Gains and losses recognized in Equity (see Note 13.1)	1,240
Changes in Non-hedging derivatives	(17,371)
Change in consolidation, reclassifications and translation differences	(1,486)
Total as of December 31, 2015	**20,501**
Gains and losses recognized in Equity (see Note 13.1)	(126)
Changes in Non-hedging derivatives	-
Change in consolidation, reclassifications and translation differences	(10,123)
Total as of December 31, 2016	**10,252**

During the years ended December 31, 2016 and December 31, 2015, there have not been any significant reclassifications amongst the three levels presented above.

Note 13.- Available-for-sale financial assets

13.1. The following table shows the detail and the evolution of available-for-sale financial assets during the years 2016 and 2015:

Available for sale financial assets	Balance
At December 31, 2014	46,649
Additions	702
Gain/Losses transferred to equity	1,240
Derecognitions	(2,192)
At December 31 , 2015	**46,399**
Additions	7,884
Gain/Losses transferred to equity	(126)
Derecognitions	(43,905)
At December 31 , 2016	**10,252**
Less: Non-current portion	6,537
Current portion	3,715

The most significant variation in the available for sale financial investments corresponds to a decrease due to the sale of the investment owned by Abengoa over Xfera Moviles, S.A.

In relation with such investment, it should be known that, on June 20, 2016 an agreement was signed between Abengoa and Masmovil Phone & Internet, S.A.U. for the transaction of the 3% interest owned by Abengoa until that moment over Xfera Moviles, S.A. (Yoigo as trademark), as well as the corresponding rights on the equity loans conceded to such company. On the other hand, Telia, with a 76.56%; ACS with a 17% and FCC with a 3.44% interest; have agreed the sale of their investments to Masmovil. With this transaction, Abengoa could have collected up to €35 million by mean of the following instruments:

a) An amount of €21 million as loan amortization in 7 years since the seventh year which accrues a fix interest rate of 2% and a variable interest rate of 3% depending on the compliance by Xfera of several financial ratios and an early redemption option by Abengoa since the third month to the second year after the contract enters in force. Such early redemption option would be assured by an unconditional bank guaranty in first requirement. Additionally, it is conceded to Abengoa the right to capitalize the loan when several temporary terms and conditions about several financial ratios are met by Xfera.

b) An amount of €14 million as "earn-Out" in accordance to the established rules in the contract. In early redemption case, Abengoa will not have the right to collect any amount for this concept. €21 million will be collected at the operation closing, while the outstanding €14 million will be subjected to the results obtained by Yoigo in the following years.

At December 31, 2016 the company has recognized as financial losses the impairment charge of €33 million (see Notes 7 and 22.2) as the difference between the book value and the amount collected of €21 million after implementing the mentioned early redemption option.

13.2. The following table shows entities which, in accordance with the current regulation, were not consolidated in the years 2016 and 2015 and in which the parent company's direct and indirect shareholding is higher than 5% and lower than 20%. The net carrying amount of these holdings is €4,652 thousand (€7,810 thousand in 2015).

Non-current financial assets	2016 % Holding	2015 % Holding
Dyadic Investment	-	7.00
Norpost	10.00	10.00
Proxima Ltd. (Nexttel)	-	10.00
Soc. Con. Canal Navarra	10.00	10.00
Sociedad Andaluza de Valoración Biomasa	-	6.00

Current financial assets	2016 % Holding	2015 % Holding
OMEL (antogua Comeesa)	5.31	5.31
Chekin	14.28	14.28
Medgrid, SAS	-	5.45
Mediación Bursátil, S.V.B., S.A.	8.00	8.00
Operador Mercado Ibérico (OMIP)	5.00	5.00

13.3. All necessary notifications have been made to the companies in which the Group holds an interest of over 10%, as required under Article 155 of Spanish Corporate Law (Ley de Sociedades de Capital).

13.4. There are no circumstances which have a material impact on the financial assets on the Group's portfolio, such as litigations, pledges, etc.

13.5. There are no firm agreements in place regarding the sale or purchase of these investments which could be considered material in relation to the Group's Consolidated Financial Statements.

13.6. The amount of interest accrued but not yet collected is not material.

13.7. There are no fixed-yield securities in arrears. The average rate of return on fixed-yield securities is in line with the market.

Note 14.- Derivative financial instruments

14.1. The fair value of derivative financial instruments (see Note 12) as of December 31, 2016 and 2015 is as follows:

		12.31.16		12.31.15	
Item	Note	Assets	Liabilities	Assets	Liabilities
Exchange rate derivatives – cash flow hedge	14.2.a	700	262	22,067	37,181
Exchange rate derivatives – non-hedge accounting	14.2.c	-	295	4,313	4,139
Interest rate derivatives – cash flow hedge	14.3.a	1,188	10,515	1,522	6,736
Interest rate derivatives – non-hedge accounting	14.3.c	-	6,061	-	32,998
Commodity derivatives – cash flow hedge	14.4.a	-	-	846	34,320
Embedded derivatives of convertible bonds, exchangables bond and shares options	20.3	-	-	7	30,545
Total		**1,888**	**17,133**	**28,755**	**145,919**
Non-current part		1,185	5,535	14,941	38,002
Current part		703	11,598	13,814	107,917

Information about the valuation techniques of derivative financial instruments is described in Notes 2.11 and 12.

The most significant variation during the period ended December 31, 2016 corresponds to the net decrease in derivative financial liabilities mainly due to the sale of the convertible bond of Befesa to Triton Investment Fund (see Note 12), to the decrease due to an early settlement of interest rate derivatives associated to the syndicated loan, to the decrease in the fair value of the convertible bond embedded derivative to ordinary shares of Atlantica Yield maturing on 2017 (see Note 18.3) as well as the decrease due to the reclassification of all derivative assets and liabilities related to Bioenergy as held for sale, in accordance with the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations' given their open sale processes due to their inconsideration as continuing activity in the Updated Viability Plan approved by the Directors of the Company (see Note 7).

The fair value amount transferred to the Consolidated Income Statement in 2016 concerning the financial instruments derivatives designated as hedging instruments corresponds to a loss of €134,987 thousand (€251,261 thousand as of December 31, 2015).

The net amount of derivatives fair value transferred directly to the Consolidated Income Statement as a result of not meeting all the requirements of IAS39 to be designated as accounting hedges represents a loss of €141 thousand (loss of €20,912 thousand as of December 31, 2015).

Fair value of each of the categories of financial instruments presented in the table above is disclosed as the following sections. The net position of assets and liabilities for each line item of the summary table above is reconciled with the net amount of the fair values of collections and payments for exchange rate derivatives, the net amount of the fair values of caps and swaps for interest rates hedges and the net amount of the fair values of commodity price derivatives, respectively.

14.2. Exchange rate derivatives

The terms 'Collection hedges' and 'Payment hedges' refer to foreign currency derivatives designated as instruments of future cash inflows and outflows associated to highly probable forecasted sales and purchase, respectively, denominated in a foreign currency.

The following table shows a breakdown of the notional amounts (for their countervalue in thousands of euro) of the financial instruments relating to amounts receivable and payable in foreign currencies as of December 31, 2016 and 2015:

	12.31.16		12.31.15	
Exchange Rates	Collections	Payments	Collections	Payments
Kenyan Shilling (Kenya)	-	-	1,267	119
Krona (Sweden)	-	-	-	-
Dínar Kuwaití (Kuwait)	1,132	-	15,340	7,149
Dirhams (UAE)	-	-	-	-
Dollar (Australia)	-	-	-	-
Dollar (USA)	236,706	1,089	869,524	241,020
Euro	-	-	124,935	90,401
Franc (Switzerland)	-	-	-	-
Pound Sterling (UK)	-	4	522	13
Peso (Mexico)	-	-	-	-
Peso (Uruguay)	-	-	-	-
Real (Brazil)	-	-	22,005	-
Yen (Japan)	-	-	-	-
Zloty (Poland)	-	-	-	-
Total	237,838	1,093	1,033,593	338,702

The following table shows a breakdown of the fair values of exchange rate derivatives relating to amounts receivable and payable in foreign currencies as of December 31, 2016 and 2015:

	12.31.16		12.31.15	
Exchange Rates	Collections	Payments	Collections	Payments
Kenyan Shilling (Kenya)	-	-	(128)	7
Danish Krone (Denmark)	-	-	73	(131)
Swedish Krona (Sweden)	-	-	-	-
Dínar Kuwaití (Kuwait)	(106)	-	(674)	179
Dirhams (UAE)	-	-	(233)	193
Dollar (Australia)	-	-	-	-
Dollar (USA)	(295)	542	(18,995)	3,524
Euro	-	-	(1,200)	775
Franc (Switzerland)	-	-	-	0
Pound Sterling (UK)	-	2	-	1
Peso (Mexico)	-	-	-	-
Peso (Uruguay)	-	-	-	-
Real (Brazil)	-	-	8,178	-
Israeli Shekel (Israel)	-	-	-	251
Yen (Japan)	-	-	-	-
Zloty (Poland)	-	-	(9,235)	2,475
Total	(401)	544	(22,214)	7,274

a) Cash flow hedges

The table below shows a breakdown of the notional amount maturities of exchange rate derivatives designated as cash flow hedges at the end of the years 2016 and 2015:

	12.31.16		12.31.15	
Notionals	Collections	Payments	Collections	Payments
Up to 1 year	1,132	1,093	424,046	235,013
Between 1 and 2 years	-	-	124,834	90,705
Between 2 and 3 years	-	-	92,085	12,984
Subsequent years	-	-	143,938	-
Total	1,132	1,093	784,903	338,702

The table below shows a breakdown of the fair value amount maturities of exchange rate derivatives designated as cash flow hedges at the end of 2016 and 2015 year end:

	12.31.16		12.31.15	
Fair value	Collections	Payments	Collections	Payments
Up to 1 year	(106)	544	(25,907)	5,688
Between 1 and 2 years	-	-	(2,372)	1,411
Between 2 and 3 years	-	-	2,021	175
Subsequent years	-	-	3,870	-
Total	(106)	544	(22,388)	7,274

The net amount of the fair value of exchange rate derivatives designated as cash flow hedges transferred to the Consolidated Income Statement in 2016 and 2015 has been of €-50,748 thousand and €-2,430 thousand, respectively (see Note 17.4).

The ineffective amount recognized in the Consolidated Income Statement for the years 2016 and 2015 with respect to exchange rate derivatives designated as cash flow hedges amounts to €0.5 thousand and €-24,614 thousand, respectively.

The after-tax gains/losses accumulated in equity from exchange rate derivatives designated as cash flow hedges at December 31, 2016 amounted to zero euros (€-35,763 thousand in 2015) (see Note 18.3).

b) Fair value hedges

The group does not have any exchange rate derivatives designated as fair value hedges at the end of 2016 and 2015.

c) Non-hedge accounting derivatives

The detail of the notional amount maturities at the end of 2016 and 2015 is the following.

	12.31.16		12.31.15	
Notionals	Collections	Payments	Collections	Payments
Up to 1 year	-	-	145,874	-
Between 1 and 2 years	236,706	-	78,120	-
Between 2 and 3 years	-	-	24,697	-
Subsequent years	-	-	-	-
Total	236,706	-	248,691	-

The breakdown at the end of 2016 and 2015 of the fair value maturities of the derivative financial instruments that not meet the requirements to be designed as cash flow hedges is the following:

	12.31.16		12.31.15	
Fair value	Collections	Payments	Collections	Payments
Up to 1 year	-	-	219	-
Between 1 and 2 years	(295)	-	(35)	-
Between 2 and 3 years	-	-	(10)	-
Subsequent years	-	-	-	-
Total	(295)		174	-

The net amount of the fair value of exchange rate derivatives charged directly to the Consolidated Income Statement as a result of not meeting all the requirements of IAS 39 to be designated as hedges represented a null impact (null impact in 2015) (see Note 30.2).

14.3. Interest rate hedges

As stated in Note 4 to these Consolidated Financial Statements, the general hedging policy for interest rates is to purchase call options in exchange of a premium to fix the maximum interest rate cost. Additionally, under certain circumstances, the company also uses floating to fixed interest rate swaps.

a) Cash flow hedges

The table below shows a breakdown of the maturities of notional amounts of interest rate derivatives designated as cash flow hedges at the 2016 and 2015 year end:

	12.31.16		12.31.15	
Notionals	Cap / Collar	Swap	Cap / Collar	Swap
Up to 1 year	279,490	-	178,668	223
Between 1 and 2 years	43,779	-	136,397	238
Between 2 and 3 years	83,615	-	2,702,777	254
Subsequent years	492,202	11,472	216,936	10,910
Total	899,086	11,472	3,234,778	11,625

The table below shows a breakdown of the fair values maturities of interest rate derivatives designated as cash flow hedges at the 2016 and 2015 year end:

	12.31.16		12.31.15	
Fair value	Cap / Collar	Swap	Cap / Collar	Swap
Up to 1 year	(5,314)	-	304	-
Between 1 and 2 years	-	-	(15,494)	(61)
Between 2 and 3 years	84	-	(4,592)	(65)
Subsequent years	994	(5,091)	(674)	15,368
Total	(4,236)	(5,091)	(20,456)	15,242

The fair value net amounts of interest rate derivatives designated as cash flow hedges transferred to the Consolidated Income Statement in 2016 and 2015 have been of €-45,502 thousand and €-237,147 thousand, respectively (see Note 17.4).

The after-tax gains/losses accumulated in equity in connection with derivatives designated as cash flow hedges at the end of 2016 and 2015 amount to €-41,354 thousand and €-11,532 thousand, respectively (see Note 18.3).

The net amount of the time value component of the cash flow derivatives fair value recognized in the Consolidated Income Statement for the years 2016 and 2015 has been zero euros and €16,289 thousand, respectively.

b) Fair value hedges

The Group does not have any interest rate derivatives designated as fair value hedges at the end of the years 2016 and 2015.

c) Non-hedges accounting derivatives

The table below shows a detail of the maturities of notional amounts of interest rate derivatives that do not meet the requirements to be designed as hedging instruments at the end of the years 2016 and 2015:

	12.31.16	12.31.15
Notionals	Floor	Floor
Up to 1 year	400,000	930,000
Between 1 and 2 years	-	1,500,000
Between 2 and 3 years	-	315,000
Subsequent years	-	-
Total	400,000	2,745,000

The table below shows a detail of the maturities of fair values of non-hedge accounting interest rate derivatives at the end of the years 2016 and 2015:

	12.31.16	12.31.15
Fair value	Floor	Floor
Up to 1 year	(6,061)	(7,567)
Between 1 and 2 years	-	(20,301)
Between 2 and 3 years	-	(5,130)
Subsequent years	-	-
Total	(6,061)	(32,998)

At the end of the years 2016 and 2015, the fair value net amount of interest rate derivatives charged directly to the Consolidated Income Statement, as a result of not meeting all the requirements of IAS 39 to be designated as hedges, represented an impact of €141 thousand and €-8,094 thousand, respectively (see Note 30.1).

14.4. Commodity price hedges

In relation to hedges of commodity prices, as stated in Note 4.a) to these Consolidated Financial Statements of Abengoa for the year ended on December 31, 2016, the main commodities prices change risk for the Group is related to the price of gas and (until classified as discontinued operations in the Bioenergy operating segment, the price of grain, ethanol and sugar posed a significant risk to the Company).

To hedge these risks, Abengoa uses derivative contracts and OTC derivatives for commodity prices.

a) Cash flow hedges

The table below shows a breakdown of the notional amount maturities for the commodity price derivatives designated as cash flow hedges at the 2016 and 2015 years end:

2016	Fuel (ML)	Ethanol (Gallons)	Gas (MMbtu)	Grain (Bushels)	Aluminum (Tons)
Up to 1 year	-	-	-	-	-
Total	-	-	-	-	-

2015	Fuel (ML)	Ethanol (Gallons)	Gas (MMbtu)	Grain (Bushels)	Aluminum (Tons)
Up to 1 year	4,662	-	-	16,095,000	48,443
Total	4,662	-	-	16,095,000	48,443

The table below shows a breakdown of the fair value maturities of commodity price derivatives designated as cash flow hedges at the 2016 and 2015 years end:

2016	Fuel	Ethanol	Gas	Grain	Aluminum
Up to 1 year					
Total					

2015	Fuel	Ethanol	Gas	Grain	Aluminum
Up to 1 year	(637)	-	-	836	(33,673)
Total	(637)	-	-	836	(33,673)

The net amounts of the fair value of commodity price derivatives designated as cash flow hedges transferred to the Income statement in 2016 and 2015 accounted for €-38,737 thousand and €-11,684 thousand, respectively (see Note 17.4).

The non-effective portions recognized on the Consolidated Income Statement in the years 2016 and 2015, related to derivative financial instrument cash flow hedges, were zero and €6,413 respectively.

The after-tax gains/losses accumulated in equity in connection with derivatives designated as cash flow hedges at December 31, 2016 amounted to zero euros (€-33,600 thousand in 2015), (see Note 18.3).

b) Non-hedge accounting derivatives

At the end of the years 2016 and 2015, the Group does not hold non-hedge accounting derivative financial instruments related to commodity prices.

The amount of the fair value of commodity price derivatives charged directly to the operating Profit in the Consolidated Income Statement, as a result of not meeting all the requirements of IAS 39 to be designed as hedges, represented losses of zero euros (losses of €5,383 thousand in 2015) (see Note 17.4).

Note 15.- Clients and receivable accounts

15.1. Clients and other receivable accounts

a) The breakdown of Clients and Other Receivable Accounts as of December 31, 2016 and 2015 is as follows:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Trade receivables	606,673	515,088
Unbilled revenues	379,120	787,535
Bad debt provisions	(73,737)	(63,707)
Tax receivables	318,461	552,958
Other debtors	96,932	212,562
Total	1,327,449	2,004,436

The balance of 'Unbilled revenues' are generally billed within the three months following completion of the work being performed on the project. Nevertheless, given the highly-tailored characteristics of some construction contracts, some projects may take longer to be billed due to specific billing milestones in the contracts. These balances are supported by contracts signed with such customers and do not include any receivables relating to customer claims. At December 31, 2016, because of the considerable slowdown in the company's engineering and construction activities, it was not possible in certain cases to comply with the general rule. Consequently, a

provision was set up to cover the increase in construction costs due to the reactivation of the projects in question compared to the previously estimated costs (see Note 2.1.1).

The balances with related parties at the end of 2016 and 2015 are detailed in Note 33.2.

b) The fair value of Clients and Other Financial Receivable accounts does not differ significantly from its carrying value.

c) The list of Clients and Other Accounts Receivable according to foreign currency as at December 31, 2016 and 2015 are as follows:

	Balance as of 12.31.16	Balance as of 12.31.15
Algerian dinar	574	3,142
Dirhams (Morocco)	19,300	18,749
American dollar	244,904	259,878
New peruvian sol	33,758	46,513
Argentinian peso	7,003	13,000
Chilean peso	21,722	46,777
Mexican peso	16,736	18,116
Uruguayan peso	11,035	8,452
South African rand	8,885	5,043
Brazilian real	105,571	42,728
Indian rupee	31,585	29,629
Saudi riyal	31,736	35,813
Chinese yuan	4,958	4,243
Polish zloty	922	15,780
Others	55,067	53,774
Total	593,756	601,637

d) The following table shows the maturity detail of trade receivables as of December 31, 2016 and 2015:

Maturity	Balance as of 12.31.16	Balance as of 12.31.15
Up to 3 months	459,367	344,132
Between 3 and 6 months	10,554	26,045
Over 6 months	136,752	144,911
Total	606,673	515,088

e) The credit quality of outstanding Trade receivables, that are neither past due nor impaired, may be assessed under the following categories

Categories	Balance as of 12.31.16	Balance as of 12.31.15
Trade receivables subjet to non-recourse factoring by the bank	336,131	141,296
Trade receivables subject to recourse factoring by the bank	3,370	46
Trade receivables covered by credit insurance	424	8,966
Trade receivables in cash or by transfer	164,041	218,692
Trade receivables UTE/Public Entities/Other accounts	102,707	146,088
Total trade receivables	606,673	515,088

f) The evolution in the bad debt provision for 2016 and 2015 is the following:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Initial Balance	(63,707)	(82,209)
Provision for receivables impairment	(32,160)	(13,011)
Receivables written off during the year as uncollectible	3,081	19,998
Reversal of unused amounts	21,695	1,522
Transfer from assets held for sale	269	-
Change in consolidation	25	4,750
Translation differences and other movements	(2,940)	5,243
Total	(73,737)	(63,707)

g) The Company maintains a number of non-recourse factoring lines of credit. The Company enters into these factoring agreements with certain financial institution by selling the Company's credit rights in certain commercial contracts. The factoring agreements are entered into on a non-recourse basis, meaning that the financial institutions undertake the credit risk associated with the Company's customers. The Company is responsible for the existence and legitimacy of the credit rights being sold to the financial institutions. Credit rights from recurring customers or with terms of up to one year are supported by annual revolving factoring lines of credit. Credit rights from non-recurring customers or with terms longer than a year are supported with global transfer agreements commencing on the date when the underlying commercial contract comes into force and expiring when the contracted works are completed

At the end of the 2016 financial year, approximately €14 million (€92 million in 2015) were factored.

The finance cost in the 2016 fiscal year derived from factoring operations amounted to €2 million (€14 million in 2015).

h) Furthermore, as of December 31, 2016 accumulated collections amounted to €413 million (€400 million in 2015), related to a construction contract for a combined cycle plant in Mexico with a transfer agreement of the non-recourse collection rights signed with a financial institution under the 'Pidiregas' deferred financing scheme, in which a financial institution provides the funds required to construct the project until the provisional handover of the plant, when the amount of the contract is paid directly by the client to the financial institution. Consequently, Abengoa is being paid as the construction milestones are completed. The financial expense associated with this scheme in 2016 amounted to €14 million (€15 million in 2015).

i) The breakdown of Tax receivables as of December 31, 2016 and 2015 is as follows:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Income and other taxes receivable	129,905	332,241
Social Security debtors	206	764
VAT charged	141,629	153,795
Witholdings tax and income tax advance	46,721	66,158
Total tax receivables	**318,461**	**552,958**

15.2. Receivable accounts

The following table shows a breakdown of financial accounts receivable as of December 31, 2016 and 2015:

Description	Balance as of 12.31.16	Balance as of 12.31.15
Loans	45,062	1,021,038
Fixed-term deposits and down payments and lease deposits	12,147	36,689
Other financial assets	-	2
Total non-current portion	**57,209**	**1,057,729**
Loans	18,684	22,988
Fixed-term deposits and down payments and lease deposits	126,310	468,095
Other financial assets	480	8,582
Total current portion	**145,474**	**499,665**

This heading includes the loans, deposits and other accounts receivable considered as non-derivative financial assets not listed in an active market, with a maturity period of less than twelve months (current assets) or exceeding that period (non-current assets).

The market value of these assets does not differ significantly from their carrying amount.

The most significant variations in receivable accounts correspond to a decrease due to the maturity of deposits associated to non-recourse confirming (see Note 25), the reclassification as held for sale of certain financial investments related to transmission lines in Brazil, the segment of Bioenergy, the decrease of the Befesa convertible loan and the impairment in receivables in the investment in APW-1 (see Note 6.2).

In relation to the Befesa convertible loan, it should be known that, at the beginning of May 2016 the agreement signed between Abengoa and the investment fund Triton Partner to sell the mentioned convertible loan in shares of Befesa Medio Ambiente, S.L.U. after the exercise of the sold purchase option by Abengoa on March 2016 for an amount of €20 million. As of September 30, the sale amount had already been collected and a loss was recognized for an amount of €136 million in the Consolidated Income Statement at December 31, 2016 (see Note 30.3).

Additionally, in relation with receivables in the investment in APW-1, and as a consequence of the agreement reached with EIG (see Note 6.2), a loss of €130 million has been recognized as Share of profit (loss) of associates carried under the equity method in the Consolidated Income Statement at December 31, 2016 due to the resignation of the collection right from Abengoa.

Finally, regarding the credit applied to the Bioenergy segment, that credit stems from a decision from November 2011 by the Arbitral Tribunal appointed by the International Court of Arbitration of the International Chamber of Commerce with seat in New York, United States, issued two arbitral awards in favor of our subsidiary ASA Bioenergy Holding A.G. ('ASA'), in relation to several claims for certain contract breaches by Adriano Gianetti Dedini Ometto and Adriano Ometto Agrícola Ltda. (the 'Adriano' Defendants). In each of the proceedings, Adriano Defendants filed various counterclaims. Both arbitration proceedings were decided in ASA's favor, in the approximate total amount of USD 118.3 million plus accrued interest. In October 2012 Adriano Defendants presented motions to vacate such arbitral awards in the ordinary courts of New York City, which were in turn decided in our favor in first instance and in the Court of Appeals of the Second Circuit. In March 2014, Adriano Defendants filed a petition for a writ of Certiorari with the Supreme Court of the United States. In June 2014 the Supreme Court denied the petition for Certiorari. The awards are final and not subject to further appeal in United States. In addition, the Company has started the actions for the recognition of the awards in Brazil at the date, the approval proceeding is on the Supreme Court of Brazil (STJ), where the judge has shown the argument and has voted in favor of the approval of the awards, as previously included in the General Attorney report which was in favor as well. At 31 December 2016, the book value of the loan in the amount of €138.5 million has been classified in the

assets held for sale category, at the fair value based on the recoverable value expected after the sale in view of the offer received during the sales process. An impairment loss in the amount of €69 million euros was recognised in the consolidated income statement which, as part of the bioenergy segment's assets classified as held for sale, was recorded under the caption titled "Profit(loss) from discontinued operations" (see Note 7).

Other financial accounts receivables include other amounts considered as non-derivative financial assets that does not quote in an active market and which are not classified in any other category.

Balances between group companies at December 31, 2016 and 2015 are detailed in Note 33.2.

Note 16.- Inventories

16.1. Inventories as of December 31, 2016 and 2015 were as follows:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Goods for sale	1,560	5,766
Raw materials and other supplies	32,259	114,424
Work in progress and semi-finished products	36	139
Projects in progress	5,374	33,368
Finished products	17,600	55,350
Advance Payments to suppliers	42,977	102,215
Total	**99,806**	**311,262**

Inventories for entities located outside Spain were €64,419 thousand (€217,492 thousand in 2015).

The most significant variations correspond to the reclassification as assets held for sale of Bioenergy´s inventories due to the compliance of all assumptions and requirements of the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations' (see Note 7).

16.2. There are no restrictions on the availability of inventories, with the exception of guarantees provided for construction projects in the normal course of business, which are released as the contractual milestones of the project are achieved.

Note 17.- Cash and cash equivalents

The following table sets out the detail of Cash and cash equivalents at December 31, 2016 and 2015:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Cash at bank and on hand	272,464	507,882
Bank deposit	5,325	173,056
Total	**277,789**	**680,938**

Within cash and cash equivalents is included at the end of the year 2016 an amount of zero euros (€232 million at the end of the year 2015) pledged as collateral for non-recourse confirming submissions. Additionally, at the end of the year 2015 cash and cash equivalents pledged is included for various concepts for an amount of €0.2 million (€78 million in 2015).

The following breakdown shows the main currencies in which cash and cash equivalent balances are denominated:

	12.31.16		12.31.15	
Currency	Domestic companies	Non-domestic companies	Domestic companies	Non-domestic companies
Euro	89,914	14,860	158,905	52,375
US dollar	23,891	82,841	67,255	156,283
Swiss franc	2,596	66	2,713	86
Peso (Chile)	516	2,358	85	3,016
Dirhams (UAE)	-	-	-	-
Rupee (Indian)	2,675	728	3,562	1,951
Argentinian peso	-	3,102	-	1,139
Mexican Peso	9	1,378	-	98,076
Peruvian sol	-	1,096	3	1,408
Algerian dinar	2,829	-	5,931	-
Brazilian real	-	1,044	-	46,983
South african rand	3,413	9,731	2,047	19,085
Shekel	812	198	-	36,372
Pound Sterling	10,834	1	5,634	16
Others	13,405	9,492	8,734	9,279
Total	**150,894**	**126,895**	**254,869**	**426,069**

Note 18.- Shareholders´ equity

18.1. Share capital

- As of December 31, 2016 the share capital amounts to €1,834,252.65 corresponding to 941,805,965 shares completely subscribed and disbursed, divided into two distinct classes, as follows:
  - 83,125,831 class A shares with a nominal value of 0.02 Euro each, all in the same class and series, each of which grants the holder a total of 100 voting rights ('Class A Shares').
  - 858,680,134 class B shares with a nominal value of 0.0002 Euros each, all in the same class and series, each of which grants One (1) voting right and which affords its holder economic rights identical to the economic rights of Class A shares as stated in article 8 of the Company's by-laws ('Class B Shares' and, together with class A shares, 'Shares with Voting Rights').
- The parent company, Abengoa, S.A. has incurred in losses since 2015, which has supposed a significant decrease in Equity, and, consequently, at the end of the period ended December 31, 2016 the company presents a situation of financial instability (negative net equity). In accordance with the Article 363 of the Spanish Corporation Law, a Company will be in dissolution situation when losses lead Net Equity to an amount lower than the half of the shared capital, unless an increase or decrease in capital share was enough. In this sense, the Directors are adopting necessary measures to restore the financial stability (see Note 2.1).
- Abengoa's shares are represented by class A and class B, shares which are listed on the Madrid and Barcelona stock exchanges and on the Spanish Stock Exchange Electronic Trading System (Electronic Market). Class A shares have been listed since November 29, 1996 and class B shares since October 25, 2012. The Company presents mandatory financial information quarterly and semiannually.
- In accordance with notifications received by the company and in compliance with reporting requirements to communicate shareholding percentages (voting rights) and the information received from relevant parties, shareholders with a significant holding as of December 31, 2016 are as follows:

Shareholders	Share %
Inversión Corporativa IC, S.A. (*)	44.71
Finarpisa, S.A. (*)	5.96

(*) Inversión Corporativa Group.

(**) Percentages will be changed after implementing the Restructuring Agreement

- On September 30, 2012 the General Shareholders' Meeting approved a capital increase of 430,450,152 Class B shares with a nominal value of €0.01 each reducing its unrestricted reserves, which would be delivered to all shareholders on a proportion of four Class B shares by each owned Class A or B share. Such General Shareholders' Meeting approved a voluntary conversion right to change Class A shares with one euro nominal value (€0.002 nominal value as of December 31, 2015) to Class B shares of €0.01 nominal value (€0.0002 nominal value as of December 31, 2015) during certain pre-established periods until December 31, 2017. After exercising this right and after a capital reduction decreased the nominal value of all the class A shares at 0.98 each at that moment and all Class B shares at 0.0098 each at that moment, with the agreement of the Extraordinary Shareholders' Meeting of the company in October 10, 2015, a capital reduction decreasing the nominal value of the converted shares at the value of €0.0198 per share will take place, with unrestricted reserves credit.
- With respect to the foregoing, after closing the 16th conversion period dated January 15, 2016, the Company carried out on January 22, 2016, a reduction of capital share by the amount of €898.74 converting 45,391 Class A shares into new Class b shares.
- Additionally, after closing the 17th conversion period dated April 15, 2016, the Company carried out on April 19, 2016, a reduction of capital share by the amount of €1,323.91 converting 66,864 Class A shares into new Class b shares.
- On the other hand, after closing the 18th conversion period dated July 15, 2016, the Company carried out on July 27, 2016, a reduction of capital share by the amount of €3,314.12 converting 167,380 Class A shares into new Class B shares.
- After closing the 19th conversion period dated October 15, 2016, the Company carried out on October 27, 2016, a reduction of capital share by the amount of €1,219.98 converting 61,615 Class A shares into new Class B shares.

- Finally, after closing the 20th conversion period dated January 15, 2016, the Company carried out onJanuary 23, 2016, a reduction of capital share by the amount of €1,507. converting 76,156 Class A shares into new Class B shares.

- On January 4, 2016 a capital increase take place, without preferential subscription right, with the issue of 34,013 Class B shares with a nominal value of €6.80 for the purpose of meeting the conversion requests related to the Convertible Bond €400,000,000 at an interest rate of 6.25% maturing in 2019, issued by the Company on January 2013.

- On the other hand, on July 19, 2016, the Company carried out a capital increase, without preferential subscription right as well, for an amount of 40.82 euros of nominal value issuing 204,081 new Class B shares aiming to attend the conversion applications received in relation to the 400,000,000 euros convertible bond at 6.25% interest rate and maturing on 2019 issued by the Company in January 2013.

- Additionally, on October 24, 2016, the Company has carried out a capital increase, without preferential subscription right as well, for an amount of 6.80 euros of nominal value issuing 34,013 new Class B shares aiming to attend the conversion applications received in relation to the 400,000,000 euros convertible bond at an interest rate of 6.25% interest rate and maturing on 2019 issued by the Company in January 2013.

- As a consequence of the mentioned operations, the share capital of Abengoa at the date of February 27, 2017, amounts € 1,832,744.76 represented by 941,805,965 shares fully subscribed and paid, pertaining to two different classes: : 83,049,675 Class A shares and 858,756,290 Class B shares.

- The proposed distribution of 2015 of the parent company approved by the General Shareholders 'Meeting in September 30, 2016 has been charged to retained earnings.

- The Board of Directors of Abengoa, at its meeting held on October 10 and 17, 2016, unanimously resolved to call an Extraordinary General Shareholders' Meeting of the Company to propose the approval of agreements due to the Restructuring Agreement signed on September 24, 2016. Such Extraordinary General Shareholders' Meeting was held at its registered address, Campus Palmas Altas, in Seville, on November 22, 2016, at 11:00 a.m. on second call where the following agreements were reached.

  1. The provision of essential assets to "Abengoa Abenewco 2, S.A.U." and the subsequent provision of the same by "Abengoa Abenewco 2, S.A.U." to "Abengoa Abenewco 1, S.A.U." Delegating the necessary powers to the Board to carry out this provision.

  2. The increase of the capital stock in order to build up the Company's funds to a specific amount pursuant to the terms of this agreement by issuing and circulating new class A shares, each with a par value of 0.02 euro, and new class B shares, each with a par value of 0.0002 euro (in the same proportion as the class A and class B shares issued and in circulation on the date when the Board of Directors executed this agreement proposal), to be paid out by credit offset on the likelihood that not all shares will be sold.

  3. The issuance by the Company of a guarantee concerning the obligations undertaken by certain of its subsidiaries regarding the issuance of debt securities and loans to be agreed on in the future pursuant to the Restructuring Agreement.

  4. The issuance of warrants in favor of the Company shareholders carrying the right to acquire new class A or class B shares.

  5. Changes in the Board of Directors.

  6. The amendment of Company Bylaws.

  7. The amendment of the Regulations for Operation of the Abengoa, S.A. General Shareholders' Meetings

- As mentioned, the Extraordinary General Shareholders' Meeting approved the inclusion of all the resolutions to be agreed in the agenda with the exception of the fifth proposal that appeared in the agenda, related to the incorporation of class A and class B shares into a single class of ordinary Company shares, which was not voted due to the lack of quorum. However, this fact does not affect to the necessary agreements to implement the Restructuring Agreement.

- In relation to the investment agreement signed by Abengoa and the First Reserve Corporation (FRC) on October 3, 2011, on December 23, 2016 it is announced that the parties have decided to terminate the investment agreement. At the time of the announcement, FRC held no class B shares in Abengoa or any other securities convertible into class B shares and therefore did not hold any interest in the company's share capital.

18.2. Parent company reserves

The following table shows the amounts and evolution of the Parent Company Reserves in the yeasrs 2016 and 2015:

	Balance as of 12.31.15	Distribution of 2015 profits	Capital increase/decrease	Other movements	Balance as of 12.31.16
Share premium	1,115,940	-	-	-	1,115,940
Revaluation reserve	3,679	-	-	-	3,679
Other reserves of the parent company:	-	-	-	-	-
- Unrestricted reserves	612,939	-	681	-	613,620
- Legal reserves	51,486	(1,062,761)	-	-	(1,011,275)
Total	**1,784,044**	**(1,062,761)**	**681**	**-**	**721,964**

	Balance as of 12.31.14	Distribution of 2014 profits	Capital increase	Other movements	Balance as of 12.31.15
Share premium	903,377	-	212,563	-	1,115,940
Revaluation reserve	3,679	-	-	-	3,679
Other reserves of the parent company:			-		-
- Unrestricted reserves	338,914	104,705	65,072	104,248	612,939
- Legal reserves	88,316	-	(36,830)	-	51,486
Total	**1,334,286**	**104,705**	**240,805**	**104,248**	**1,784,044**

The amount corresponding to 'Other movements' for the years 2016 and 2015 is mainly part of operations carried out with treasury shares. The change in non-distributable "Other reserves of the parent company" corresponds to the reclassification to equity of the fair value of the embedded derivative of the convertible note due in 2019 because during the year 2015, the conversion option met the definition of equity instruments.

The Legal Reserve is created in accordance with Article 274 the Spanish Corporate Law (Ley de Sociedades de Capital), which states that in all cases an amount of at least 10% of the earnings for the period will be allocated to this reserve until at least 20% of the share capital is achieved and maintained. The Legal Reserve may not be distributed and, if used to compensate losses in the event that there are no other reserves available to do so, it should be replenished from future profits.

On November 19, 2007, the company entered into a liquidity agreement on class A shares with Santander Investment Bolsa, S.V. Replacing this liquidity agreement, on January 8, 2013, the company entered into a liquidity agreement on class A shares with Santander Investment Bolsa, S.V. in compliance with the conditions set forth in CNMV Circular 3/2007 of December 19. Such agreement temporarily suspended with effect from September 28, 2015.

On November 8, 2012, the company entered into a liquidity agreement on class B shares with Santander Investment Bolsa, S.V. in compliance with the conditions set forth in CNMV Circular 3/2007 of December 19. The Company cancelled this agreement on April 21, 2015.

As of December 31, 2016 treasury stock amounted to 5,662,480 shares (5,662,480 in 2015), 5,662,480 class A shares and 0 class B shares.

There has not been any transaction during 2016.

The proposed distribution of the year 2016 result and other reserves of the Parent Company to be proposed to the General Shareholder´s Meeting will be charged to retained earnings.

18.3. Other reserves

Other reserves include the impact of the valuation of hedge instruments (derivatives) and available for sale investments at the end of the year.

The following table shows the balances and movements of other reserves by item for the years 2016 and 2015:

Item	Hedging reserves	Available-for-sale financial assets reserves	Total
Balance as of December 31, 2015	(80,894)	1,423	(79,471)
- Gains/ (losses) on fair value for the year	(55,628)	(126)	(55,754)
- Transfer to the Consolidated Income Statement	134,987	(2,155)	132,832
- Tax effect	(39,336)	35	(39,301)
Balance as of December 31, 2016	**(40,871)**	**(823)**	**(41,694)**

Item	Hedging reserves	Available-for-sale financial assets reserves	Total
Balance as of December 31, 2014	(289,388)	(195)	(289,583)
- Gains/ (losses) on fair value for the year	43,614	1,240	44,854
- Transfer to the Consolidated Income Statement	251,261	-	251,261
- Tax effect	(86,381)	378	(86,003)
Balance as of December 31, 2015	**(80,894)**	**1,423**	**(79,471)**

For further information on hedging activities, see Note 14.

18.4. Accumulated currency translation differences

The amount of accumulated currency translation differences for fully and proportionally consolidated companies and associates at the end of the years 2016 and 2015 is as follows:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Currency translation differences:		
- Fully and proportionally consolidated companies	(863,831)	(1,022,854)
- Associates	18,420	(7,559)
Total	**(845,411)**	**(1,030,413)**

The increase in the accumulated currency translation differences during the year 2015 is mainly due to the appreciation of the US Dollar and the Brazilian real with respect to the euro.

18.5. Retained earnings

The breakdown and movement of Retained earnings during the 2016 and 2015 fiscal years are as follows:

Item	Balance as of 12.31.15	Dist. of 2015 profit	2016 profit	Other movements	Balance as of 12.31.16
Reserves in full & proportionate consolidated entities	391,240	(142,410)	-	92,157	340,987
Reserves in equity method investments	208,521	(8,307)	-	(83,975)	116,239
Parent company dividends and reserves	-	(1,062,761)	-	1,062,761	-
Total reserves	**599,761**	**(1,213,478)**	**-**	**1,070,943**	**457,226**
Consolidated profits for the year	(1,342,690)	1,342,690	(7,615,037)	-	(7,615,037)
Profit attributable to non-controlling interest	129,212	(129,212)	(14,019)	-	(14,019)
Profit attributable to the parent company	**(1,213,478)**	**1,213,478**	**(7,629,056)**	**-**	**(7,629,056)**
Total retained earnings	**(613,717)**	**-**	**(7,629,056)**	**1,070,943**	**(7,171,830)**

Item	Balance as of 12.31.14	Dist. of 2014 profit	2015 profit	Other movements	Balance as of 12.31.15
Reserves in full & proportionate consolidated entities	708,966	(81,325)	-	(236,401)	391,240
Reserves in equity method investments	3,841	7,018	-	197,662	208,521
Parent company dividends and reserves	-	199,599	-	(199,599)	-
Total reserves	**712,807**	**125,292**	**-**	**(238,338)**	**599,761**
Consolidated profits for the year	121,877	(121,877)	(1,342,690)	-	(1,342,690)
Profit attributable to non-controlling interest	3,415	(3,415)	129,212	-	129,212
Profit attributable to the parent company	**125,292**	**(125,292)**	**(1,213,478)**	**-**	**(1,213,478)**
Total retained earnings	**838,099**	**-**	**(1,213,478)**	**(238,338)**	**(613,717)**

The Reserves in full and proportionate consolidated entities and equity method investments are as follows:

	Balance as of 12.31.16		Balance as of 12.31.15	
Business unit	F.C/P.C	E.M.	F.C/P.C	E.M.
Engineering and construction	988,408	124,178	743,054	109,932
Concession-type infraestructure	440,142	(7,939)	245,439	98,589
Industrial production	(1,087,563)	-	(597,253)	-
Total	340,987	116,239	391,240	208,521

18.6. Non-controlling interest

This section contains the proportional portion of the Group companies´ equity consolidated by the global integration method and the portion in which other shareholders are participating.

The balances and movements for the year 2016 of Non-controlling interest are set out in the table below:

Company	Balance as of 12.31.15	Change in consolidation	Variations (1)	Profit and loss in 2016	Balance as of 12.31.16
LAT Brasil en operación	328,278	-	126,731	484	455,493
Solar Powe Plant One	22,551	-	(2,083)	1,717	22,185
Abengoa Bionenergy France	26,554	-	(111)	280	26,723
Société d'Eau Déssalée d'Agadir	4,969	-	140	4,445	9,554
Khi Solar One	-	-	18,327	(931)	17,396
Other	8,281	61	7,452	8,024	23,818
Total	390,633	61	150,456	14,019	555,169

(1) Variationes caused by increases/decreases of capital share, mainly currency transactions and changes in the consolidation method applied

At the year-end 2016, the increase of non-controlling interest mainly relates to the appreciation of the Brazilian real.

The balances and movements for the year 2015 of Non-controlling interest are set out in the table below:

Company	Balance as of 12.31.14	Change in consolidation	Variations	Profit and loss in 2015	Balance as of 12.31.15
Atlantica Yield y filiales	595,323	(1,830,388)	1,144,349	90,716	-
LAT Brasil en operación	436,502	-	(108,186)	(38)	328,278
Rioglass Solar Holding y filiales	68,585	(71,950)	-	3,365	-
Skikda	17,963	-	(17,314)	(649)	-
Solar Power Plant One	26,539	-	(1,932)	(2,056)	22,551
Abengoa Bionenergy France	25,296	-	2,089	(831)	26,554
Otros menores	30,694	(27,470)	(28,679)	38,705	13,250
Total	1,200,902	(1,929,808)	990,327	129,212	390,633

The increase in the non-controlling interest during the year 2015 was mainly caused by the consolidation trhough the equity method of the investment on Atlantica Yield and Rioglass, after their loss of control.

The list of non-Group Companies / Entities that hold an interest of 10% or more in any company consolidated by the global integration method in the consolidation perimeter for 2016 it is shown in annex VIII.

In most cases, non-controlling interest have the ordinary right of protection, mainly those related to investments, divestments and financing.

The most significant affiliates with a non-controlling interest contribution correspond to transmission lines in Brazil which are operating (ATE XI, Manaus Transmissora de Energía, S.A. and ATE XIII, Norte Brasil Transmissora de Energía, S.A.) for an amount of €455 million (€328 million in 2015).

In relation to the affiliates ATE XI, Manaus Transmissora de Energía, S.A. and ATE XIII Norte Brasil Transmissora de Energía, S.A. the detail of the assets and liabilities at year ended 2016 and 2015 are the following:

Item	ATE XI, Manaus Transmissora de Energía, S.A. Balance as of 12.31.16	ATE XIII, Norte Brasil Transmissora de Energía, S.A Balance as of 12.31.16
Non-current assets	598,528	867,328
Current assets	36,224	46,532
Non-current assets liabilities	233,503	350,912
Current liabilities	69,182	69,010
Equity	332,067	493,938

Item	ATE XI, Manaus Transmissora de Energía, S.A. Balance as of 12.31.15	ATE XIII, Norte Brasil Transmissora de Energía, S.A Balance as of 12.31.15
Non-current assets	502,003	712,103
Current assets	26,447	32,500
Non-current assets liabilities	190,483	272,467
Current liabilities	61,337	81,634
Equity	276,630	390,502

At the end of the year ended on December 31, 2016 and 2015, the income statement of the affiliates ATE XI, Manaus Transmissora de Energía, S.A. and ATE XIII Norte Brasil Transmissora de Energía, S.A. are the following

Item	ATE XI, Manaus Transmissora de Energía, S.A. 2016	ATE XIII, Norte Brasil Transmissora de Energía, S.A 2016
Revenue	43,572	76,145
Operating expenses	(28,414)	(40,479)
I. Operating profit	15,158	35,666
II. Financial expense, net	(17,857)	(31,442)
IV. Profit before income tax	(2,699)	4,224
V. Income tax benefit	918	(1,436)
VI. Profit for the period from continuing operations	(1,781)	2,788
VIII. Profit for the period attributable to the Parent Company	(1,781)	2,788

Item	ATE XI, Manaus Transmissora de Energía, S.A. 2015	ATE XIII, Norte Brasil Transmissora de Energía, S.A 2015
Revenue	45,026	79,055
Operating expenses	(24,908)	(40,024)
I. Operating profit	20,118	39,031
II. Financial expense, net	(24,080)	(34,326)
IV. Profit before income tax	(3,962)	4,705
V. Income tax benefit	1,142	(1,781)
VI. Profit for the period from continuing operations	(2,820)	2,924
VIII. Profit for the period attributable to the Parent Company	(2,820)	2,924

On the basis of the above, during the year 2016 the profit and loss attributable to the non-controlling interest of the companies ATE XI, Manaus Transmissora de Energía, S.A. and ATE XIII Norte Brasil Transmissora de Energía, S.A. amounted to €1.4 and €-1.4 million respectively. Due to the discontinuance of the LAT companies in Brazil, the assigned results to non-controlling interests have been classified as Profit attributable to non-controlling interests discontinued operations.

On the other hand, at the end of the year ended on December 31, 2016 and 2015, the detail of the cash flow statements of the companies ATE XI, Manaus Transmissora de Energía, S.A. and ATE XIII Norte Brasil Transmissora de Energía, S.A are the following:

Item	ATE XI, Manaus Transmissora de Energía, S.A. 2016	ATE XIII, Norte Brasil Transmissora de Energía, S.A 2016
Profit for the year from continuing operations	(1,781)	2,788
I. Profit for the year from continuing operations adjusted by non monetary items	15,742	25,127
II. Variations in working capital	(8,586)	(34,706)
III. Interest and income tax received / paid	(918)	1,436
A. Net cash provided by operating activities	6,238	(8,143)
I. Investments/Disposals	7,699	2,523
B. Net cash used in investing activities	7,699	2,523
I. Proceeds from loans and borrowings	20,543	49,670
II. Repayment of loans and borrowings	(32,896)	(43,836)
III. Other finance activities	-	-
C. Net cash provided by financing activities	(12,353)	5,834
Net increase/(decrease) in cash and cash equivalents	1,584	214
Cash, cash equivalents and bank overdrafts at beginning of the year	8,061	12,077
Translation differences cash or cash equivalent	2,237	3,096
Cash and cash equivalents at end of the year	11,882	15,387

Item	ATE XI, Manaus Transmissora de Energía, S.A. 2015	ATE XIII, Norte Brasil Transmissora de Energía, S.A 2015
Profit for the year from continuing operations	(2,820)	2,924
I. Profit for the year from continuing operations adjusted by non monetary items	14,187	27,885
II. Variations in working capital	80	(24,186)
III. Interest and income tax received / paid	(633)	1,365
A. Net cash provided by operating activities	13,634	5,064
I. Investments/Disposals	-	8,861
B. Net cash used in investing activities	-	8,861
I. Proceeds from loans and borrowings	20,026	32,590
II. Repayment of loans and borrowings	(25,908)	(36,249)
III. Other finance activities	-	-
C. Net cash provided by financing activities	(5,882)	(3,659)
Net increase/(decrease) in cash and cash equivalents	7,752	10,266
Cash, cash equivalents and bank overdrafts at beginning of the year	2,004	4,527
Translation differences cash or cash equivalent	(1,695)	(2,716)
Cash and cash equivalents at end of the year	8,061	12,077

Also, during the years 2016 and 2015 the affiliate companies ATE XI, Manaus Transmissora de Energía, S.A. and ATE XIII Norte Brasil Transmissora de Energía, S.A, did not distribute any amount for dividends to non-controlling interest.

Note 19.- Project debt

The Consolidation perimeter includes interests in various companies that, in general, have been created to develop an integrated product that consists of designing, constructing, financing, operating and maintaining a specific infrastructure (usually a large-scale asset such as a power transmission line). These may be owned outright or under a concession arrangement for a specific period of time and whose financing sources are various non-recourse project financing schemes (project finance).

Project finance (non-recourse financing) is generally used as a means of constructing an asset, using the assets and cash flows of the company or group of companies that will perform the activity associated with the project being financed as collateral. In most cases the assets and/or contracts are used as a guarantee for the repayment of the financing.

Compared to corporate financing, the project finance has certain key benefits, which include a longer borrowing period due to the profile of the cash flows generated by the project and a clearly defined risk profile.

Despite having a commitment from a financial institution during the awarding phase of the project and since the financing is usually completed in the latter stages of a construction project –mainly because these projects require a significant amount of technical and legal documentation to be prepared and delivered that is specific to the project (licenses, authorizations, etc.) –bridge loan (formerly named non-recourse project financing in process) needs to be available at the start of the construction period in order to begin construction activities as soon as possible and to be able to meet the deadlines specified in the concession agreements.

Obtaining this financing is considered as a temporary funding transaction and is equivalent to the advances that clients traditionally make during the different execution phases of a construction project or works.

Bridge loan has specific characteristics compared to traditional advances from clients. For example the funds are usually advanced by a financial institution (usually for terms of less than 2-3 years), although, there are similarities in the implicit risk that mainly relates to the capacity of the formerly owner company of the project to construct it correctly in time and form.

The specific funding requirements that usually accompany bridge financing agreements normally include the following:

- The funds that are drawn down as the project is executed can only be used for developing the project to construct the asset, and
- The obligation to use the project finance to repay the bridge loan.

This means that conversion of the bridge loan in a long-term project finance arrangement has a very high degree of security from the start of the project (which generally has a comfort letter or support from the institutions that are going to participate in the long-term financing).

In terms of guarantees, both the bridge loan and the project finance have the same technical guarantees from the contractor in relation to price, deadlines and performance.

The difference is that the bridge loan in most cases also has corporate guarantee from the project's sponsor in order to cover the possibility of a delay in the financial closing of project finance.

Both guarantees (contractor and sponsor) are intended to underwrite the future cash flows from the project in the event that technical risks give rise to variations in them (failure to comply with the construction schedule or with the deadlines for finalizing the project finance).

Therefore the bridge loan and the project finance are –from a contractual perspective– independent loan transactions, although they are linked in terms of their overall aim (for example, with the exception of the aforementioned guarantees, both share the same risks; their sole purpose is for financing projects; they are generally repaid with funds from the project itself; and they are separate from the company's other cash sources) and commercially (the financial institution itself has an interest in favorably resolving the continuity of both transactions). These two types of financing are therefore considered to be similar in terms of managing the company's business.

Consequently, the internal criteria for classifying a financial liability in the Consolidated Statement of Financial Position as project debt is based on the characteristics and use of that financing and not on the guarantees provided.

In relation to the return on the project, usually it has been more beneficial to obtain bridge loan via the special purpose entity responsible for operating and maintaining the asset to be constructed. However, the cheaper cost of financing obtained at a corporate level has enabled projects to be financed centrally, generating important competitive advantages as well as reducing start times for project construction. Consequently, during 2014 and 2015 bridge loans with a corporate guarantee were issued, structured in a similar way to the bridge loans used previously in terms of their purpose (project financing) and repayment (from project cash flows). This financing is therefore also considered to be similar to the project finance in terms of managing the business and the company's risk and it is therefore classified under the same heading.

The details of project debt applied to projects, for both non-current and current liabilities, as at December 31, 2016 and December 31, 2015 is as follows:

Project debt	Balance as of 12.31.16	Balance as of 12.31.15
Project finance (Non-recourse project financing)	171,596	1,021,047
Project bridge loan (Non-recourse project financing in process)	1,843,908	2,049,059
Total project debt	**2,015,504**	**3,070,106**
Non current	12,563	503,509
Current	2,002,941	2,566,597

At the 2016 year-end, the amount of non-recourse projects overdue and unpaid amounts to €278 million €164 million of which is principal and the remaining €114 million is interest.

19.1. The balances and movements for the year 2016 of project debt are set out in the table below:

Item	Project debt - long term	Project debt - short term	Total
Balance as of 12.31.15	503,509	2,566,597	3,070,106
Increases	3	143,660	143,663
Decreases (reimbursement)	(776)	(133,718)	(134,494)
Currency translation differences	(1,224)	4,327	3,103
Changes in consolidation and reclassifications	(1,972)	(29,868)	(31,840)
Transfer to liabilites held for sale	(486,977)	(548,057)	(1,035,034)
Balance as of 12.31.16	**12,563**	**2,002,941**	**2,015,504**

At the end of 2016, the total amount of project financing has decreased mainly due to the reclassification, as liabilities held for sale, of the non-recourse debt of certain transmission lines concessional assets and Bioenergy business segment, given its compliance with all assumptions and requirements of the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations' after the sale process initiated due to the exclusion as continued activity within the Updated Viability Plan approved by the Board of Directors (see Note 2.1 and 7). Additionally, the evolution of the project financing is affected by the repayment of the new bridge loan obtained by Abengoa Concessions Investments Ltd, for the promotion, development and construction of concessional assets for an amount of €123 million.

The balances and movements for the year 2015 of project debt are set out in the table below:

Item	Project debt - long term	Project debt - short term	Total
Balance as of 12.31.14	4,158,904	799,210	4,958,114
Increases	626,954	419,488	1,046,442
Decreases (reimbursement)	(190,886)	(614,679)	(805,565)
Currency translation differences	(167,963)	4,221	(163,742)
Changes in consolidation and reclassifications	(1,441,737)	315,573	(1,126,164)
Transfer to liabilites held for sale	(618,617)	(220,362)	(838,979)
Reclassification for enforceable financing (*)	(1,863,146)	1,863,146	-
Balance as of 12.31.15	**503,509**	**2,566,597**	**3,070,106**

(*) As a consequence of certain breaches of covenants resulting in either default or cross default induced by the facts and circumstances which occurred from August 2015 onwards described within these Consolidated condensed financial statements (see Note 2.1.1) and which has caused the Company requesting the protection of article 5 bis of the Spanish Insolvency Law, some financing arrangements have been reclassified from non-current liabilities to current liabilities in an amount of €1,863 million due to considering that the financing arrangements are due in the short term (see Note 19.5).

As of December 31, 2015 project debt decreased due to the classification as liabilities held for sale of project financing or bridge loans corresponding to companies classified as held for sale (€-839 million) and the derecognition of project debt of Atlantica Yield and its affiliates (which is accounted for under the equity method, see Note 7.1 and Note 11) (€-1,117million) the repayment of the bridge loan of the Zapotillo aqueduct project in Mexico (€-261 million), the repayment of the loan related to the energy transmission line projects in Brazil (€-60 million) and to the translation differences caused by the depreciation of the Brazilian real against the euro. The most significant increases are due to Abengoa Greenbridge, S.A bridge loan for an amount of €221 million, the new bridge loan obtained by Abengoa Concessions Investments Limited of which €123 million are drawn down to the new bridge loan obtained for the project Norte III for an amount of €183 million and the new loan obtained for the energy transmission line projects in Brazil (€74 million).

19.2. The table below lists projects with bridge loans in progress (bridge loans) as of December 31, 2016 (amounts in thousands of euros):

Item	Bridge financing amount drawn (2) (3)	Guarantee type (4)
LAT Brasil (1)	999,487	Contractor and Sponsor / Corporate
Abent T3	271,464	Corporate
ACC4T	65,930	Corporate
Plataforma Solar Atacama (1)	507,027	Contractor and Sponsor / Corporate
Total	**1,843,908**	

(1) Includes the transmission line projects in Brazil relating to ATE XVI Transmissora de Energía, S.A. (Miracema), ATE XVII Transmissora de Energía, S.A. (Milagres), ATE XVIII Transmissora de Energía, S.A. (Estreito), ATE XIX Transmissora de Energía, S.A. (Luiz Gonzaga), ATE XX Transmissora de Energía, S.A. (Teresina), ATE XXI Transmissora de Energía, S.A. (Parauapebas), ATE XXII Transmissora de Energía, S.A., ATE XXIII Transmissora de Energía, S.A. and ATE XXIV Transmissora de Energía, S.A. and to solar plant project in the Atacama Desert, Chile, which combines tower technology based on molten salts and photovoltaic.

(2) Green Bond funds used to finance Green Projects may be used to finance other Green Projects selected in accordance with the requirements of Use of Funds indicated in the Offering Memorandum, once obtained the long term funds related to projects. Additionally, Tranch B funds, once obtained the long term funds, may be allocated to new projects in progress once accomplished the specific requirements of the financing contract.

(3) Excludes amounts withdrawn from the project bridge loans, which have been issued by the projects with Contractor and Sponsor guarantee by Abengo and/or some of corporate subsidiaries (which are not project companies), amounting to €539,243 thousands and which have been transferred to liabilities held for sale and, for Atacama I project in Chile specifically, included in the consolidated statement of financial position of Abengoa Project Warehouse (APW-1), joint venture accounted for using the equity method (see Note 7and 10) amounted €267,604 thousand.

(4) The guarantee references "Contractor and sponsor" refer to corporate guarantees mainly related to the bridge financing of the projects. The references to "Corporate" guarantees refer to guarantees related to the Green Bonds. These guarantees cover all of the indicated bridge financing.

19.3. Within the assets on the Consolidated Statement of Financial Position and under the Cash and Cash equivalent and Financial Receivables headings, there are debt service reserve accounts in the amount of €14 million relating to project financing in 2016 (€27 million in 2015).

19.4. Appendix IX of this consolidated report details the Project companies financed by project debt as of the end of 2016.

19.5. Project finance maturities, as reflected in the original contracts and in the Statement of Financial Position, after the reclassification made to short term of debt payable on demand as a consequence of certain contractual breaches due to the fact and circumstances since the beginning of August 2015 (see Note 2.1.1) that have led at the end of the last year to the filing of the communication set forth under the article 5 bis of Ley Concursal is shown bellow.

	2017	2018	2019	2020	2021	Subsequent	Total
Total as contract	379,590	671,468	603,756	226,930	6,028	127,732	2,015,504
Reclassification for enforceable financing	1,623,351	(668,467)	(603,377)	(226,559)	(5,573)	(119,375)	-
Total as balance (*)	2,002,941	3,001	379	371	455	8,357	2,015,504

(*) The company is renegotiating the notional and the maturity of the loans based on the financial debt Restructuring Agreement (see Note 2.1.1).

19.6. Current and non-current loans with credit entities include amounts in foreign currencies for the total of €461,690 thousand (€1,494,099 thousand in 2015).

The equivalent in euros of the most significant foreign-currency-denominated debts held by the Group are as follows:

	12.31.16		12.31.15	
	Non-domestic companies	Domestic companies	Non-domestic companies	Domestic companies
Dirham (Morocco)	11,180	-	17,170	-
Dollar (USA)	7,170	306,704	432,536	273,992
Peso (Mexico)	7,540	-	8,643	-
Peso (Uruguay)	63,910	-	20,076	-
Peso (Chile)		-		-
Real (Brazil)	65,186	-	741,682	-
Total	154,986	306,704	1,220,107	273,992

19.7. The amount of accrued and not paid financial expenses related to projects amounts to €4,536 thousand at December 31, 2016 (€9,268 thousand as of December 31, 2015) and is included under current 'Project debt'.

Note 20.- Corporate financing

As indicated in Note 4, corporate financing is used to finance the activities of the remaining companies, which are not financed under project debt and is guaranteed by Abengoa, S.A. and, in some cases, jointly guaranteed by certain group subsidiaries.

20.1. The breakdown of the corporate financing as of December 31, 2016 and 2015 is as follows:

Non-current	Balance as of 12.31.16	Balance as of 12.31.15
Credit facilities with financial entities	6,032	6,566
Notes and bonds	-	-
Finance lease liabilities	8,014	19,522
Other loans and borrowings	252,983	345,437
Total non-current	267,029	371,525

Current	Balance as of 12.31.16	Balance as of 12.31.15
Credit facilities with financial entities	2,836,597	2,321,654
Notes and bonds	3,550,269	3,300,825
Finance lease liabilities	13,088	17,020
Other loans and borrowings	998,168	557,047
Total current	7,398,122	6,196,546
Total corporate financing	7,665,151	6,568,071

At the period ended December 31, 2016, the amount of corporate financing overdue and unpaid amounts to €1,933 million, which €1,581 million correspond to capital and €352 million to interests. Within the interests are recognized the default interests generated that reach €22 million. Such default interests correspond to those generated during the year 2016 in companies not affected by the standstill agreement, as well as to those generated before March 18, 2016 over companies affected by the standstill agreement, in which, among the obligations assumed by each parties, there is a express compromise of creditors of not charging default interests overdue and unpaid amounts since that date.

As a consequence of certain contractual breaches given the events since the beginning of the month of August 2015 (see Note 2.1.1) which led the Company at the end of 2015 to file the communication provided by the article 5 bis of Ley Concursal, €4,134 million were reclassified to current liabilities because its being considered as payable on demand corporate-financing.

The increase during the year 2016 in corporate financing is mainly due to the matured and not paid derivative instruments (€147 million), the executed bank guaranties with high probability of outflows (€386 million), as well as the default interest recognized, all above plus the interest accrued for different loans and the updating of preferred shares of ACBH with Atlantica Yield (see Note 22.1). Additionally, on March 2016, a liquidity line was subscribed for an amount of €137 million and another new liquidity line was subscribed in September 2016 amounted to US$211 million. Finally, it should be noted that there is an increase due to a financial liability recognized amounting to €128 million as a consequence of the agreement reached with EIG (see Note 6.2) for the transaction of the minority interest that APW-1 held in certain transmission lines in Brazil in exchange of an economic compensation. All the aforementioned has been partially offset by a decrease of due and unpaid account payables with suppliers which has not been recognized as Corporate Debt and has decreased as a consequence of the consideration of the Bioenergy business segment as held for sale (€209 million).

In relation to the liquidity line on March said before, it must be known that, in the framework of the negotiations with a group of creditors comprised of banks and bondholders issued by the Abengoa group for the restructuring of its indebtedness and its recapitalization in line with an agreement that was announced on March 10, 2016 (relevant fact number 236094), on March 21, 2016, Abengoa Concessions Investments Limited (“ACI”), a subsidiary of the Company, entered into a Secured Term Facility Agreement (the “Facility Agreement”) with, among others, the lenders as described below (the “Lenders”) and the agent appointed thereunder (the “Agent”), pursuant to which it is entitled to borrow up to €137,094,751.30 (the “Loan Amount”) and is required to enter into related security documents (collectively, the “Loan Documents”).The Facility Agreement will be used for the general corporate and working capital purposes of the Company and its subsidiaries (the “Group”).

Upon the occurrence of certain usual events for this type of loan, the Lenders may exercise their right to require ACI to repay all or part of the Loan Amount, grant additional collateral or foreclose on, and dispose of the Pledged Shares (as described below under “Security”) in accordance with the Loan Documents.

The loan will mature on September 23, 2016 or (if maturity for the September Facility and the December Facility is extended to at least the same date) twelve months after the disposition date. Loans will initially bear interest at a rate per annum equal to the aggregate of EURIBOR plus 14.5% (on a payment in kind basis). Default interest will be payable at a rate of 5% above the interest rate.

In certain circumstances, a make-whole amount, a restructuring fee and/or a rollover fee may become payable under the Facility Agreement.

As of September 18, 2016, and in the framework of the Updated Viability Plan and Financial Restructuring Terms announced on August 11,2016, Abengoa Concessions Investments Limited ("ACI"), a subsidiary of the Company, entered into a secured term facility agreement (the "Facility Agreement") among others, the lenders as described below (the "Lenders") and the agent appointed thereunder (the "Agent"), pursuant to which it is entitled to borrow US$211 million (the "Loan Amount") and is required to enter into related security documents (collectively, the "Loan Documents").

As of the date of the Facility Agreement, the Lenders are Arvo Investment Holdings S.À R.L., CCP Credit Acquisition Holdings Lxco S.À R.L, Lajedoa Investments S.À R.L., OCM Luxembourg ABG Debt S.À R.L., Potter Netherlands Coöperatief U.A., y SPV Capital Funding Luxembourg S.À R.L.

The amounts borrowed under the Facility Agreement will be used to refinance all amounts owing under a secured term facility agreement between ACI and Talos Capital Designated Activity Company (formerly Talos Capital Limited) dated October 22, 2015 for a nominal amount of US$130 million (the “Talos Loan”) and for the general corporate and working capital purposes of the Company and its subsidiaries (the "Group").

Upon the occurrence of certain events that are customary for this type of loan, the Lenders may exercise their right to require ACI to repay all or part of the Loan Amount, post additional collateral or foreclose on, and dispose of, the Pledged Shares (as described below under "Security") in accordance with the Loan Documents.

20.2. Credit facilities with financial entities

a) The following table shows a list of credit facilities with financial entities:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Syndicated loan	717,087	690,640
ICO financing	31,044	30,082
Instalaciones Inabensa S.A. financing	276,036	280,930
Abener Energia S.A. financing	398,758	381,893
Teyma, Gestión de Contratos de Contrucc e Ing S.A financing	112,388	89,396
Abener Teyma Mojave General Partnership financing	66,998	65,636
Centro Morelos 264, S.A. de C.V financing	110,086	79,913
European Investment Bank financing	77,699	75,694
Revolving credit agreement September 15 (€125 million)	178,000	126,150
Working capital line December 15 (€106 million)	118,519	100,116
Working capital line March 16 (€137 million)	150,793	-
Working capital line September 16 ($211 million)	200,852	-
Remaining loans	404,369	407,770
Total	**2,842,629**	**2,328,220**
Non-current	6,032	6,566
Current	2,836,597	2,321,654

To ensure that the Company has sufficient funds to repay the debt regarding to its capacity to generate cash flow, Abengoa has to comply with a financial ratio (Net Financial Debt/Corporate EBITDA) with financial institutions. According to the financing agreements, the maximum limit of this ratio is 2.5 starting on December 31, 2014. As of December 31, 2016, Corporate Net Debt/EBITDA financial ratio is higher the set maximum indicated above.

As a consequence of the new ICO and BEI R&D&I project financing frame during 2015, Abengoa is obliged to meet a new financial covenant different to Corporate Net Debt/Corporate Ebitda detailed before. In this sense, Abengoa has to hold a ratio which numerator is the net corporate debt plus bridge loans minus treasury shares and the denominator is Group Ebitda, capped by 5.0. On December 31, 2016 this ratio is higher than 5.0.

With the aim of minimizing the volatility in interest rates of financial operations, specific contracts are signed to hedge the possible variations that may occur (See Note 14).

The long-term syndicated financing loan was signed for the purposes of financing investments and general financing requirements of Abengoa, S.A. and all the companies of the group without project financing.

b) The following table shows the maturity of the bank loans and borrowings as they are in the original contracts and reflected in the statement of financial position after the reclassification resulting from the presentation of the communication provided by article 5 bis of the Ley Concursal:

	2017	2018	2019	2020	2021	Subsequent years	Total
Syndicated loan	-	430,252	286,835	-	-	-	717,087
ICO financing	1,288	4,713	4,756	5,956	7,156	7,175	31,044
Instalaciones Inabensa SA financing	152,685	41,540	41,540	40,271	-	-	276,036
Abener Energia SA financing	201,207	102,151	41,288	28,866	13,495	11,751	398,758
Teyma, Gestión de Contratos de Contrucc e Ing S.A financing	51,613	28,362	14,085	7,962	4,088	6,278	112,388
Abener Teyma Mojave General Partnership financing	66,998	-	-	-	-	-	66,998
Centro Morelos 264, S.A. de C.V financing	110,086	-	-	-	-	-	110,086
Euopean Investment Bank loan	2,930	11,916	11,958	14,958	17,958	17,979	77,699
Revolving credit agreement September €125M (*)	178,000	-	-	-	-	-	178,000
Liquidity line December €106 M	118,519	-	-	-	-	-	118,519
Liquidity line December €137 M	150,793	-	-	-	-	-	150,793
Liquidity line December $211 M	200,852	-	-	-	-	-	200,852
Other loans	309,486	62,706	26,384	2,781	2,402	610	404,369
Total according to Contract	**1,544,457**	**681,640**	**426,846**	**100,794**	**45,099**	**43,793**	**2,842,629**
Reclassification to enforceable financing	1,292,140	(679,261)	(423,835)	(100,343)	(44,908)	(43,793)	-
Total balance (*)	**2,836,597**	**2,379**	**3,011**	**451**	**191**	**-**	**2,842,629**

(*) The company is renegotiating the notional and the maturity of the loans based on the financial debt Restructuring Agreement (see Noea 2.1.1)

The exposure of the Group to variations interest rates and the dates at which prices are revised is specified in Note 4 on the management of financial risks. Corporate financing is mainly based in variable interest rates, as such its fair value is close to its book value. The fair value is based on discounted cash flows, applying a discount rate being that of the third-party loan.

c) The amount of current and non-current credit facilities with financial entities as of December 31, 2016 includes debts denominated in foreign currencies in the amount of €709,394 thousand (€575,174 thousand in 2015).

The most significant amounts of debt in foreign currencies with financial entities are as follows:

	12.31.16		12.31.15	
Currency	Non-domestic companies	Domestic companies	Non-domestic companies	Domestic companies
Dollar (USA)	406,668	191,166	278,375	253,161
Peso (Argentina)	-	-	395	-
Peso (Chile)	14,964	-	-	-
Peso (Colombia)	-	-	194	-
Peso (Mexico)	59,282	-	14,094	-
Real (Brazil)	27,388	-	19,616	-
Rand (South Africa)	-	-	-	-
Rupee (Indian)	7,445	-	7,291	640
Sol (Peru)	-	-	-	-
Yuan (China)	1,226	-	1,408	-
Rial (Oman)	1,255	-		
Total	518,228	191,166	321,373	253,801

d) Interest expenses with financial credit entities accrued and not due reach to €45,917 thousand as of December 31, 2016 (€18,804 thousand in 2015) and is included under 'Short-term borrowings'.

e) Real estate pledged against mortgages corporate financing as of December 31, 2016 is not significant.

f) The average interest rates associated with the debt facilities reflect normal levels in each of the regions and areas in which the facility was agreed upon.

g) The average cost of total financing during 2016 was 7%.

20.3. Notes and bonds

a) The notional value of notes and bonds as of December 31, 2016 and 2015 is as follow:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Exchangeable notes Atlantica Yield	571	12,889
Convertible notes Abengoa 2017 and 2019	166,500	167,300
Ordinary notes Abengoa	2,970,925	2,937,704
Commercial paper Abengoa Mexico	106,799	111,428
Euro-Commercial Paper Program (ECP)	58,470	56,727
Total	3,303,265	3,286,048
Non Current	-	-
Current	3,303,265	3,286,048

In accordance with IAS 32 and 39 and the terms and conditions of the issuance of all convertible notes, except the 2019 notes, since Abengoa has a contractual right to choose the type of settlement and considering that one of these possibilities is paying through a variable number of shares and cash, the conversion option is qualified as an embedded derivative. Thus, the convertible bonds are considered a hybrid instrument, which includes a component of debt and an embedded derivative for the conversion option held by the bondholder. This applies to 2017 convertible bonds and the exchangeable notes of Atlantica Yield 2017.

› Convertible notes Abengoa 2017

The liability component carrying value at December 31, 2016 amounts to €5,570 thousand (€5,211 thousand in 2015).

Additionally, at December 31, 2016, the valuation through the Black Sholes model of the embedded derivative liability component amounts to €0 being its impact, at that date, an income of €531 thousand (€4,020 thousand of income in 2015), given the difference between its value at the year end 2016 and the year ended December 2015.

The key data for the valuation model include the share price, the estimated profitability of the dividend, an envisaged option maturity life, an interest rate and underlying volatility as set forth in the table below:

	December 31, 2016	December 31, 2015
'Spot Abengoa ' Price (euros)	0.2	0.2
'Strike ' Price (euros)	5.2	5.2
Maturity	02/03/2017	02/03/2017
Volatility	0.3	0.9
Number of shares	1,068,702.0	1,068,702.0

On December 31, 2016, listed Price of these bonds was 6.277%.

At December 31, 2016, the option´s fair value of the subscribed shares to provide a partial hedge over this issuance obligation amounted €0 without any impact on profit and loss of this period.

The key data for the options valuation model included the share price, the estimated profitability of the dividend, an envisaged option maturity life, an interest rate and underlying volatility as set forth in the table below:

	December 31, 2016	December 31, 2015
'Spot Abengoa ' Price (euros)	0.2	0.2
'Strike ' Price (euros)	6.05	6.05
Maturity	02/03/2017	02/03/2017
Volatility	0.5	0.7
Number of shares	26,750,000.0	26,750,000.0

› Convertible notes 2019

On January 4, 2016, it was accepted applications for conversion from Noteholders corresponding to a total principal amount of €100 thousand. After July 28, 2016, new conversion request have been attended for an amount of €600 thousand. Additionally, on October 6, 2016 conversion applications were accepted for an amount of €100 thousand

The carrying value of the liability component of the notes at December 31, 2016 amounts to €144,899 thousand.

› Exchangeable notes Atlantica Yield 2017

The value of the liability component of the exchangeable bonds on December 31, 2016 amounts to €564 thousand.

Since the commencement of the exchange period for the Exchangeable Notes Atlantica Yield 2017 on September 1, 2015 (as set out the terms and conditions) through December 31, 2016, exchange notices for a total nominal amount of US$ 278 million, equivalent to 7,595,639 shares of Atlantica Yield, have been received and exchanged. This exchange has generated an income amounted to €8,881 in the Income Statement at December 31, 2016 (see Note 22.2).

On the other hand, the valuation of the embedded derivative liability component pending to exchange was €30,356, being its valuation €75 thousand at December 31, 2016 and the amount written off as a consequence of the exchange was €30,619 thousand, with an effect in the Income Statement of the difference between the two mentioned amounts of €338 thousand of finance expense.

The key data for the valuation model included the share price, the estimated profitability of the dividend, an envisaged option maturity life, an interest rate and underlying volatility as set forth in the table below:

	December 31, 2016	December 31, 2015
'Spot Abengoa ' Price (euros)	19.4	19.3
'Strike ' Price (euros)	35.6	36.4
Maturity	03/05/2017	03/05/2017
Volatility	0.5	0.8
Number of shares	16,875.0	384,404.0

› In connection with the General noteholders' meetings of the notes issued by the Company and Abengoa Greenbridge, S.A.U. held on first calling on October 27, 2016 (except the related to the Abengoa´s ordinary bond of €500 million maturing on 2016 and the Abengoa´s convertible bond of €250 million maturing on 2017 which will be held on second calling next November 28, 2016) approved the following agreements:

1. Amendment to the Terms and Conditions of the Notes in order to modify the governing law and jurisdiction.

2. Amendment to the terms of the Deeds of Guarantee and the Global Note in order to modify its governing law and jurisdiction.

3. Empower the Commissioner and the Fiscal Agent to enter into any documentation which would be deemed needed or necessary to give effect to the resolutions approved by the Noteholders' Meeting.

4. Discharge and exonerate the Company from all liabilities in respect of the convening of the Noteholders' Meeting and the proposals of amendments of the Terms and Conditions of the Issue.

5. Approval of the entering into any agreements and to the taking of such actions required to give effect to, and formalize, the resolution approved by the Noteholders' Meeting.

6. Discharge and exonerate the Commissioner and the Fiscal Agent from all liabilities in respect with the proposals subject to approval and the actions carried out for their implementation under the powers conferred by virtue of the proposal under paragraph (3) above.

7. Approval of the remuneration of the Commissioner, and other expenses related to its role as legal representative of the Syndicate of Noteholders and body for liaison between Syndicate of Noteholders and the Company.

8. Drafting and approval of the Minutes of the Noteholders' Meeting.

b) The table below shows the maturities of the existing notes and bonds as of December 31, 2015. According to the original contracts and as reflected in the Statements of financial position, due to reclassifications related to the presentations of the communication provided by Article 5 bis of the Ley Concursal:

Item	2017	2018	2019	2020	2021
Convertible notes Atlantica Yield	571	-	-	-	-
Convertible notes Abengoa	5,600	-	160,900	-	-
Ordinary notes Abengoa	1,118,047	550,000	-	802,878	500,000
Commercial paper Abengoa Mexico	106,799	-	-	-	-
Euro-Commercial Paper Programme (ECP)	58,470	-	-	-	-
Total notionals according to Contract	**1,289,487**	**550,000**	**160,900**	**802,878**	**500,000**
Reclassification to enforceable financing	2,013,778	(550,000)	(160,900)	(802,878)	(500,000)
Total notional due (*)	**3,303,265**	**-**	**-**	**-**	**-**

(*) The company is renegotiating the notional and the maturity of the loans based on the financial debt Restructuring Agreement (see Noea 2.1.1)

c) The balance of interest payable related to notes and bonds is €72,420 thousand as of December 31, 2016 (€72,809 thousand as of December 31, 2015) and is included under current 'Bonds and Notes'.

20.4. Finance lease liabilities

Finance lease creditors as of the end of 2016 and 2015 were:

Finance lease	Balance as of 12.31.16	Balance as of 12.31.15
Present values of future payments for finance lease	21,102	36,542
Liabilities: minimum payments for finance lease:		
Less than 1 year	13,666	18,001
From 1 to 5 years	6,280	15,219
More than 5 years	4,390	6,252
Net book value:		
Technical installations and machinery	10,281	30,342
Information processing equipment	1,725	3,093
Other tangible assets	17,465	23,618

20.5. Other loans and borrowings

The following table sets out the movement of other loans and borrowings at the 2016 and 2015 year end:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Sale and lease back	-	35,410
Derivative premiums payable	12,661	35,051
Low interest loans	7,886	9,362
Preferred shares of ACBH	94,989	48,426
Non-recourse confirming due and unpaid	319,154	304,204
Non-recourse confirming non due group suppliers	-	202,316
Holding LAT Brasil's preferential shares	-	243,070
Overdue and not paid derivatives	147,156	-
Drawn bank guarantees	368,060	-
Debt after the agreement with EIG (see Note 20.5)	128,364	-
Debt with AB Netherland (*)	96,745	-
Loans with public institutions and others	76,135	24,645
Total	**1,251,151**	**902,484**

(*) Debt arisen from Abengoa Bioenergy Netherlands, B.V. when lossing its control as a consequence of the declaration of banckrutcy by the Rotterdam Courts on date May 11, 2016, the appointment of an administrator and the beginning of a liquidation process of the Company. Up to date, the administrators estimate that the liability may realize (see Notes 6.1 and 2.1).

On October 26, 2016 finished with Atlantica Yield an agreement the negotiations that have taken place during the last months as a consequence of the inability of the Company to comply with the terms of the agreement for the preferred shares in certain transmission lines in Brazil (ACBH) signed on 2014. In this sense, the main consequences of such agreement consist in the recognition of a liability amounted to €95 million approximately with an impact in the Consolidated Income Statement of €47 million.

Note 21.- Grants and other liabilities

Grants and Other Liabilities as of December 31, 2016 and 2015 are shown in the following table:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Grants	16,711	145,799
Suppliers of non-current assets	311	1,975
Long-term trade payables	48,918	86,419
Grants and other non-current liabilities	**65,940**	**234,193**

The decrease in grants and other non-current liabilities is mainly due to the contribution of companies classified as held for sale.

Note 22.- Provisions and contingences

22.1. Provisions for other liabilities and charge

The following table shows the movement of the non-current heading of 'Provisions for other liabilities and charges' for the years 2016 and 2015:

Item	Taxes	Liabilities	Dismantling	Total
Balance as of 12.31.14	**15,621**	**33,006**	**26,490**	**75,117**
Net increase/ (decrease) with impact in profit and loss	623	11,749	2,914	15,286
Translation differences	11	1,080	(669)	422
Reclassifications and other movements	-	-	-	-
Transfer to liabilities held for sale	-	(104)	(27,956)	(28,060)
Balance as of 12.31.15	**16,255**	**45,731**	**779**	**62,765**
Net increase/ (decrease) with impact in profit and loss	(508)	(11,795)	66	(12,237)
Translation differences	10	283	(2)	291
Reclassifications and other movements	-	-	-	-
Transfer to liabilities held for sale	-	-	-	-
Balance as of 12.31.16	**15,757**	**34,219**	**843**	**50,819**

Provision for tax and legal contingencies

This provision represents the Group's best estimates in connection with risks relating to tax contingencies arising during the normal course of the Group's business, fundamentally in Latin America, when it is considered probable that there will be an outflow of resources in the medium or long term, which has been estimated being comprised in a period between 2 to 5 years, although the development of the contingencies and the new facts and circumstances that may arise overtime could change such estimated settlement period.

There are also provisions recorded by Group companies in relation with court rulings and unfavorable tax inspections that are under appeal but have not been resolved yet. For these tax disputes the Group considers that it is probable that there will be an outflow of resources in the medium term (between 2 and 5 years).

Provision for liabilities

This provision includes the Group's best estimates of probable cash outflows in connection with litigation, arbitration and claims in progress in which the various group companies are defendants as a result of the activities they carry out. Management considers that these liabilities will likely be settled in the medium or long term, which has been estimated being comprised in a period between 2 to 5 years.

Dismantling provision

This provision is intended to cover future expenditures related to the dismantlement of the solar plants and it will be likely to be settled with an outflow of resources in the long term (over 5 years).

22.2. Contingent liabilities

As of December 31, 2016 Abengoa and its Group of companies are involved in certain claims and litigations both against and in their favor. Such matters arise during the Group's normal course of business and represent the technical and economic claims that the contractual parties typically invoke.

We have briefly summarized below the most significant proceedings, which in the Management's opinion are not expected to have a material adverse effect in the Consolidated Financial Statements, individually or as a whole, or for which the future outcome cannot be reliably estimated.

- In May 2000, Abengoa Puerto Rico S.E., a subsidiary of Abengoa S.A, brought a lawsuit against the Electricity Power Authority (Autoridad de Energía Eléctrica, 'AEE') of Puerto Rico and terminated the agreement that both parties had entered into in relation to an EPC project for the construction of an electricity power station in Puerto Rico, in which the AEE was the Principal Contractor. The referred lawsuit contained different claims such as, inter alia, withholding payments, defaulted invoices, loss of future profits damages and several other costs, which tentatively amounted to USD 40 million.

  In response to the lawsuit brought by Abengoa Puerto Rico, S.E., the AEE brought a counterclaim premised upon unlawful termination and consequential damages relating to the agreement with Abengoa Puerto Rico, S.E. and, at the same time, brought an additional lawsuit for the same amount against Abengoa and its insurer, American International Insurance Co. of Puerto Rico. The amount claimed by the AEE is approximately USD 450 million. Currently the lawsuit is under hearing phase.

- In relation to the contingent liabilities concerning an inspection during 2013 by the European Commission of Abengoa and the companies that are directly or indirectly under its control, including Abengoa Bioenergy Trading Europe B.V., with regard to their possible participation in anti-competitive agreements or actions allegedly aimed at manipulating the results of the valuation of the Platts daily closing price (CDD), and to deny access to one or more companies wishing to participate in the valuation process of the CDD price, on December 7, 2015, the European Commission notified and made public the initiation of a formal investigation procedure in relation to the said inspection (case "AT-40054 Oil and Biofuel Markets" concerning the alleged manipulation of the Platts index in relation to, among other companies, Abengoa, S.A. and its subsidiaries Abengoa Bioenergía, S.A. and Abengoa Bioenergy Trading Europe B.V). Continuing the investigation without the notification of the schedule of charges. In relation with the inspection initiated on March 2015 (case "AT-40054 Oil and Biofuel Markets") of actions allegedly aimed at manipulating the results of the valuation of the Platts daily closing price (CDD) or enchange of commercial information related to the sale of ethanol out of Platts, there is not any new action in this proceeding.

- On February 11, 2010, the temporary joint venture (Unión Temporal de Empresas) formed by Befesa Construcción y Tecnología Ambiental, S.L. and Construcciones Alpi, S.A. (the 'UTE') took legal action against the Comunidad de Regantes de las Marismas del Guadalquivir (CRMG) regarding the project for the modernization of the Guadalquivir Marshes irrigation área (Proyecto de Modernización de la Zona Regable de las Marismas del Guadalquivir). The UTE asked for the following main claims: a) the declaration of the unlawful (i) termination of contract performed by the CRMG, (ii) application of penalties for delay; and (iii) other damages requested; and b) the termination of the agreement due to CRMG's breaches of contract, requesting a liquidation balance amounting to €32,454 thousand and additional €1,096 thousand based on different grounds. The CRMG answered the claim on November 4, 2010, requesting generically the dismissal of the UTE's claim.

On December 12, 2014, Abeinsa Infraestructuras Medio Ambiente, S.A. (Abeima, formerly Befesa Construcción y Tecnología Ambiental, S.L.) has been served with the claim brought by the CRMG against the UTE and its members (Abeima and Construcciones Alpi, S.A.), on the basis of the same dispute, project and factual issues of the aforementioned proceedings. The CRMG claims €120,353 thousand (approximately broken down as follows: €14,896 thousand for damages – works poorly executed, extra costs, alleged damages, etc. €-20,718 thousand for loss of profit and €84,682 thousand for penalties for delay). As at the date o these Consolidated Financial Statements the claim has been answered by the members of UTE.

Both civil proceedings are now suspended by the existence of criminal implications, particularly because they were pending of the preliminary investigation number 487/2013, by "Juzgado de Instrucción nº16 Sevilla". In this last proceeding is has not been asked the guarantee of any amount to Abeinsa nor any person who works or has worked for her nor for Befesa or any other entity related to Abengoa.

- In March 2015, Abener Energía, S.A. initiated arbitration proceedings against the client of a combined cycle power plant being built in Poland, Elektrocieplownia Stalowa Wola, S.A., seeking to extend the contractual deadline to complete the work due to *force majeure* and to claim additional amounts in excess of those stipulated in the contract for additional work and for damages and interests due to payment delays. On 17 October 2015, Abener Energía, S.A. filed an arbitration claim that was answered by the client, which was in turn answered by Abener Energía, S.A.

  Also, in relation to this project, on 29 January 2016, Elektrocieplownia Stalowa Wola, S.A. informed Abener Energía, S.A. that it was cancelling the contract for the construction of a combined cycle plant alleging delays in the delivery of the plant and a series of technical breaches in the performance of the work. Abener Energía, S.A. replied by rejecting the termination of the contract and the seizure of the guarantees, arguing that the delay in the delivery of the plant is not attributable to Abener Energía, S.A. since the delays were caused by events that are beyond its control, that there were no technical breaches on its part and that there were certain prior breaches by the customer.

  In Director´s opinion , there are sufficient technical and contractual arguments (expert reports) to defend the position that the delay in the construction of the plant was not attributable to the company and therefore the termination of the contract by the client is illegal.

  In September 2016, Abener presented an extension of its claim (i) reinforcing the request for a time extension based on a new event attributable to the customer ("site risk"); (ii) requesting a declaration of illegal termination of the contract; and (iii) claiming amounts for unpaid work that was completed as well as damages sustained as a result of the termination of the contract. The amount of the arbitration claim filed by Abener Energía, S.A. for all items is approximately €105 million. The arbitration court gave Elektrocieplownia Stalowa Wola, S.A. until 14 April 2017 to respond to the additional demands of Abener Energía, S.A.

  It is the opinion of the Company's legal advisors that at this stage in the arbitration proceedings it is impossible to assess the risk of a favourable or unfavourable outcome of the arbitration proceedings.

- On December 2015, Portland General Electric Company ("PGE") resolved unilaterally the contract which had signed with several Abengoa´s subsidiaries, for the design and construction of a 440 Mw combined cycle plant in Oregon, United States, when the contract was performed in a 90%. PGE claimed, among others, in a supposed insolvency of the contractor and Abengoa. At the end of December 2015, Abengoa, S.A. claimed to the International Court of Arbitration. The contractor was joined to the arbitration proceeding and filed a claim against PGE for damages to be defined, but au to date aer estimated in no less than US$60 million. PGE has claimed agains the contractor at the Federal District Couts of Oregon, requiring US$211 million for incurred damages when breaching the contract. Abengoa´s subsidiaries have filed a motion to obligue to resolve the dispute through arbitration, which is pending to be determined by the Court.

- In relation with the company Negocios Industriales y Comerciales, S.A (NICSA), the Markets and Competence National Comission (CNMC) initiated an inspection agains the manufacturers and some companies of the industry (where NICSA and its parent company Abengoa, S.A. are established) due to indications of anticompetitive practices in price and commercial conditions fixing and sale and distribution market sharing in medium and low voltage cable laying. During January 2017, NICSA and Abengoa received the facts schedule, attributing an infraction of the Law of defense of the competition. In relation with NICSA, the CNMC has considered the inspected facts as anticompetitive and, in relation with Abengoa, has considered that had participated in strategic decisions by means of its position of control partner trhough a system of authorisations, concluding that the actions have been considered as infractions mutually. On February 7, 2017 the statement of defense has been filed.

  On January 18, 2017, the Markets and Competence National Comission sent an information requirement to several rail industry companies, which Inabensa, S.A. is established in relation with possible anticompetitive actions in manufacturing, installation, supply, maintenance and electrification system improvement hiring. On February 8, 2017, the statement of defense has been filed without receiving any response.

22.3. Claims

Regarding the legal claims or legal action initiated by creditors in connection with any past due and unpaid debts, we point out that the Company is not aware that any legal claim whatsoever has been initiated, nor any other significant legal measure by any other creditor in connection with past due and unpaid debts at year-end 2016, except for the following:

a) Claims arising at the end of FY 2015:

- Within the Bioenergy business, there has been received claims which are mostly due to commercial disputes filed in the United States for a total amount of approximately €11,235 thousand. These claims are generally in the response phase. On the other hand, there are applications to establish "liens" (preventive embargoes) in the United States for a total amount of approximately € 1,008 thousand. These applications require no response from the company subject to the claim.
- Regarding the Industrial Engineering and Construction business, legal claims have been received totaling approximately €75.5 thousand. These claims are in negotiation with the counterparties. Furthermore, there are claims in tort for a total aggregate amount of € 40 thousand, also in negotiation.
- In Mexico, claims have been received totaling around € 0.3 thousand that are in negotiation.
- In Brazil legal claims have been received totaling approximately €20,115 thousand, all of which are ongoing.
- In Chile, claims in tort have been received for a total of approximately €389.8 thousand and an additional €30.5 thousand that are currently in negotiation with the counterparties.

b) Claims arising during FY 2016:

- Between the closing date of the 2015 fiscal year and the date of the 2016 Annual Accounts, certain court claims were filed for unpaid debts of varying types and amounts which totalled approximately US$550,823 thousand, €152,178 thousand, MXN 31,443 thousand and CLP 5,463,811 thousand. Likewise, applications for liens were filed against Bioenergía Estados Unidos for a total amount of approximately US$42,580 thousand.
- Between the closing date of the 2015 fiscal year and the date of the 2016 annual accounts, Litigation claims regarding unattended accrued debts of different nature and amounts amounting up to US$130.431 thousand, €190.292 thousand, 51,437 thousand Mexican Pesos and 356,627 Chilean Pesos. On the other hand, there exist liens solicitations in United States for an approximate total amount of US$16,222 thousand. These solicitations do not need a reply by the claimed company.

22.4. Contingent assets

As of December 31, 2016 Abengoa and its Group of companies do not have significant contingent assets.

Note 23.- Third-party guarantees and commitments

23.1. Third-party guarantees

- At the end of 2016, the Group deposited to third parties (clients, financial entities, Public Entities and other third parties), directly by the group or by the parent company to other Group companies, various Bank Bond and Surety Insurances as guarantee to certain commitments (Bid bonds, performance and others) amounted to €1,048,708 thousand (€1,629,787 thousand at December 31, 2015).

  In addition, the Group deposited to third parties (clients, financial entities, Public Entities and other third parties), directly by the group or by the parent company to other Group companies, various guarantees through the declarations of intention and documented commitments undertaken as guarantee of certain commitments (Bid Bonds, performance, financing and others) amounted to € 5,318,335 thousand (€7,053,099 thousand at December 31, 2015).

The following table details the guarantees undertaken by the Company classified by commitment type at December 31, 2016:

Typology	Guarantees/Surety Insurance	Guarantees	Total 12.31.2016	Total 12.31.2015
Bid Bond	35,100	1,995	37,095	1,161,492
Performance:				
Materials supply	4,479	766,810	771,289	1,144,090
Advance payments	73,763	8,810	82,573	285,996
Execution (construction/collection/payments)	865,682	4,268,455	5,134,137	5,653,083
Quality	13,086	20,830	33,916	72,261
Operation and maintance	17,669	251,435	269,104	335,370
Dismantilling	3,726	-	3,726	3,726
Other	35,203	-	35,203	26,867
Subtotal	1,048,708	5,318,335	6,367,043	8,682,886
Group Company financing guarantees	-	1,527,416	1,527,416	1,561,591
Total	1,048,708	6,845,751	7,894,459	10,244,477

Related to the above-mentioned amounts, and based on the terms of the Financial Support Agreement, Abengoa has conceded to Atlantica Yield and affiliates certain bank guarantees amounting to €35 and €786 million to assure the performance associated to certain concessional projects of thermos-solar energy generation, Eolic and electric transmission lines.

Additionally, the breakdown includes the amounts of bank guarantees and guarantees related to companies classified as held for sale amounted to €162 and €1,086 million respectively, being the amount associated to Bioenergy €897 million (€103 million bank guarantees and €794 million of guarantees) and the associated to transmission lines €350 million (€59 million of bank guarantees and €291 million of guarantees).

The most significant variations in guarantees assumed with third parties related to the information presented on the 2015 Consolidated Financial Accounts mainly correspond to the cancellation of guarantees presented by the parent company of the Group in bid offers, mainly certain water desalination concessional projects in Oman, as well as the execution of guarantees related to the divestment of Ashalim project and San Antonio Water as well as and the lack of renewal in overdue guarantees with suppliers and financial entities and the execution of guarantees provided to third parties which could lead to an outflow.

› In relation with the last mentioned of guarantees provided to third partines, at the end of 2016, there have been significant breaches since the date of the communication provided by the Article 5 bis of the Ley Concursal, which could lead to an outflow of resources and, therefore, a financial liability has been amounted to €368 million (see Note 20.5). The most significant guarantees correspond to performance bond and advance guarantee of the client of the project Al Khafji for an aggregate amount of €18 million, the credit letters of the client Portland General Electric Company for a total aggregated amount of €174, Guarantees of Emera Project amounted to €30 million and bank guarantees of Stalowa Project amounted to €40 million.

23.2. Contractual obligations

The following table shows the breakdown of the third-party commitments and contractual obligations as of December 31, 2016 and 2015 (in thousands of euros):

2016	Total	Up to one year	Between one and three years	Between three and five years	Total
Loans with credit institutions	4,858,133	4,839,538	8,770	1,468	8,357
Notes and bonds	3,550,269	3,550,269	-	-	-
Liabilities due to financial leases	21,102	13,088	3,188	1,687	3,139
Other loans and borrowings	1,251,151	998,168	148,773	103,109	1,101
Obligations under operating Leases	3,956	3,925	21	10	-
Purchase commitments	939,100	553,131	232,157	145,224	8,588
Accrued interest estimate during the useful life of loans	1,133,020	582,059	151,252	98,080	301,629

2015	Total	Up to one year	Between one and three years	Between three and five years	Total
Loans with credit institutions	5,398,326	4,888,251	84,193	81,352	344,530
Notes and bonds	3,300,825	3,300,825	-	-	-
Liabilities due to financial leases	36,542	17,020	6,874	1,629	11,019
Other loans and borrowings	659,414	557,047	42,393	54,181	5,793
Obligations under operating Leases	10,450	2,487	2,814	2,457	2,692
Purchase commitments	2,836,092	2,498,391	318,156	2,815	16,730
Accrued interest estimate during the useful life of loans	1,644,957	491,474	646,296	271,111	236,076

Amounts disclosed as Loans with credit institutions correspond to the notional amounts and not to the amortized costs as they has been recorded in the consolidated statement of financial position following the accounting policy and the basis of presentation (see Note 2.18).

23.3. Pledged Assets

- Related to the pledged assets book value at December 31, 2016, as guarantee of the total debt, the following table shows the breakdown:

Book value	Balance of 12.31.16 (*)	Balance of 12.31.15 (*)
Property, plants and equipment	83,335	103,539
Fixed assets in projects	3,443,896	4,004,016
Investments accounted for using the equity method	755,501	838,314
Clients and other receivable accounts, financial investments and cash and cash equivalents	256,649	1,119,797
Total	**4,539,381**	**6,065,666**

(*) Includes the pledged assets related to assets held for sale and discontinued operations disclosed in Note 7 of the Consolidated Financial Statements as of December 31, 2016 and amount to €3,136 million (€1,336 million in 2015)

It should be noted, for the avoidance of doubt, that when determining the book value of the pledged assets, it has been taken into account the concept of "garantía real" provided by the Spanish law (applying by analogy to those assets that are pledged under other legislation).

- Regarding the pledged assets deposited by the Group since the date of application by Abengoa S.A. of Article 5 bis of Ley Concursal, at year ended 2016, the Group has not been forced to give any asset as guarantee of debt, with the following exceptions:
  - An amount of €49,761 thousand, BRL129,964 thousand and US$20,535 thousand deposited in a bank account pledged on behalf of several group companies, whose pledge collateral was executed by the beneficiary thereof as a result of the maturity of the secured obligation.

Note 24.- Tax situation

24.1. Application of rules and tax groups in 2016

Abengoa, S.A. and other 197 and 214 consolidated subsidiaries (see Appendixes XI and XVI to these Consolidated Financial Statements) in 2016 and 2015, respectively, have filed its 2015 income taxes following the rules for tax consolidation in Spain under the 'Special Regime for Tax Consolidation' Number 2/97.

All the other Spanish and foreign companies included in the Consolidation group file income taxes according to the tax regulations in force in each country on an individual basis or under consolidation tax regulations. The fiscal policy of the company is based on compliance with the regulations in force in the countries where it operates.

In order to calculate the taxable income of the consolidated tax Group and the Consolidated entities individually, the accounting profit is adjusted for temporary and permanent differences, recording the corresponding deferred tax assets and liabilities. At each Consolidated Income Statement date, a current tax asset or liability is recorded, representing income taxes currently refundable or payable. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial statement and income tax purposes, as determined under enacted tax laws and rates.

Income tax payable is the result of applying the applicable tax rate in force to each tax-paying entity, in accordance with the tax laws in force in the territory and/or country in which the entity is registered. Additionally, tax deductions and credits are available to certain entities, primarily relating to inter-company trades and tax treaties between various countries to prevent double taxation.

Abengoa, S.A., as the dominant company of the tax group regarding Corporate income tax with registered number 02/97, and Value Added Tax number 284/08 has been inspected by the Spanish Tax authorities regarding the following concepts and periods:

Corporate income tax	2009 – 2011
Value added tax	03/2010 – 12/2011
Withholdings and on-account payments for personal income tax for residents and non-residents	03/2010 – 12/2011

After the end of the reporting period 2015 the Company has signed the inspection reports in conformity which brought to an end the abovementioned inspection proceedings. Besides, Abengoa´s Management has regularized Corporate Income Tax statements for fiscal years 2012 to 2014 by applying the same criteria determined by the inspection body for the years under inspection (2009 to 2011). The Company has registered in the Consolidated Financial Statements as of December 31, 2015 all accounting impacts arising from the regularizations described above (FY 2009 to 2014), and the regularization of the tax rate of Deferred Tax Assets affected by them, registering an expense amounting approximately €123 million due to interests on arrears regarding VAT and Corporate Income Tax. No sanction whatsoever has been imposed to Abengoa by the inspecting authorities. Amounts corresponding to VAT have been already transferred to the Spanish Tax Authorities (Agencia Tributaria). Amounts corresponding to Corporate Income Tax have been compensated in its entirety against Deferred Tax Assets of the tax group and, thus, have not affected the Company´s cash and cash equivalents.

24.2. Deferred tax assets and liabilities

At the end of 2016 and 2015 the analysis of deferred tax assets and deferred tax liabilities is as follows:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Tax credits for tax loss carryforwards	125,269	476,166
Tax credits for deductions pending application		
Tax credits for export activities	25,181	210,216
Tax credits for R+D+i	28,768	66,888
Other deductions	38,220	87,913
Temporary differences		
Provisions	95,371	148,446
Impairment	17,346	58,240
Remuneration plans	-	908
Derivatives financial instruments	33,744	70,493
Non-deductible expenses (Art. 20 y 22 LIS, Art. 14 TRLIS, Art. 7 Ley 16/2012)	182,579	295,158
Consolidation adjustments, homogenization adjustments and other	68,748	170,323
Total deferred tax assets	**615,226**	**1,584,751**

Item	Balance as of 12.31.16	Balance as of 12.31.15
Accelerated tax amortization	1,217	69,701
Business combination	-	44,971
Unrealized exchange differences	47,817	18,600
Derivatives financial instruments	15,478	2,988
Consolidation adjustments, homogenization adjustments and other	108,344	145,537
Total deferred tax liabilities	**172,856**	**281,797**

Most of the tax credits for Tax loss carryforwards correspond to Spain (€107 million) and United States (€14 million).

Tax loss carryforwards in Spain and United States correspond to the application of tax incentives and to other losses suffered in the last years, triggering the delay in the construction and lower range due to the financial postion of the group, which has caused a decrease in revenues in the last two years and an increase in expenses, mainly of financial kind and advisors. Additionally, the lack of new projects in the last two years caused the lack of new revenues when the organizational structure decreased at a lower rate.

Tax credits for deductions have been generated mainly in Spain. Among these tax credits the larger amount corresponds to deduction on export activities (DAEX), which is calculated as a percentage over investments effectively, made for the acquisition of foreign companies or capital increases in foreign companies. This percentage, which was initially 25% was been gradually reduced since 2007 to reach 3% in 2010. The deduction disappeared in 2011. To benefit from this deduction, among other requirements, the acquisition or incorporation of companies should be directly related to the export of goods and services from Spain. From the year 2012, the Company has not recorded any income in relation to this deduction, as it had been recorded entirely as of December 31, 2011.

In addition, efforts in research, development and innovation activities (R&D&i) that Abengoa has been carrying out during the last years have resulted in the generation of important tax deductions, some of which are recorded as deferred tax assets for an amount of €29 million as of December 31, 2016.

'Other deductions', which have been generated mainly in Spain, correspond primarily to deductions for double taxation (€27 million), and deductions for donations to non-profit organizations (€10 million).

At the end of 2016, the Company has made the best estimates and projections taking into account the last Viability Plan approved by the Company to assess the recoverability of deferred tax assets witting off those in which the recoverability is not expected. In such projections , the Company has taken into account the new limitations set by the Spanish tax regulations when offsetting the net operating losses and the application of deductions. Based on such recoverability projections, and taking into account the current situacion of the company and the new Updated Viability Plan approved by the Company which focusses the main activity of the group to the traditional engineering and contruction activity, the Comnpany has recognized and impairment loss of €369 million (see Note 31) in which €119 million correspond to assets classified as discontinued operations.

On the other hand, the Company has certain tax credits as of December 31, 2016 which have not been capitalized, as it determined that recoverability of such assets is not probable. These tax credits consist mainly of tax loss carryforwards related to our US subsidiaries amounting to €1,034 million (€274 million in 2015), with expiration dates in 2028; to our South African subsidiaries amounting to €168 million with expiration date in 2017, (€124 million in 2015), to our Mexican subsidiaries amounting to €199 million maturing in 2025 and 2026 (€145 million in 2015),to our Spanish subsidiaries amounting to €927 million ((€524 million in 2015) and to our Brazilian subsidiaries amounting to €345 million (€61 million in 2015), without expiration date in the last two jurisdictions; and R&D&i and environmental tax credits in Spain amounting to €322 million (€97 million in 2015) with expiration dates between 2021 and 2034.

The movements in deferred tax assets and liabilities during 2016 and 2015 were as follows:

Deferred tax assets	Amount
As of December 31, 2014	1,503,609
Increase / Decrease through the consolidated income statement	(20,687)
Increase / Decrease through the consolidated income statement for change in tax rate	2,547
Increase / Decrease through other comprehensive income (equity)	(44,023)
Increase / Decrease through other comprehensive income (equity) for change in tax rate	(1,384)
Transfer to assets held for sale	(3,465)
Change in consolidation, various reclassifications and translation diff.	148,154
As of December 31, 2015	**1,584,751**
Increase / Decrease through other comprehensive income (equity)	(334,334)
Increase / Decrease through other comprehensive income (equity) for change in tax rate	(28,819)
Transfer to assets held for sale	(716,612)
Change in consolidation, various reclassifications and translation diff.	110,240
As of December 31, 2016	**615,226**

Deferred tax liabilities	Amount
As of December 31, 2014	281,797
Increase / Decrease through the consolidated income statement	99,716
Increase / Decrease through the consolidated income statement for change in tax rate	(4,429)
Increase / Decrease through other comprehensive income (equity)	47,684
Increase / Decrease through other comprehensive income (equity) for change in tax rate	(284)
Transfers to liabilities held for sale	(6,704)
Change in consolidation, various reclassifications and translation diff.	(100,091)
As of December 31, 2015	**317,689**
Increase / Decrease through other comprehensive income (equity)	26,415
Increase / Decrease through other comprehensive income (equity) for change in tax rate	4,693
Transfers to liabilities held for sale	(127,412)
Change in consolidation, various reclassifications and translation diff.	(48,529)
As of December 31, 2016	**172,856**

The detail of tax deferred expenses and incomes recognized at the end of the year 2016 and 2015 for each kind of temporary difference and each kind of tax loss carriforward not used is the following:

Item	2016	2015 (*)
Tax credits for tax loss carryforwards	(44,967)	(75,730)
Tax credits for deductions pending application		
Tax credits for export activities	(43,071)	(32,656)
Tax credits for R+D+i	(26,683)	(6,093)
Other deductions	(35,902)	(70,996)
Temporary differences		
Provisions	(8,360)	14,063
Impairment	(13,829)	31,696
Remuneration plans	(3,181)	(16,088)
Derivatives financial instruments	(6,392)	7,593
Non-deductible expenses (Art. 20 y 22 LIS, Art. 14 TRLIS, Art. 7 Ley 16/2012)	(34,433)	136,025
Consolidation adjustments, homogenization adjustments and other	(117,516)	(5,954)
Total deferred tax assets	**(334,334)**	**(18,140)**

Item	2016	2015 (*)
Accelerated tax amortization	-	(19,670)
Business combination	17,494	-
Unrealized exchange differences	(26,533)	38,012
Consolidation adjustments, homogenization adjustments and other	35,455	76,945
Total deferred tax liabilities	**26,416**	**95,287**

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

Note 25.- Trade payables and other current liabilities

25.1. Trade payable and other current liabilities as of December 31, of 2016 and 2015 are shown in the following table:

Item	Balance as of 12.31.16	Balance as of 12.31.15
Trade payables for purchases of goods	1,720,387	2,983,046
Trade payables for services	467,218	764,627
Billings in excess and advance payments from clients	280,142	304,830
Remunerations payable to employees	37,890	40,204
Suppliers of intangible assets current	3,062	10,566
Other accounts payables	145,560	275,979
Total	**2,654,260**	**4,379,252**

At the end of 2016 the total amount of trade payables and other current abilities due and unpaid (principal and interest) amounted to €974 million. Default interests for the above mentioned Liabilities were recognized.

Balances with related parties at the end of 2016 and 2015 are described in Note 33.2.

25.2. Nominal values of Trade payables and other current liabilities are considered to approximate fair values and the effect of discounting them is not significant.

25.3. The table below shows the details of the non-recourse confirming carried out with external and group suppliers as at December 31, 2016 and 2015.

Item	Balance as of 12.31.16	Balance as of 12.31.15
Non-group amounts payable through Confirming	660,300	1,019,155
Group amounts payable through Confirming	33,185	236,687
Total	**693,485**	**1,255,842**

Related to these amounts, there are deposits and cash recorded under assets in the Consolidated Statement of Financial Position associated with payment of "non-recourse confirming" for an amount of €0.3 million (€464 million in 2015).

Finally, It has been reclassified to corporate financing an amount of €319 million (€304 million in 2015) relating to due and not paid confirming transactions (principal and interests). Additionally, €357 million correspond to companies classified as held for sale.

25.4. Details on supplier maturities are provided in the following table:

Maturity	Balance as of 12.31.16	Balance as of 12.31.15
Up to 3 months	574,695	1,871,857
Between 3 and 6 months	99,303	658,922
Over 6 months	1,046,389	452,267
Total	1,720,387	2,983,046

25.5. Average period of payment to suppliers

In compliance with the duty to report the average period of payment to suppliers stated in Law 15/2010 and the eighth additional provision of Ley de Sociedades de Capital` according to the new composition given by the second final provision of `Ley 31/2014 de reforma de la ley de Sociedades de Capital` the company informs that the average period of payment to suppliers related to all the companies in the Group in Spain has been 254 days.

The following table details the information required by the article 6 of the January 29, 2016 resolution of the Instituto de Contabilidad y Auditoría de Cuentas, related to the information to be provided about the average period of payment during the year

2016	Days
Average payment period	254
Paid operations ratio	139
Pending payments ratio	352

2016	Amount
Payments	720,396
Pending payments	841,018

There is not comparable information in compliance with the only additional provision of the mentioned resolution.

Note 26.- Construction contracts

Further to the information set out in Note 2.24.b) relating to the accounting treatment of construction contracts, the table below includes aggregated information on outstanding construction contracts to which IAS 11 was applied at the end of the years 2016 and 2015:

2016	Construction contracts
Operating revenues	910,313
Billings in excess and advance payments received	1,694,764
Payment withholdings	12,846
Account receivables	3,714,149
Account payables	3,193,004

2015	Construction contracts
Operating revenues	2,848,322
Billings in excess and advance payments received	1,547,573
Payment withholdings	15,704
Account receivables	3,719,520
Account payables	2,965,134

The amount of unbilled revenue by the end of the years 2016 and 2015 is €379,120 and €787,535 thousand, respectively.

The aggregated total amount of the costs incurred and the aggregated total profits (less the related losses) recognized since origin for all the ongoing contracts at December 31, 2016 amount to €6,392,076 thousand and €466,684 thousand respectively (€12,095,510 thousand and €1,320,385 thousand in 2015).

Note 27.- Revenues

The breakdown of Revenues for the years 2016 and 2015 is as follows:

Item	2016	2015 (*)
Product sales	203,909	430,889
Rendering of services and construction contracts	1,306,144	3,215,876
Total revenue	**1,510,053**	**3,646,765**

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).).

Note 28.- Other operating income and expenses

The table below shows the detail of Other Operating Income and Expenses for the years 2016 and 2015:

Other operating income	2016	2015 (*)
Work performed by the entity and capitalized and other	6,015	15,946
Grants	7,175	12,808
Income from various services	52,563	95,586
Total	**65,753**	**124,340**

Other operating expenses	2016	2015 (*)
Research and development cost	(6,396)	(496)
Leases and fees	(46,274)	(90,029)
Repairs and maintenance	(15,845)	(10,356)
Independent professional services	(151,709)	(271,222)
Transportation	(13,561)	(28,941)
Supplies	(20,918)	(41,471)
Other external services	(42,993)	(121,209)
Taxes	(23,888)	(60,731)
Other minor management expenses	(66,209)	(49,205)
Total	**(387,793)**	**(673,660)**

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

In 2016 there is an decrease in Other operating income mainly due to higher revenues registered in 2015 from various services by the favorable resolution of the Spanish Court of Arbitration, in relation to losses from project Arizona Solar One LLC, which were covered by an insurance policy.

Other operating expenses decreased during 2016 over 2015, the decrease is mainly due to the current situation of the Company and the decrease of inventory purchases, lower independent professional services and, finally, the decrease in travel expenses. All this decrease is derived from the decrease and deceleration of the activity of the Company. This decrease has been partially offset by higher independent professional services related to the restructuring process amounted to €26 million.

Note 29.- Employee benefit expenses

The breakdown of employee benefit expense for 2016 and 2015 is as follows:

Item	2016	2015 (*)
Wages	(369,316)	(636,204)
Social security costs	(70,996)	(115,296)
Stock plans and other employee benefits	-	(14,320)
Stock plans and other employee benefits reversal	-	52,545
Total	**(440,312)**	**(713,275)**

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

Variable remuneration plans for managers

There are currently two extraordinary long-term variable remuneration plans for managers.

1) Extraordinary Variable Remuneration Plan for Managers – January 2014

This plan, which replaces and cancels the extraordinary plan previously approved in February 2011, was agreed by the Company's board of directors in January 2014 following a proposal by the Appointments and Remuneration Committee.

The plan expires on December 31, 2017 and is designed to help the achievement of the objectives set in the Strategic Plan at an individual level. The plan also requires beneficiaries to remain with the company for the corresponding period and for Abengoa's average share price during the last three months of 2017 to be higher than a specific value.

2) Extraordinary Variable Remuneration Plan for Managers – July 2014

On July 21, 2014, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, unanimously approved a five-year variable remuneration plan (2014-2018).

The plan expires on December 31, 2018 and accrues 20% annually. Its purpose is to incentivize certain managers to stay with the company or to achieve specific personal objectives. The plan requires the beneficiary to be employed by the company for the corresponding period and for the average price of Abengoa's Class B shares during the last three months of 2018 to be higher than a specific value.

As of December 31, 2015 the Company derecognized the existing provision of €57,456 thousand (€43,092 thousand, after tax) regarding the two existing variable remuneration plans for managers, because Abengoa´s Directors considers that the accomplishment of all established requisites in order to consolidate the benefits has a low Probability provided as a consequence of the company situation derived form the presentation of the communication provided by article 5 bis of the Ley Concursal.

Note 30.- Finance income and expenses

30.1. Finance income and expenses

The following table sets forth our Finance income and expenses for the years 2016 and 2015:

Finance income	2016	2015 (*)
Interest income from loans and credits	7,654	30,385
Interest rates benefits derivatives: cash flow hedges	6,092	21,189
Interest rates benefits derivatives: non-hedging	1,946	5,155
Total	**15,692**	**56,729**

Finance expenses	2016	2015 (*)
Expenses due to interest:		
- Loans from credit entities	(310,592)	(216,913)
- Other debts	(337,702)	(357,595)
Interest rates losses derivatives: cash flow hedges	(29,194)	(65,880)
Interest rates losses derivatives: non-hedging	(2,087)	(13,202)
Total	**(679,575)**	**(653,590)**
Net financial loss	**(663,883)**	**(596,861)**

(*)Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

Financial incomes have decreased during 2016 mainly as a consequence of the variation of the temporal value component of interest rate derivative hedges and lower financial performance due to lower short term investments.

Finance expenses have increased in 2016 when compared to the same period of the previous year, mainly due to the debt updating of preferred shares of ACBH after the agreement with Atlantica Yield amounted to €47 million as well as higher early redemption fees, restructuring fees and liquidity line renewal fees amounted to €43 million. All the mentioned have been partially offset by lower expenses in 2015 due to the anticipated cancellation of the 2017 convertible bond , which caused an expense of €17 million, lower interests due to the decrease of nominal values as a consequence of the exchange related to the 2017 Atlantica Yield convertible bond, the conversion related to the 2019 convertible bond amounted to €15 million, as well as the lower financial expenses due to the transfer of solar plants in the ROFO3, 3+ and 4 agreement to Atlantica Yield during 2015.

The amount of net financial income and expenses relating to project companies amount to €-200.430 thousand (€-182.827 thousand in 2015).

30.2. Net exchange differences

The following table sets out the exchange rate differences for the years 2016 and 2015:

Net exchange differences	2016	2015 (*)
Gains and losses from foreign exchange transactions	19,628	15,868
Gains and losses from foreign exchange contracts: cash flow hedges	(10,568)	(27,044)
Gains and losses from foreign exchange contracts: non-hedging		-
Total	9,060	(11,176)

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

The most significant amounts in net exchange differences during 2016 and 2015 corresponded to the different hedges in several subsidiaries that have not been offset perfectly with the differences generated by the hedged item.

Net exchange rate difference in 2016 for companies which are financed through project debt amounts to €-9,000 thousand (€-21,855 thousand in 2015).

30.3. Other net finance income and expenses

The following table sets out 'Other net finance income and expenses' for the years 2016 and 2015:

Other finance income	2016	2015 (*)
Profits from the sale of financial assets	79,182	793
Income on financial assets	930	777
Other finance income	13,062	18,255
Changes in the fair value of the derivatives embedded in the convertible bonds and options over shares	8,881	90,274
Commodity derivatives gains: non hedge	-	1,226
Total	102,055	111,325

Other finance expenses	2016	2015 (*)
Loss from sale of financial assets	(448)	(735)
Losses from partial repayment of the convertible notes due 2019	-	(15,141)
Outsourcing of payables	(4,809)	(30,750)
Other financial losses	(565,607)	(107,447)
Changes in the fair value of the derivatives embedded in the convertible bonds and options over shares	(365)	(34,038)
Loss derived from commodity price derivatives: cash flow hedge	(37,785)	(12,781)
Commodity derivatives losses: non hedge		
Total	(609,013)	(200,892)
Other net finance income/expenses	(506,958)	(89,576)

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

The main variations in "Other financial income" correspond to the profit generated by the transaction of the 80% Abengoa Vista Ridge, LLC´s interest (see Note 6.2) and the partial exchange of convertible bonds of Atlantica Yield into Atlantica Yield shares (see Note 20.3).

"Other financial expenses" have increased mainly due to losses recognized as "Other financial losses" because of higher financial expenses derived from executed guarantees with high probability of resource outflows amounted to €317 million ,the sale of the convertible loan in shares of Befesa, S.L.U. to Triton Investment Fund (see Note 15), the impairment over the Xfera Moviles, S.A. interest (see Notes 13), as well as bank fees, guarantee fees, credit letter, transfer fees and other bank expenses arisen from the current situation of the company described before amounted to €88 million. Additionally, "outsourcing payables" are decreasing given the decrease in PPB issued.

The net amount of "Other incomes and financial expenses for companies" which are financed through project debt amounts to €7,012 thousand (€16,063 thousand in 2015).

30.4. Non-monetary items of derivative financial instruments

The table below provides a breakdown of the line item 'Fair value gains on derivative financial instruments' included in the Consolidated Cash Flow Statement for the years 2016 and 2015:

Fair value gains on derivative financial instruments	2016	2015 (*)
Change in fair value of the embedded derivative of convertible debt and shares options	(365)	(34,038)
Non-cash profit/(losses) from cash flow hedges	(1,110)	3,735
Non-cash profit/(losses) from derivatives - non-hedge accounting	(141)	(6,821)
Other non-cash gains/losses on derivative instruments	(1,616)	(37,127)
Fair value gains (losses) on derivative financial instruments (non cash items)	**(1,616)**	**(37,127)**
Cash gains (losses) on derivative financial instruments (monetary effect)	**(70,345)**	**(88,248)**
Total fair value gains / (loss) on derivative financial instruments	**(71,961)**	**(125,375)**

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

Note 31.- Income tax

The detail of tax rate for the period 2016 and 2015 is as follows:

Item	2016	2015 (*)
Current tax	(10,817)	25,001
Deferred tax	(360,749)	(113,428)
Total income tax benefit/(expense)	**(371,566)**	**(88,427)**

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

The reconciliation between the theoretical income tax resulting from applying statutory tax rate in Spain to income before income tax and the actual income tax expense recognized in the Consolidated Income Statement for the years 2016 and 2015 is as follows:

Item	2016	2015 (*)
Consolidated profit before taxes	(3,891,094)	(774,614)
Regulatory tax rate	25%	28%
Corporate income tax at regulatory tax rate	**972,774**	**216,892**
Income tax of associates, net	(146,843)	(2,266)
Differences in foreign tax rates	6,683	35,892
Incentives, deductions and tax losses carryforwards	(344,704)	(310,791)
Effect in consolidated income statement for change in Spanish companies tax rate	-	6,976
Other non-taxable income/(expense)	(859,476)	(35,129)
Corporate income tax	**(371,566)**	**(88,427)**

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

Differences between theoretical tax and actual tax expense arise mainly from:

- Different tax rates abroad:Companies based in jurisdictions with statutory tax rates different from Spanish statutory tax rate
- Incentives, deductions and negative operating losses:No tax credits activation of negative impacts derived from the current situation of the Company pending to have greater visibility about the realization of the Viability Plan announced by the Company (see Note 2.1.1) as well as the impairment of tax credits during the year (see Note 24.2)
- Change in the Spanish tax rate:Application in Spain of changing the general tax rate to 28% in 2015 and to 25% in 2016 (from 30% in 2014)
- Other non taxable income/expenses: The heading 'Other non-taxable income/ (expense)' includes, among others, the regularization of the tax expense of the previous year as well as certain permanents differences arisen (see Note 2.1.1.).

Note 32.- Earnings per share

32.1. Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding during these periods:

Item	2016	2015 (*)
Profit from continuing operations attributable to equity holders of the company	(4,275,775)	(823,563)
Profit from discontinuing operations attributable to equity holders of the company	(3,353,281)	(389,915)
Average number of ordinary shares outstanding (thousands)	**1,030,938**	**898,612**
Earnings per share from continuing operations (€ per share)	(4.15)	(0.92)
Earnings per share from discontinuing operations (€ per share)	(3.25)	(0.43)
Earnings per share from profit for the year (€ per share)	**(7.40)**	**(1.35)**

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years ended December 31, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

32.2. Diluted earnings per share

To calculate the diluted earnings per share, the average weighted number of ordinary shares issued and outstanding is adjusted to reflect the conversion of all the potential diluting ordinary shares.

The potential diluting ordinary shares corresponded to the warrants on Class B shares issued in November 2011. On October 1, 2015 the share capital has been subscribed for the total amount of the outstanding warrants. The assumption is that all warrants would be exercised and a calculation is made to determine the number of shares that may have been acquired at fair value based on the monetary value of the subscription rights of the warrants still to be exercised. The difference between the number of shares issued assuming the exercise of the warrants, and the number of shares calculated based on the above, is included in the calculation of the diluted earnings per share.

In the fiscal year 2016 there are not diluting factors affecting the diluted (losses) earnings for share.

Item	2016	2015 (*)
Profit for the year		
- Profit from continuing operations attributable to equity holders of the company	(4,275,775)	(823,563)
- Profit from discontinuing operations attributable to equity holders of the company	(3,353,281)	(389,915)
- Adjustments to attributable profit	-	-
Profit used to determine the diluted earnings per share	**(7,629,056)**	**(1,213,478)**
Average weighted number of ordinary shares outstanding (thousands)	1,030,938	898,612
- Warrants adjustments (average weighted number of shares in outstanding since issue)	-	-
Average weighted number of ordinary shares affecting the diluted earnings per share (thousands)	**1,030,938**	**898,612**
Diluted earnings per share from continuing operations (€ per share)	(4.15)	(0.92)
Diluted earnings per share from discontinuing operations (€ per share)	(3.25)	(0.43)
Diluted earnings per share to the profit for the year (€ per share)	**(7.40)**	**(1.35)**

(*) Restated figures. On December 31, 2016, the Company has reclassified the income statements for the years e 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit operations due to their significant activities developed within Abengoa (see Note 7).

Note 33.- Other information

33.1. Personal

› The average number of employees classified by category during 2016 and 2015 was:

	Average number of employees in 2016			Average number of employees in 2015		
Categories	Female	Male	% Total	Female	Male	% Total
Directors	43	394	2.5	60	488	1.9
Management	308	1,118	8.2	433	1,592	7.2
Engineers	892	2,031	16.9	1,446	3,291	16.9
Assistants and professionals	729	1,415	12.4	1,199	1,758	10.5
Operators	521	9,702	59.1	981	16,252	61.3
Interns	61	82	0.8	247	373	2.2
Total	**2,554**	**14,742**	**100**	**4,366**	**23,754**	**100**

The average number of employees is 28% in Spain (25% in 2015) and 72% abroad (75% in 2015).

The average number of employees during the year with disabilities above or equal to 33% is 101 (110 in 2015).

› The total number of people employees classified by category as of December 31, 2016 and 2015 was:

	2016		% Total	2015		% Total
Categories	Female	Male		Female	Male	
Board of Directors	1	6	0.0	2	10	0.1
Directors	42	326	2.3	56	464	2.4
Management	266	945	7.6	393	1,379	8.1
Engineers	753	1,742	15.6	1,188	2,649	17.5
Assistants and professionals	629	1,414	12.8	960	1,742	12.3
Operators	606	9,174	61.2	748	12,032	58.2
Interns	42	44	0.5	124	185	1.4
Total	2,338	13,645	100	3,471	18,461	100

The 24% people are located in Spain while the remaining 76% are abroad.

33.2. Related parties

Dividends distributed to related parties during the year 2016 amounted to zero euros (€29,329 thousand in 2015).

a) During 2016 the only transactions associated with related parties were the following:

› Service provision agreement signed between Simosa and Mrs. Blanca de Porres Guardiola. The amount invoiced in 2016 was €95 thousand. Such contract terminated on December 31, 2016 and the decision to not renew ir has been taken

› Service agreement signed between Equipo Económico, S.L. (company related to D. Ricardo Martínez Rico, member of Board of Directors) and Abengoa, S.A., Abengoa Concessions, S.L., Abeinsa Ingeniería and Construcción Industrial, S.A. The amount invoiced in 2016 was €90 thousand.

› During the month of October 2016, Abengoa has signed an agreement with EIG, owner of the 55% share of APW-1. In this sense, the main consequences of such agreement consist in the refusal by Abengoa of any right that may have in its investment over APW-1, in its contribution and credits that would have with it, which has supposed and impairment loss of €375 million in the Consolidated Income Statement (see Notes 10 and 11), as well as the transfer to Abengoa of the purchase right of the minority interests that APW-1 has over certain transmission lines in Brazil in exchange of an economic compensation amounted to €128 million recognized as financial expenses in the Consolidated Income Statements.

› On October 26, 2016 an agreement with Atlantica Yield ended, relating to the negotiations that have taken place during the last months as a consequence of the inability of the Company to comply with the terms of the agreement for the preferred shares in certain transmission lines in Brazil (ACBH) signed on 2014. In this sense, the main consequences of such agreement consist in the recognition of a liability amounted to €95 million.

› At the 2015 closing, an agreement was reached with the minority partner (Rioglass Laminar) in which the control was transferred to that company, a convertible loan had been signed between Abengoa Rioglass as borrower and Rioglass Laminar as lender for an amount of €15 million.With the loan conversion, once entered in force, it has been registered the potential dilution and the expense due to the impairment in the investment over Rioglass Solar in the Consolidated Income Statement at December 31, 2016 amounted to €82 million as Share of profit (loss) of associates carried under the equity method (see Note 11.1)

These operations were subject to review by the Abengoa Audit Committee.

b) At year-ended 2016, the most significant transactions related to companies accounted by the equity method correspond to those made by APW-1 and Atlantica Yield companies (see Note 7.1.a).

› In relation with the transactions made with APW-1, It has been signed contracts with the Project company CSP Atacama I and PV Atacama I for the construction ("Engineering, Procurement and Construcción (EPC) Agreements") of the solar plants located in Atacama dessert.

In relation with the mentioned beore, the agreement reached on October 2016, (see Note 6.2) has been amended respect the original construction contract (EPC) of the solar plants. Additionally, it has been established that Abengoa has to hire a backup EPC Contractor to be incorporated to the project construction plan, in whose favor has been deposited in a scrow account the documents and materials related with the intellectual property of Abengoa to let the conclusion of the projects in the event of default of Abengoa as main contractor.

- Relating to the transactions with Atlantica Yield It has been signed with the majority of the Project companies owned by Atlantica Yield for the operation and maintenance "Operation and Maintenance Agreement") of every asset they own. Additionally, Abengoa signed the following contracts with Atlantica Yield:
  - Right of First Offer Agreement: contract which give right to Atlantica Yield of the first offer in the case of any asset disposal of Abengoa.
  - Trademark License Agreement: contract of use by Atlantica Yield of the commercial trademark owned by Abengoa.
  - Financial Support agreement: contract of financial support through the use of a revolving credit for the treasury needs as well as the maintenance of certain technical and financial guarantees (see Note 23.1) or credit letter in force.
  - Support Services Agreement: contract of supply of certain administrative and management services by Abengoa.
  - Currency Swap agreement: fixing the Exchange rate USD/€ on cash flow available for distribution of certain thermo-solar assets located in Spain and owned by Atlantica Yield

All these contracts signed with companies consolidated under the equity method have been valued at fair value

c) The detail of pending balances arisen from transactions with companies accounted by the equity method included in the consolidated statement of financial position at the end of 2016 (at the end of 2015 there were not significant balances)

Item	Balance as of 12.31.16	Balance as of 12.31.15
Non-current financial investments	73,399	285,635
Inventories	-	2,811
Clients and other receivables	371,527	697,969
Current financial investments	-	8,582
Other loan and borrowings	94,989	-
Grants and other non-current liabilities	-	39,172
Trade payables and other current liabilities	77,184	166,832

The main balances refer to the companies Atlantica Yield and APW-1, as detailed below:

- Outstanding balances due from project companies owned by ABY in the amount of €61 million (€63 million in 2015) classified under "Customers and other accounts receivable" and €72 million (€65 million in 2015) classified as non-current financial investments maninly derived from operation and maintenance contracts, as well as the outstanding balance payable to ABY under the agreement signed on 26 October 2016 as a result of the company's inability to comply with the terms of the agreement on preferred shares in certain transmission lines in Brazil (ACBH) signed in 2014 for €95 million (€48 million in 2015) classified under "other external resources" (see Note 20.5).
- Loans extended to the company that owns the Atacama I project in the amount of zero euros (€119 million in 2015) under the EPC agreements signed with that company, classified under "non-current financial investments" and balances receivable from the company that owns the Atacama I project for the performance of work amounting to €292 million (€369 million in 2015) within the framework of the EPC agreements signed with that company.

The detail of transactions made with companies accounted by the equity method included in the consolidated statement of financial position at the end of 2016 (at the end of 2015 there were not significant balances):

Item	2016	2015
Revenues	161,501	426,059
Other operating income	5,656	1,499
Raw materials and consumables used	(773)	(621)
Other operating expenses	(267)	(195)
Financial income	1,826	9,203
Financial expenses	(444)	-
Other financial income/(expense), net	13,958	434

The main transactions refer to the companies Atlantica Yield and APW-1, the details of which are as follows:

- Transactions with project companies owned by ABY in the amount of €105 million (€129 million in 2015) classified under the heading of "turnover" mainly derived from the operations and maintenance contracts mentioned above.
- Transactions with the company that owns the Atacama I and Xina Solar One projects in the amount of €56 million (€394 million in 2015) based on the degree of progress made in the construction of this project within the framework of the EPC agreements signed with said company.

33.3. Employee remuneration and other benefits

- Directors are remunerated as established in article 39 of the Bylaws. Directors' remuneration shall consist of all or some of the following concepts, for a total combined amount that shall be agreed in the General Shareholders' Meeting, pursuant to the directors' remuneration policy and conditional, when required by law, on the prior approval of the General Shareholders' Meeting: (a) a fixed fee; (b) expenses for attendance; (c) a share of the profits, under the terms established in Article 48, Paragraph 2, of the company's Bylaws; (d) variable remuneration based on general benchmark indicators or parameters; (e); (e) severance payments, provided that the director is not relieved of office on grounds if failing to fulfill the responsibilities attributable to him/her; and (g) savings or pension systems considered to be appropriate

  On February 12, 2016, Mr. José Luis Aya Abaurre deceased.

  On March 1, 2016 the Board of Directors agreed to cease Mr. José Dominguez Abascal as chairman of the Company, continuing as Director in the external director category. In his replacement, the Board of Directors appointed Mr. Antonio Fornieles Melero as executive chairman, who was categorized until that moment as independent Director, delegating all his powers except those that cannot be statutory and legally delegated and ceasing from the Audit Committee and the Appointments and Remunerations Committee.

  On the same date, the Board of Directors agreed to delegate to the CEO Mr. Joaquín Fernández de Piérola Marín all the powers in his favor except those that cannot be legally delegated, who became executive director and maintaining this status. The exercise of these powers were several respect to those delegated in the same extension to the chairman Mr. Antonio Fornieles Melero.

  According to the mercantile contract of rendering services suscribed with the former Executive Chairman, Mr. José Dominguez Abascal, he had recognized, in the event of his dismissal by the Company, the right to obtain a dismissal compensation/after contract anti competence agreement mentioned before, which in the case of Mr. Domínguez Abascal reached to an amount equivalent to the 100% of the remuneration during his last year, or the reincorporationg to his previous charge. After his dismissal as Executive Chairman, Mr Dominguez Abascal chose be reincorporated to his previous charge.

  On March 7, 2016, the Board of Directors of the Company agreed: a) to appoint as first Vice-President of the Board of Directors Mr. Joaquin Fernández de Piérola Marin joining this position to CEO. He also was appointed as a member of the Investments Committee replacing Mr. José Dominguez Abascal, b) to appoint as second Vice-President and coordinating Director Mrs. Alicia Velarde Valiente, c) to appoint as chairman of the audit committee and member and chairman of the Investments Committee Mrs. Alicia Velarde Valiente, and d) to replace by co-optation the vacancy left by the deceased Director Mr. José Luis Aya Abaurre, appointed as Director of the Company Inayaba, S.L. and appointing Mrs. Ana Abaurrea Aya as representative. Also, she is appointed as member of the Strategic and Technology Committee.

  On April 18, 2016, the Board of Directors of the Company agreed to accept the resignation of Mr. José Dominguez Abascal as Director.

  On May 25, 2016, the Board of Directors of the Company agreed to accept the resignation of D. Claudi Santiago Ponsa as Director given the foreseeable new shareholders structure derived from the current restructuring process of the Company.

- The General Shareholders' Meeting held on June 30, 2016 approved, among other agreements, the following:

  1. To cease Mr. Javier Benjumea Llorente as executive Director.
  2. To fix the number of Directors to ten members.
  3. To confirm and appoint as Director Mr. Joaquín Fernandez de Piérola Marín, as executive, Mr. Ricardo Martinez Rico, as independent, Mrs. Alicia Velarde Valiente, as independent and Inayaba, S.L. represented by Mrs. Ana Abaurrea Aya as weekly assistant.

- The Extraordinary General Shareholders' Meeting held on second call on 22 November 2016, has approved, among others, the following resolutions:

  1. To accept the resignation submitted by all the directors on that same date.
  2. To set the number of the members of the Board of Directors at seven (7).
  3. At the proposal of the Board of Directors, following a report by the Appointments and Remuneration Committee, based on Spencer Stuart's proposal, in accordance with the terms of the Restructuring Agreement entered into by the Company on 24 September 2016, to appoint Mr. Gonzalo Urquijo Fernández de Araoz as executive director.
  4. At the proposal of the Appointments and Remuneration Committee, based on Spencer Stuart's proposal, in accordance with the terms of the Restructuring Agreement entered into by the Company on 24 September 2016, to appoint Mr. Manuel Castro Aladro, Mr. José Luis del Valle Doblado, Mr. José Wahnon Levy, Mr. Ramón Sotomayor Jáuregui, Mr. Javier Targhetta Roza and Ms. Pilar Cavero Mestre as independent directors.

- Likewise, the Board of Directors held on that same date after the Extraordinary General Shareholders' Meeting, has approved, among others, the following resolutions:

1. With a previous report from the Appointments and Remuneration Committee, to appoint Mr. Gonzalo Urquijo Fernández de Araoz as executive Chairman
2. To appoint Mr. Manuel Castro Aladro as Lead Independent Director. This appointment was not voted by the executive director.
3. To appoint Ms. Pilar Cavero Mestre, Mr. Javier Targhetta Roza and Mr. Ramón Sotomayor Jáuregui as members of the Appointments and Remuneration Committee, appointing Ms. Pilar Cavero Mestre as Chairwoman and Mr. Juan Miguel Goenechea Domínguez as Secretary non-member.
4. To appoint Mr. José Wahnon Levy, Mr. José Luis del Valle Doblado and Mr. Manuel Castro Aladro as members of the Audit Committee, appointing Mr. José Wahnon Levy as Chairman.
5. To eliminate both the Strategy and Technology Committee and the Investments Committee. The Audit Committee assumes the Investments Committee's functions.
6. With a previous report from the Appointments and Remuneration Committee, to appoint Mr. Joaquín Fernández de Piérola Marín as Chief Executive Officer.
7. With a previous report from the Appointments and Remuneration Committee, to appoint Mr. Víctor Pastor Fernández as Chief Financial Officer.
8. With a previous report from the Appointments and Remuneration Committee, to appoint Mr. David Jiménez-Blanco Carrillo de Albornoz as Chief Restructuring Officer.
9. To approve a new corporate structure of the Company, which will be organized around two committees:
   - An Executive Committee comprised of the following members Mr. Gonzalo Urquijo Fernández de Araoz, Mr. Joaquín Fernández de Piérola Marían, Mr. Daniel Alaminos Echarri, Mr. Álvaro Polo Guerrero, Mr. Víctor Pérez Fernández and Mr. David Jiménez-Blanco Carrillo de Albornoz.
   - A Management Committee, whose members will be subsequently appointed.
10. With a previous report from the Appointments and Remuneration Committee, to appoint Ms. Mercedes Domecq Palomares as Vicesecretary of the Board of Directors.

As a result, the Board of Directors and its committees will be comprises as follows:

Board of Directors

› Chairman: Mr. Gonzalo Urquijo Fernández de Araoz. Executive

› Lead Independent Director Mr. Manuel Castro Aladro. ndependent

› Members:

- Mr. José Luis del Valle Doblado. Independent
- Mr. José Wahnon Levy . Independent
- Mr. Ramón Sotomayor Jaúregui . Independent
- Ms. Pilar Cavero Mestre . Independent
- Mr. Javier Targhetta Roza . Independent

› Secretary non-member . Mr. Daniel Alaminos Echarri

› Vicesecretary non-member: Ms. Mercedes Domecq Palomares

Audit Committee

› Chairman: Mr. José Wahnon Levy

› Members :

- Mr. José Luis del Valle Doblado
- Mr. Manuel Castro Aladro

› Secretary non-member : Mr. Daniel Alaminos Echarri

Appointments and Remuneration Committee

› Chairman : Ms. Pilar Cavero Mestre

› Members :

- Mr. Javier Targhetta Roza
- Mr. Ramón Sotomayor Jáuregui

› Secretary non-member : Mr. Juan Miguel Goenechea Domínguez

› Regardless of the mentioned before, after the closing, on January 26, 2017, the Board of Directors accepted the resignation submitted by Mr. Javier Targhetta Roza as member of the Board of Directors for personal and family reasons.

› Remunerations paid during 2016 to the Board of Directors are as follow (in thousand euros):

Name	Salary	Fixed remuneration	Daily allowance	Short term variable remuneration	Compensation as member of Board Committee	Compensation as officer of other Group companies	Other concepts	Total 2015
Santiago Seage Medela	543	-	51	-	-	-	-	594
Javier Benjumea Llorente	60	-	51	-	-	-	-	111
José Borrell Fontelles	-	-	145	-	40	-	-	185
Mercedes Gracia Díez	-	-	145	-	40	-	-	185
Ricardo Martínez Rico	-	-	100	-	-	-	-	100
Alicia Velarde Valiente	-	-	136	-	40	-	-	176
Ricardo Hausmann	-	-	229	-	-	-	-	229
José Joaquín Abaurre Llorente	-	-	100	-	-	-	-	100
José Luis Aya Abaurre	-	-	20	-	-	-	-	20
Inayaba, S.L.	-	-	80	-	-	-	-	80
Claudi Santiago Ponsa	-	-	N/A	-	-	-	-	N/A
Ignacio Solís Guardiola	-	-	71	-	-	-	-	71
Antonio Fornieles Melero	509	-	29	-	10	-	-	548
José Domínguez Abascal	119	-	-	-	-	-	-	119
Joaquín Fernández de Piérola Marín	571	-	-	-	-	-	-	571
Gonzalo Urquijo Fernández de Araoz	108	-	16	-	-	-	-	124
Manuel Castro Aladro	-	-	16	-	3	-	-	19
José Wahnon Levy	-	-	16	-	5	-	-	21
Pilar Cavero Mestre	-	-	16	-	10	-	-	26
José Luis del Valle Doblado	-	-	16	-	3	-	-	19
Javier Targhetta Roza	-	-	16	-	5	-	-	21
Ramón Sotomayor Jáuregui	-	-	16	-	5	-	-	21
Total	**1,368**	**-**	**1,253**	**-**	**160**	**-**	**-**	**2,782**

› Remunerations paid during 2015 to the Board of Directors are as follow (in thousand euros):

Name	Salary	Fixed remuneration	Daily allowance	Short term variable remuneration	Compensation as member of Board Committee	Compensation as officer of other Group companies	Other concepts	Total 2015
Felipe Benjumea Llorente	814	-	68	3,304	-	-	11.484	15,671
Aplidig, S.L. (1)	-	-	-	2,804	-	-	-	2,804
Manuel Sánchez Ortega	543	-	57	3,304	-	-	4.484	8,388
Javier Benjumea Llorente	1.2	-	93	1,307	-	52	-	2,652
José Borrell Fontelles	-	-	160	-	140	-	-	300
Mercedes Gracia Díez	-	-	160	-	40	-	-	200
Ricardo Martínez Rico	-	-	110	-	20	-	-	130
Alicia Velarde Valiente	-	-	110	-	40	-	-	150
Ricardo Hausmann	-	-	280	-	-	-	-	280
José Joaquín Abaurre Llorente	-	-	110	-	40	-	-	150
José Luis Aya Abaurre	-	-	110	-	40	-	-	150
María Teresa Benjumea Llorente	-	-	43	-	-	18	-	61
Claudi Santiago Ponsa	-	-	78	-	-	-	-	78
Ignacio Solís Guardiola	-	-	78	-	-	-	-	78
Fernando Solís Martínez Campos	-	-	57	-	-	-	-	57
Carlos Sundheim Losada	-	-	57	-	-	-	-	57
Antonio Fornieles Melero	-	-	160	-	35	-	-	195
Santiago Seage Medela	543	-	51	-	-	-	-	594
José Domínguez Abascal	175	-	-	-	-	-	-	175
Joaquín Fernández de Piérola	23	-	-	-	-	-	-	23
Total	**3,298**	**-**	**1,782**	**10,719**	**355**	**70**	**15,968**	**32,193**

Note (1): Represented by Mr. José B. Terceiro Lomba

- Remunerations paid during 2015 to the Board of Directors are as follows (in thousand euros):
- Additionally, on December 31, 2016 overall remuneration accrued by Key Management of the Company (Senior Management which are not executive directors), including both fixed and variable components, amounted to €2,348 thousand (€7,163 thousand at at December 31, 2016). As in previous years, this amount is determined based on the most updated stimulation of the Company considering the remuneration of Senior Management accrues uniformly during the year.
- No advanced payments or credits are granted to members of the Board, nor are any guarantees or obligations granted in their favor.

33.4. In compliance with Royal Decree 1/2010 of July 2, that approves the Capital Corporations Law, the Company reports that no member of the Board of Directors of Abengoa, S.A. and, to its knowledge, none of the individuals related parties as referred to by article 231 in the Capital Corporations Law Act maintains any direct or indirect share in the capital of companies with the same, analogous or complementary kind of activity that the parent company's corporate purpose, nor has any position in any company with the same, analogous or complementary kind of activity that the parent company's corporate purpose. In addition, no member of the Board of Directors has accomplished any activity with the same, analogous or complementary kind of activity that the parent company's corporate purpose.

As of December 31, 2016, no members of the Board of Directors are in turn Directors or Management in other subsidiaries included in the consolidation group.

In accordance with the record of significant holding in the Company, and as required by the 'Internal Rules and Regulations for Conduct involving Stock Exchange Matters', the shares and the holding percentages of the Company Directors as of December 31, 2016 are:

	No. of direct class A shares	No. of indirect class A shares	No. of direct class B shares	No. of indirect class B shares	%of total voting rights
Gonzalo Urquijo Fernández de Araoz	-	-	-	-	-
Manuel Castro Aladro	-	-	-	-	-
José Wahnon Levy	-	-	-	-	-
Pilar Cavero Mestre	-	-	-	-	-
Javier Targhetta Roza	-	-	-	-	-
Ramón Sotomayor Jáuregui	-	-	-	-	-
José Luis del Valle Doblado	-	-	-	-	-

Throughout out 2016 and 2015 there was no evidence of any direct or indirect conflict of interest situation, in accordance with what is envisaged in Article 229 of the Capital Corporation Law.

33.5. Audit fees

The fees and costs obtained by Deloitte, S.L. and other associated companies and other auditors are the following:

	2016			2015		
	Deloitte	Other auditors	Total	Deloitte	Other auditors	Total
Audit fees	3,483	824	4,307	3,691	1,247	4,938
Other verification services	57	99	156	195	-	195
Tax fees	737	464	1,201	765	2,888	3,653
Other audit complementary services	1,066	-	1,066	1,398	197	1,595
Other services	409	6,629	7,038	275	8,074	8,349
Total	**5,752**	**8,016**	**13,768**	**6,324**	**12,406**	**18,730**

33.6. Environmental information

The necessary evolution of the company to a sustainable growth constitutes to Abengoa a commitment and an opportunity for the proper development and continuance of its business.

The environment sustainability is key in the strategy of Abengoa, which performs all its activity and process according to a sustainable development model, focused to grant the commitments to protect the environment and going further than legal compliance and considering at the same time the stakeholders expectations and good environmental practices.

Consequently, by year-end 2016, Companies have Environment Management Systems certified according to the ISO 14001 Standard.

This international standard allows us to grant all the legal, contractual and good practices requirements in environmental management which are identified and controlled properly. The unfulfillment risk management is the base of our management and the base for decision manking process.

33.7.- Subsequent events

As described on Note 2.1 of going concern, an Updated Viability Plan was prepared during the second half of May, which was later approved by the Board of Directors on August 3, 2016 as well as the term sheet of the Restructuring Agreement which was subscribed afterwards by the main creditors and which is mentioned below. Such plan was approved on August 16, 2016.

During the second half of 2016, the Updated Viability Plan has been the base of the key hypothesis considered by the Directors of the Company when making the financial information.As expected in the previous conditions of the restructuring, creditors required a liquidity plan for 18 month- period which has been made by Directors and approved by the Board of Directors on January 16, 2017. This plan takes the main hypothesis of the Updated Viability Plan, updating some short term hypothesis of such Plan that have been amended due to the delay of the agreement implementation, mainly due to the mentioned insolvency in Mexico.

Since December 31, 2016, no additional events have occurred that might significantly influence the information reflected in the Consolidated Financial Statements, nor has there been any event of significance to the Group as a whole.

02.7 Appendices

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
A3T Holdco España, S.A	Seville (ES)	60	100.00	Abener Energía, S.A./ Negocios Industriales y Comerciales, S.A. (Nicsa)	-	(1)	B
A3T LuxCo 2 SARL	Luxembourg (LU)	30	100.00	A3T Holdco España, S.A / Abener Energia	(*)	(1)	-
AB Bioenergy Hannover, GmbH	Hannover (DE)	98	100.00	Abengoa Bioenergía, S.A.	-	(6)	-
Abacus Project Management of Arizona, LLC.	Arizona (US)	1	100.00	Teyma Construction USA, LLC.	-	(1)	B
Abacus Project Management, Inc.	Arizona (US)	4,418	100.00	Teyma Construction USA, LLC	-	(1)	-
Abeanza Brasil, S.A.	Rio de Janeiro (BR)	1,492	100.00	Asa Investment, AG ZUG/Sociedad Inversora Lineas de Brasil, S.L. (ETVE)	-	(1)	-
Abeima India, Pvt. Ltd.	Chennai (IN)	7,602	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	C
Abeima Teyma Barka LLC.	Ruwi (OM)	332	70.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	B
Abeima Teyma Infraestructure Ghana Limited	Accra (GH)	38	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	B
Abeima Teyma Zapotillo SRL de CV	México D.F. (MX)	-	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	B
Abeima USA, LLC.	Delaware (US)	1	100.00	Abeinsa Business Development, LLC	-	(1)	-
Abeinsa Abeima Teyma General Partnership	Arizona (US)	5	100.00	Abeima USA, LLC./ Teyma Construction USA, LLC./ Abeinsa EPC, LLC.	-	(1)	-
Abeinsa Abener Teyma General Partnership	Arizona (US)	5	100.00	Teyma Construction USA LLC./Abener Eng. Const. Serv., LLC/Abeinsa EPC Inc.	-	(1)	-
Abeinsa Abener Teyma Reno General Partnership	Phoenix (US)	5	100.00	Abeinsa EPC LLC/ Abener Construction Services LLC / Teyma Construction USA,LLC	(*)	(1)	-
Abeinsa Asset Management, S.L.	Seville (ES)	22,861	100.00	Abener Energía, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa BD Asia Pacific Pte. Ltd.	Singapur (SG)	66	100.00	Abeinsa Business Development, S.A.	-	(1)	C
Abeinsa Business Development (Pty) Ltd.	Johannesburgo (ZA)	-	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development Corp.	Toronto (CA)	-	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development GmbH	Berlín (DE)	25	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development Private Limited	Mumbai (IN)	3,629	100.00	Abeinsa Business Development, S.A. /Negocios Industriales y Comerciales, S.A.	-	(1)	B
Abeinsa Business Development S.A.C.	Lima (PE)	-	100.00	Abeinsa Business Development, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa Business Development S.a.R.L./ A.U	Casablanca (MA)	-	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development, LLC	Missouri (US)	93,567	100.00	Abeinsa, LLC.	-	(1)	-
Abeinsa Business Development, Ltd.	Seoul (KR)	70	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development, S.A.	Seville (ES)	501,735	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./ Negocios Industriales y Comerciales, S.A.	-	(1)	B
Abeinsa Business Development, Sp.z.o.o.	Gliwice (PL)	1	100.00	Abeinsa Business Development, S.A.	-	(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abeinsa Business Development, Spa.	Santiago de Chile (CL)	1	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Developmet México, S.A. de C.V.	México D.F. (MX)	3	100.00	Abeinsa Business Development, S.A./ Negocios Industriales y Comerciales, S.A.	-	(1)	B
Abeinsa Engineering Private Limited	Mumbai (IN)	270	100.00	Abeinsa Engineering, S.L./ Abener Energía, S.A.	-	(1)	B
Abeinsa Engineering, Inc.	Arizona (US)	37	100.00	Abeinsa Engineering, S.L.	-	(1)	-
Abeinsa Engineering, S.A. de CV.	México D.F. (MX)	3	100.00	Abeinsa Engineering, S.L./Abeinsa Asset Management, S.L.	-	(1)	B
Abeinsa Engineering, S.L.	Seville (ES)	5,542	100.00	Abener Energía, S.A.	-	(1)	B
Abeinsa EPC Kaxu Pty Ltd.	Johannesburgo (ZA)	-	92.00	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.	-	(1)	B
Abeinsa EPC Khi Pty Ltd.	Johannesburgo (ZA)	-	92.00	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.	-	(1)	B
Abeinsa EPC México, S.A de C.V	México D.F. (MX)	1	100.00	Abeinsa Ingeniería y Construcción Industrial S.A./ ASA Iberoamérica, S.L.	-	(1)	B
Abeinsa EPC South Africa (Pty) Ltd	Cape Town (ZA)	-	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abeinsa EPC Xina (Pty) Ltd.	Cape Town (ZA)	-	92.00	Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A./Abener Energía, S.A.	-	(1)	B
Abeinsa EPC, LLC.	Arizona (US)	-	100.00	Abeinsa, LLC.	-	(1)	-
Abeinsa EPC, S.A.	Seville (ES)	60	100.00	Abeinsa Ingeniería y Construcción Industrial S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	B
Abeinsa Holding, Inc.	Delaware (US)	1,990	100.00	Abengoa US Holding, LLC.	-	(1)	-
Abeinsa Infraestructuras Medio Ambiente, S.A.	Seville (ES)	447,151	100.00	Abeinsa Business Development, S.A../Negocios Industriales y Comerciales, S.A	-	(1)	B
Abeinsa Inversiones Latam, S.L.	Seville (ES)	245,333	100.00	Asa Iberoamérica, S.L./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Abeinsa Is Gelistirme Limited Sirketi	Ankara (TR)	5	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Juárez Norte III, S.A. de C.V.	México D.F. (MX)	2	100.00	Abeinsa Norte III, S.A. de C.V./ Abener Energía, S.A.	-	(5)	B
Abeinsa Monterrey VI, S.A. de C.V.	México D.F. (MX)	2	100.00	Abengoa México, S.A. de CV/ Abener Energía, S.A.	-	(1)	-
Abeinsa Norte III, S. A. de C. V.	México D.F. (MX)	3	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.A./Abener México, S.A. de C.V.	-	(1)	-
Abeinsa Operation and Maintenance, S.A.	Seville (ES)	60	100.00	Abeinsa Ing. y Const. Industrial, S.A./Negocios Industriales y de Construcción, S.A.	-	(1)	C
Abeinsa, Ingeniería y Construcción Industrial, S.A.	Seville (ES)	90,642	100.00	Abengoa, S.A./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	B
Abeinsa, LLC.	Delaware (US)	95,556	100.00	Abengoa US Operations, LLC	-	(1)	-
Abelec, S.A.	Santiago de Chile (CL)	2	99.99	Abengoa Chile, S.A.	-	(2)	-
Abema Ltda	Santiago de Chile (CL)	2	100.00	Abengoa Chile, S.A./Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	-
Abencor Brasil Ltda.	Rio de Janeiro	-	100.00	Abencor Suministros,	-	(1)	-

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
	(BR)			S.A./Abengoa Construção Brasil Ltda.			
Abencor Colombia S.A.S.	Bogotá (CO)	8	100.00	Abencor Suministros S.A.	-	(1)	-
Abencor México, S.A. de C.V	México D.F. (MX)	3	100.00	Abencor Suministros, S.A./Abengoa México, S.A. de C.V.	-	(1)	-
Abencor Perú	Lima (PE)	202	99.99	Abencor Suministros S.A.	-	(1)	-
Abencor South Africa Pty Ltd	Upington (ZA)	-	100.00	Abencor Suministros, S.A.	-	(1)	-
Abencor Suministros Chile, S.A.	Santiago de Chile (CL)	1	100.00	Abengoa Chile S.A./Abencor Suministros, S.A.	-	(1)	-
Abencor Suministros S.A.	Seville (ES)	4,133	100.00	Negocios Industriales y Comerciales, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Abencor USA LLC	Arizona (US)	1	100.00	Abeinsa, LLC	-	(1)	-
Abener Argelia	Seville (ES)	4	100.00	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abener Construction Services, LLC.	Missouri (US)	179,138	100.00	Abeinsa Business Development, LLC	-	(1)	-
Abener Energía, S.A.	Seville (ES)	454,523	100.00	Abeinsa, Ing. y Const., S.A./Abeinsa Business Development, S.A./Negocios Ind. y Com., S.A.	-	(1)	B
Abener Energie S.A.R.L.	Ain Beni (Morocco)	3	100.00	Abener Energía, S.A.	-	(1)	-
Abener México, S.A. De C.V.	México D.F. (MX)	3	100.00	Abengoa México, S.A. de C.V./Abeinsa Business Development México, S.A. de C.V.	-	(1)	B
Abener North America Construction Services, Inc.	Delaware (US)	1,042	100.00	Abener Engineering & Construction Services, LLC.	-	(1)	-
Abener North America Construction, L.P.	Missouri (US)	101,384	100.00	Abener Construction Service, LLC /Abener North America Construction Services, Inc.	-	(1)	-
Abener Teyma Hugoton General Partnership	Missouri (US)	10	100.00	Teyma Construction USA LLC/Abener Construction Services, LLC.	-	(1)	-
Abener Teyma Mojave General Partnership	Missouri (US)	202,708	100.00	Teyma Construction USA, LLC/Abener North America Construction Services, L.P.	-	(1)	-
Abener, Abeinsa, for Construction, Water and Energy Company Limited	Riyadh (SA)	196	100.00	Abener Energía, S.A./ Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	C
Abengoa Abenewco 1, S.A.	Seville (ES)	60	100.00	Abengoa Abenewco 2, S.A.	(*)	(1)	-
Abengoa Abenewco 2, S.A.	Seville (ES)	60	100.00	Abengoa S.A.	(*)	(1)	-
Abengoa Africa Investments LLC	England	14	100.00	South Africa Solar Ventures, S. L.	-	(1)	-
Abengoa Bioenergia Agroindustria Ltda	Sao Paulo (BR)	585,759	100.00	Abengoa Bioenergia Brasil, S.A./Abengoa Bioenergia Santa Fe, Ltda.	-	(6)	B
Abengoa Bioenergia Agroindustria Trading US Inc.	Delaware (US)	-	100.00	Abengoa Bioenergia Agroindústria Ltda.	-	(6)	-
Abengoa Bioenergía Biodiesel S.A.	Seville (ES)	60	100.00	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.	-	(6)	-
Abengoa Bioenergia Biomasse France, SAS	Arance (FR)	3	100.00	Abengoa Bioenergía Inversiones, S.A.	-	(6)	-
Abengoa Bioenergía Brasil, S.A.	Sao Paulo (BR)	1,015,366	99.99	Asa Bioenergy Holding AG./Abengoa Bioenergia, S.A.	-	(6)	B

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abengoa Bioenergia Inovações Ltda.	Sao Paulo (BR)	352,249	100.00	ASA Bioenergy Holding, AG/ Abengoa Bioenergía Santa Fe, Ltda.	-	(6)	-
Abengoa Bioenergía Inversiones, S.A.	Seville (ES)	743,069	100.00	Abengoa Bioenergía, S.A./Abengoa Bioenergia Nuevas Tecnologías, S.A.	-	(6)	B
Abengoa Bioenergía Nuevas Tecnologías, S.A.	Seville (ES)	386	100.00	Abengoa Bioenergía, S.L./Instalaciones Inabensa, S.A.	-	(6)	B
Abengoa Bioenergía Outsourcing, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operation, LLC.	-	(6)	-
Abengoa Bioenergía Santa Fe, Ltda.	Sao Paulo (BR)	350	100.00	Abengoa Bioenergía Brasil, S.A./Abengoa Bioenergia Trading Brasil Ltda.	-	(6)	-
Abengoa Bioenergia Trading Brasil Ltda	Sao Paulo (BR)	-	100.00	Abengoa Bioenergia Brasil, S.A./Abengoa Bioenergia Agroindústria, Ltda .	-	(6)	-
Abengoa Bioenergía, S.A.	Seville (ES)	147,093	100.00	Abengoa, S.A./Sociedad Inversora Energía y Medio Ambiente, S.A.	-	(6)	B
Abengoa Bioenergy Biomass Funding, LLC	Kansas (US)	-	100.00	Abengoa Bioenergy Technology Holding , LLC	-	(6)	-
Abengoa Bioenergy Biomass of Kansas, LLC.	Kansas (US)	646,547	100.00	Abengoa Bioenergy Hybrid of Kansas, LLC.	-	(6)	B
Abengoa Bioenergy Company, LLC.	Kansas (US)	76,573	100.00	Abengoa Bioenergy Operations, LLC.	-	(6)	B
Abengoa Bioenergy Developments, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy US Holding, LLC.	-	(6)	-
Abengoa Bioenergy Engineering & Construction, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operations, LLC.	-	(6)	-
Abengoa Bioenergy France, S.A.	Montardon (FR)	108,353	74.78	Abengoa Bioenergía Inversiones, S.A.	-	(6)	B
Abengoa Bioenergy Funding, LLC.	Missouri (US)	294,249	100.00	Abengoa Bioenergy Meramec Renewable, LLC.	-	(6)	-
Abengoa Bioenergy Germany, GmbH	Rostock (DE)	11,859	100.00	Abengoa Bioenergía Inversiones, S.A.	-	(6)	-
Abengoa Bioenergy Holdco, Inc.	Delaware (US)	805,231	100.00	Abengoa US Holding, LLC/ASA Bioenergy Holding, AG	-	(6)	-
Abengoa Bioenergy Hybrid of Kansas, LLC.	Kansas (US)	638,491	100.00	Abengoa Bioenergy Technology Holding, Inc.	-	(6)	-
Abengoa Bioenergy Investments , LLC	Missouri (US)	-	100.00	Abengoa Bioenergy US Holding, LLC.	-	(6)	-
Abengoa Bioenergy Maple, LLC	Missouri (US)	294,249	100.00	Abengoa Bioenergy Funding LLC.	-	(6)	B
Abengoa Bioenergy Meramec Holding, Inc.	Delaware (US)	40,049	51.00	Abengoa Bioenergy Holdco, Inc.	-	(6)	-
Abengoa Bioenergy Meramec Renewable, LLC.	Missouri (US)	385,568	100.00	Abengoa Bioenergy Meramec Holding, Inc./ Abengoa Bioenergy Operations , LLC	-	(6)	B
Abengoa Bioenergy New Technologies, LLC.	Missouri (US)	758	100.00	Abengoa Bioenergy Technology Holding, LLC.	-	(6)	B
Abengoa Bioenergy of Illinois, LLC	Missouri (US)	220,155	100.00	Abengoa Bioenergy Maple, LLC	-	(6)	-
Abengoa Bioenergy of Indiana, LLC	Missouri (US)	184,242	100.00	Abengoa Bioenergy Maple, LLC.	-	(6)	-
Abengoa Bioenergy of Kansas, LLC	Missouri (US)	230	100.00	Abengoa Bioenergy Operations,LLC	-	(6)	-
Abengoa Bioenergy of Maryland, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operations, LLC	-	(6)	-
Abengoa Bioenergy of Nebraska, LLC.	Nebraska (US)	50,408	100.00	Abengoa Bioenergy Operations, LLC	-	(6)	B
Abengoa Bioenergy of Texas, LLC	Delaware (US)	-	100.00	Abengoa Bioenergy Operations , LLC	-	(6)	-
Abengoa Bioenergy Operations , LLC	Missouri (US)	441,623	100.00	Abengoa Bioenergy US Holding, LLC.	-	(6)	-

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abengoa Bioenergy Renewable Power US,LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operations, LLC.	-	(6)	-
Abengoa Bioenergy Technology Holding , LLC	Missouri (US)	638,490	100.00	Abengoa Bioenergy US Holding, LLC.	-	(6)	-
Abengoa Bioenergy Trading Europe, B.V.	Rotterdam (NL)	5,618	100.00	Abengoa Bioenergía Inversiones, S.A.	-	(6)	-
Abengoa Bioenergy Trading US, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operations, LLC	-	(6)	B
Abengoa Bioenergy UK Limited	Cardiff (UK)	14,503	100.00	Abengoa Bioenergía Inversiones, S.A.	-	(6)	-
Abengoa Bioenergy US Holding, LLC	Missouri (US)	822,142	100.00	Abengoa US, LLC	-	(6)	B
Abengoa Biotechnology, LLC	Delaware (US)	-	100.00	Abengoa Bioenergy US Holding, LLC	-	(6)	-
Abengoa Brasil Logística Ltda.	Rio de Janeiro (BR)	29,486	100.00	Abengoa Construçao Brasil, Ltda./ Inabensa Rio Ltda	-	(1)	C
Abengoa Chile, S.A.	Santiago de Chile (CL)	90,025	100.00	Asa Investment, AG ZUG/Teyma Abengoa, S.A.	-	(1)	B
Abengoa Cogeneraçao de Energia II, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(2)	-
Abengoa Cogeneraçao de Energía, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(2)	-
Abengoa Colombia, S.A.S.	Bogotá (CO)	2,026	100.00	Abengoa Perú, S.A./Abener Energía, S.A./Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	-
Abengoa Concessions Investments Ltd.	Leeds (GB)	626,049	100.00	Abengoa Concessions, S.L./ Abengoa Solar, S.A.	-	(1)	B
Abengoa Concessions Investments, S.à.r.l.	Luxembourg (LU)	13	100.00	Abengoa Concessions, S.L.	-	(1)	-
Abengoa Concessions, S.L.	Seville (ES)	3	100.00	Abengoa, S.A./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	-
Abengoa Concessões Brasil Holding, S.A.	Rio de Janeiro (BR)	755,483	100.00	Abengoa Construçao Brasil, Ltda./ Sociedad Inversora de Líneas de Brasil, S.L./ Abengoa Yield Plc.	-	(2)	C
Abengoa Construçao Brasil, Ltda.	Rio de Janeiro (BR)	419,174	100.00	Abeanza Brasil, S.A./Sociedad Inversora de Líneas de Brasil, S.L.	-	(1)	C
Abengoa Desalination Pilot Plants, Ltd.	Masdar (AE)	30	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa ECA Finance LLP	Leeds (GB)	-	100.00	Abengoa, S.A./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	-
Abengoa Energy Crops Australia Pty Ltd	Perth (AU)	-	100.00	Abengoa Energy Crops, S.A	-	(1)	-
Abengoa Energy Crops Biomass USA, LLC	Florida (US)	244	100.00	Abengoa Energy Crops USA, LLC	-	(1)	-
Abengoa Energy Crops Biomassa, S.A.	Rio de Janeiro (BR)	-	99.80	Abengoa Energy Crops, S.A.	-	(1)	-
Abengoa Energy Crops Pellet 1 USA, LLC	Florida (US)	10	100.00	Abengoa Energy Crops Biomass USA, LLC	-	(1)	-
Abengoa Energy Crops USA, LLC	Florida (US)	213	100.00	Abengoa Energy Crops, S.A.	-	(1)	-
Abengoa Energy Crops, S.A.	Seville (ES)	60	100.00	Abengoa, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	-
Abengoa Energy Trading Chile SpA	Santiago de Chile (CL)	14	100.00	Abengoa Chile, S.A.	-	(1)	-
Abengoa Finance, S.A.	Seville (ES)	60	100.00	Abengoa, S.A.	-	(1)	B

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abengoa Greenbridge, S.A.U.	Seville (ES)	60	100.00	Abengoa, S.A.	-	(1)	B
Abengoa Greenfield Brasil Holding, S.A.	Rio de Janeiro (BR)	988,457	100.00	Abengoa Construção Ltda. / APW 1 Brasil Fundo de Investimento em Participações	-	(1)	C
Abengoa Greenfield Perú, S.A.	Lima (PE)	-	99.80	Abengoa Perú, S.A.	-	(1)	-
Abengoa Greenfield S.A.U.	Seville (ES)	60	100.00	Abengoa, S.A.	-	(1)	B
Abengoa Infraestrutura, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construção Brasil Ltda.	-	(1)	-
Abengoa Innovación S.A	Seville (ES)	912	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./ Instalaciones Inabensa, S.A.	-	(1)	B
Abengoa Inversiones Mexico, S.L.	Seville (ES)	3	100.00	Abengoa PW I Investments, S.L.	-	(1)	-
Abengoa Inversiones Spain, S.L.	Seville (ES)	3	100.00	Abengoa PW I Investments, S.L.	-	(1)	-
Abengoa Inversiones Sudamerica, S.L.	Seville (ES)	3	100.00	Abengoa PW I Investments, S.L.	-	(1)	-
Abengoa Inversiones Uruguay, S.L.	Seville (ES)	3	100.00	Abengoa PW I Investments, S.L.	-	(1)	-
Abengoa México O&M, S.A. de C.V.	México D.F. (MX)	2	100.00	Abeinsa Operation and Maintenance, S.A./ Abengoa México, S.A. de CV	-	(1)	-
Abengoa México, S.A. de CV	México D.F. (MX)	171,629	100.00	Asa Investment, AG ZUG /Asa Iberoamérica, S.L.	-	(1)	B
Abengoa Perú, S.A.	Lima (PE)	144,506	99.90	Asa Investment, AG ZUG	-	(1)	B
Abengoa Puerto Rico, S.E.	San Juan (PR)	8	100.00	Siema Investment, S.L./Abencor Suministros, S.A.	-	(1)	-
Abengoa PW I Investments, S.L.	Seville (ES)	3	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abengoa PW II Investments, S.L	Seville (ES)	3	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abengoa Research, S.L.	Seville (ES)	4,734	100.00	Abengoa, S.A/Instalaciones Inabensa, S.A.	-	(1)	C
Abengoa SeaPower, S.A.	Seville (ES)	60	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./Instalaciones Inabensa, S.A.	-	(1)	-
Abengoa Servicios Industriales, S.A. de C.V.	México D.F. (MX)	2,182	100.00	Abengoa México, S.A. de C.V./Asa Iberoamérica, S.L.	-	(1)	B
Abengoa Servicios, S.A. De C.V.	México D.F. (MX)	1,047	100.00	Abengoa México, S.A. de C.V./Servicios Aux. de Admon., S.A	-	(1)	B
Abengoa Solar Power Australia Pty Limited	Sydney (AU)	604	100.00	Abengoa Solar Internacional, S.A.	-	(3)	-
Abengoa Solar Brasil Desenvolvimientos Solares Ltda.	Rio de Janeiro (BR)	1,050	100.00	Abengoa Solar Internacional, S.A./Abengoa Solar España, S.A.	-	(1)	-
Abengoa Solar Chile O&M Spa	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA	-	(1)	-
Abengoa Solar Chile, SpA	Santiago de Chile (CL)	313,940	100.00	Abengoa Solar Internacional, S.A.	-	(1)	B
Abengoa Solar Engeneering (Beijing), Co. Ltd.	Beijing (CN)	103	100.00	Abengoa Solar, S.A.	-	(3)	B
Abengoa Solar España, S.A.	Seville (ES)	53,846	100.00	Abengoa Solar, S.A./Abengoa Solar New Technologies, S.A.	-	(1)	B
Abengoa Solar Extremadura, S.A.	Cáceres (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar New Technologies, S.A.	-	(3)	-
Abengoa Solar GmbH	Berlín (DE)	160	100.00	Abengoa Solar Internacional, S.A.	-	(3)	-
Abengoa Solar Holdings Inc.	Dover (USA)	174,669	100.00	Abengoa US Holding, LLC	-	(1)	-

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abengoa Solar India Private Limited	Maharashtra (IN)	1,906	100.00	Abengoa Solar Internacional, S.A./ Abengoa Solar, S.A.	-	(1)	C
Abengoa Solar Industrial Systems, LLC	Brooklyn Center (US)	6,026	100.00	Abengoa Solar, LLC.	-	(1)	-
Abengoa Solar Internacional, S.A.	Seville (ES)	12,501	100.00	Abengoa Solar, S.A./ Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar Investments 2 Ltd	Cardiff (UK)	1	100.00	Abengoa Solar, LLC		(1)	-
Abengoa Solar Japan K.K.	Tokio (JP)	59	100.00	Abengoa Solar Internacional, S.A.	-	(1)	-
Abengoa Solar México S.A. de C.V.	México D.F. (MX)	595	100.00	Abengoa Solar Internacional, S.A./Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar Middle East Holding, S.L	Seville (ES)	50	100.00	Abengoa Solar Internacional, S.A / Abengoa Solar España, S.A	(*)	(1)	-
Abengoa Solar New Technologies, S.A.	Seville (ES)	10,748	100.00	Abengoa Solar, S.A./ Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar Power Arabia LLC	Riade (Arabia Saudi)	244	100.00	Abengoa Solar, S.A./ Abengoa Solar New Technologies, S.A.	-	(3)	-
Abengoa Solar Power DMCC, LLC	Dubai (AE)	1	100.00	Abengoa Solar Ventures S.A	-	(1)	-
Abengoa Solar Power South Africa (Pty) Ltd.	Cape Town (ZA)	1,242	100.00	Abengoa Solar Internacional, S.A.	-	(3)	B
Abengoa Solar Power, S.A.	Seville (ES)	250	100.00	Abengoa Solar, S.A./Abengoa Solar España, S.A.	-	(3)	-
Abengoa Solar Ventures S.A	Seville (ES)	26,660	100.00	Abengoa Solar, S.A./ Abengoa Solar España, S.A.	-	(1)	-
Abengoa Solar, LLC	Dover (USA)	94,474	100.00	Abengoa US Operations, LLC	-	(1)	-
Abengoa Solar, S.A.	Seville (ES)	68,060	100.00	Abengoa, S.A./Abengoa Solar España, S.A.	-	(1)	B
Abengoa SP Holdings, LLC	Dover (USA)	25,560	100.00	Abengoa Solar, LLC.	-	(1)	-
Abengoa Transmission & Infrastructure ULC	Vancouver (CA)	-	100.00	Abengoa Transmission & Infrastructure, LLC	-	(1)	-
Abengoa Transmission & Infrastructure, LLC	Delaware (US)	949	100.00	Abeinsa, LLC.	-	(1)	-
Abengoa Transmission Holdings, LLC	Arizona (US)	-	100.00	Abengoa Transmission & Infrastructure, LLC	-	(1)	-
Abengoa US Holding, LLC	Washington (US)	1,012,276	100.00	Abengoa Bioenergía, S.A./ Abengoa Solar, S.A./Abeinsa, S.A./Abengoa Water, S.L.U.	-	(1)	-
Abengoa US Operations, LLC	Washington (US)	330,864	100.00	Abengoa US, LLC	-	(1)	-
Abengoa US, LLC	Washington (US)	1,164,733	100.00	Abengoa Bioenergy Holdco, Inc./ Abengoa Solar Holdings Inc../ Abengoa Water Holding USA, Inc./ Abener Energia, S. A./ Abacus Project Management, Inc./ Abeinsa Holding, Inc.	-	(1)	-
Abengoa Water Agadir, S.L.U.	Seville (ES)	2,734	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Beijing Co., Ltd	Pekín (CN)	65	100.00	Abengoa Water, S.L.	-	(4)	C
Abengoa Water Chile, Limitada	Santiago de Chile (CL)	5	100.00	Abengoa Water, S.L.	-	(4)	-
Abengoa Water Dalian, S.L.U.	Seville (ES)	33	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Holding USA, Inc.	Delaware (US)	5,072	100.00	Abengoa US Holding, LLC	-	(4)	-
Abengoa Water Internacional, S.L.U.	Seville (ES)	3	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Investments Ghana, BV	Amsterdam (NL)	5,804	100.00	Abengoa Water Nungua, S.L.U.	-	(1)	-
Abengoa Water Investments Takoradi Bv	Amsterdam (NL)	15	100.00	Abengoa Water Takoradi, S.L.U.	-	(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abengoa Water Nungua, S.L.U.	Seville (ES)	5,586	100.00	Abengoa Water, S.L.U.	-	(1)	-
Abengoa Water Taiwan, S.L.U.	Seville (ES)	16	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Takoradi, S.L.U.	Seville (ES)	13	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water USA, LLC.	Texas (US)	3,572	100.00	Abengoa US Operations, LLC.	-	(1)	-
Abengoa Water, S.L.	Seville (ES)	10,860	100.00	Abengoa, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	B
Abengoa Yield S.à.r.l.	Luxembourg (LU)	13	100.00	Abengoa Concessions Investments, S.à.r.l.	-	(1)	-
Abent 3T, S.A.P.I. de C.V.	México D.F. (MX)	231,865	100.00	A3T Holdco España, S.A/ Abener Energía, S.A.	-	(5)	B
Abenta Concessões Brasil	Rio de Janeiro (BR)	3	95.84	Abengoa Concessões Brasil Holding, S.A.	-	(2)	C
Abenta Construçao Brasil Ltda	Rio de Janeiro (BR)	15,163	100.00	Inabensa Rio, Ltda./Abengoa Construçao Brasil, Ltda.	-	(1)	-
Abentel Telecomunicaciones, S.A.	Seville (ES)	5,530	100.00	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Abentey Brasil, Ltda.	Pirassununga (BR)	57	100.00	Abener Energía, S.A./Teyma Internacional,S.A.	-	(1)	-
Aboadze Desalination Developments, Limited	Accra (GH)	-	90.00	Abengoa Water Investments Takoradi, Bv	-	(4)	-
Abratey Construção, Ltda.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda. / Teyma Internacional S.A.	-	(1)	-
ACC 4T, S.A.P.I. de C.V.	México D.F. (MX)	2	100.00	Abengoa México, S.A. de CV/ Servicios Auxiliares de Administración, S.A. de C.V.	-	(5)	B
AEPC USA Inc.	Arizona (US)	-	100.00	Teyma, Gestión de Contratos de Construcción e Ingeniería SA	(*)	(1)	-
Africa Solar Investments 2 LLC	Dover (USA)	1	100.00	Abengoa Solar LLC	-	(1)	-
Alsiraj I Solar, JSC	Giza (EGP)	-	100.00	Abengoa Solar Egypt Investment Company B.V./ Abengoa Solar Internacional, S.A / Abengoa Solar España, S.A.	-	(3)	-
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	2,211	98.00	Abeinsa Asset Management, S.L.	-	(5)	-
Asa Bioenergy Holding, AG	Zug (SZ)	430,749	100.00	Abengoa Bioenergía, S.A.	-	(6)	B
Asa Desulfuración, S.A.	Vizcaya (ES)	44,611	100.00	Siema Investment, S.L.U.	-	(1)	-
Asa E.& E.H., AG	Zug (SZ)	81	100.00	Sociedad Inversora Energía y Medio Ambiente, S.A.	-	(1)	-
Asa Iberoamérica, S.L.	Seville (ES)	48,522	100.00	Soc. Inv. Energía y Medio Ambiente, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Asa Inmobiliaria Chile, S.A.	Santiago de Chile (CL)	623	100.00	Asa Investment AG, ZUG/ Teyma Abengoa, S.A.	-	(1)	-
Asa Investment AG, ZUG	Zug (SZ)	69,950	100.00	Abeinsa Inversiones Latam, S.L.	-	(1)	-
ASA Investment Brasil Ltda	Rio de Janeiro (BR)	931	100.00	Abeanza Brasil, S.A./Abengoa Construçao Brasil, Ltda.	-	(1)	C
ASI Operations LLC	Delaware (US)	4,689	100.00	Abengoa Solar, LLC.	-	(1)	-
ATE VI Campos Novos Transmissora de Energía ,S.A	Rio de Janeiro (BR)	38,998	100.00	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construçao Brasil, Ltda.	-	(2)	C
ATE VII- Foz do Iguacú Transmissora de Energía, S.A.	Rio de Janeiro (BR)	24,675	100.00	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construçao Brasil, Ltda.	-	(2)	C

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
ATE X Abengoa Brasil Administraçao Predial Ltda	Rio de Janeiro (BR)	5,934	100.00	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(1)	-
ATE XI, Manaus Transmissora de Energía	Rio de Janeiro (BR)	184,858	50.50	Abengoa Concessoes Brasil Holding, S.A.	-	(2)	C
ATE XIII, Norte Brasil Transmissora de Energía S.A	Rio de Janeiro (BR)	250,929	51.00	Abengoa Concessoes Brasil Holding, S.A.	-	(2)	C
ATE XIX Transmissora de Energia S.A.	Rio de Janeiro (BR)	84,156	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	427,777	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XVII Transmissora de Energia S.A.	Rio de Janeiro (BR)	104,976	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	53,777	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XX Transmissora de Energia S.A.	Rio de Janeiro (BR)	69,430	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXI Transmissora de Energia S.A.	Rio de Janeiro (BR)	277,763	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXII Transmissora de Energia S.A.	Rio de Janeiro (BR)	89,072	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	130,301	100.00	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXIV Transmissora de Energia, S.A.	Rio de Janeiro (BR)	70,013	100.00	Abengoa Construçao Brasil, Ltda./Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda / Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATN 1, S.A.	Lima (PE)	56	100.00	Abengoa Perú, S.A.	-	(2)	B
ATN 3, S.A.	Lima (PE)	12,824	100.00	Abengoa Perú, S.A./ Asa Iberoamérica, S.L.	-	(2)	B
Aurorex, S.A.	Montevideo (UY)	390	100.00	Balofix, S.A.	-	(1)	-
Balofix, S.A.	Montevideo (UY)	1,428	100.00	Abengoa Energy Crops, S.A.	-	(1)	-
Befesa Agua Tenes S.L.	Seville (ES)	19,524	100.00	Abengoa Water S.L.	-	(4)	-
Befesa CTA Qingdao S.L.U	Madrid (ES)	5,365	100.00	Abengoa Water, S.L.	-	(4)	-
Befesa Desalination Developments Ghana Limited	Accra (GH)	5,317	56.00	Abengoa Water Investment Ghana BV	-	(4)	B
Beijing Abeinsa Management Consulting Co., Ltd.	Pekín (CN)	150	100.00	Abeinsa Business Development, S.A.	-	(1)	C
Biocarburantes de Castilla y León, S.A.	Salamanca (ES)	66,679	100.00	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.	-	(6)	B
Bioetanol Galicia, S.A.	A Coruña (ES)	7,448	100.00	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.	-	(6)	B

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Captación Solar, S.A.	Seville (ES)	205	100.00	Abeinsa Asset Management, S.L./Abener Energía, S.A.	-	(1)	-
Captasol Fotovoltaica 1, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 10, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 11, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 12, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 13, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 14, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 15, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 16, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 17, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 18, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 19, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 2, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 20 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 21 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 22 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 23 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 24 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 25 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 26 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 27 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 28 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 29 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 3, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Captasol Fotovoltaica 30 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 31 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 32 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 33 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 34 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 35 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 36 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 37 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 38 S.L.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 4, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 5, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 6, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 7, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 8, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 9, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Casaquemada Fotovoltaica, S.L.	Seville (ES)	2,936	100.00	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	B
Centro Morelos 264 S.A. de C.V	México D.F. (MX)	3	100.00	Abener Energia S.A./ Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A./ Servicios Auxiliares de Administración, S.A.	-	(1)	B
Centro Tecnológico Palmas Altas, S.A.	Seville (ES)	12,899	100.00	Abengoa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Cogeneración Villaricos, S.A.	Seville (ES)	5,951	99.20	Abeinsa Asset Management, S.L.	-	(5)	C
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	México D.F. (MX)	18,574	100.00	Abengoa México, S.A.C.V./Abeinsa Infraestructuras MedioAmbiente, S.A./Abeinsa, S.A.	-	(4)	B
Concesiones Eléctricas Chile SpA	Santiago de Chile (CL)	1	100.00	Abengoa Chile, S.A.	-	(1)	-
Construcciones Metalicas Mexicanas, S.A. de C.V. (Comemsa)	Querétaro (MX)	17,036	100.00	Europea Const. Metálicas, S.A./Abengoa México, S.A. de C.V.	-	(1)	B
Construcciones y Depuraciones, S.A.	Seville (ES)	7,771	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	B
Construtora Integração Ltda.	Rio de Janeiro (BR)	-	51.00	Abengoa Construçao Brasil, Ltda.	-	(1)	C
Consultora de Servicios y Proyectos Centro Norte, S.A. de C.V.	Guadalajara (México)	2	100.00	Servicios Auxiliares de Administración, S.A. de C.V./ Abengoa México, S.A. de CV	-	(1)	-
Copero Solar Huerta Uno, S.A.	Seville (ES)	96	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Dos, S.A.	Seville (ES)	92	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Tres, S.A	Seville (ES)	94	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Cuatro, S.A.	Seville (ES)	88	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Cinco, S.A.	Seville (ES)	87	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Seis, S.A.	Seville (ES)	83	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Siete, S.A.	Seville (ES)	83	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Ocho, S.A.	Seville (ES)	81	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Nueve, S.A.	Seville (ES)	42	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Diez, S.A.	Seville (ES)	32	50.00	Abengoa Solar España, S.A.	-	(3)	B
CSP Atacama Dos, S.A	Santiago de Chile (CL)	43,803	100.00	CSP Atacama Inversiones Dos, SpA/ Abengoa Chile, S.A.	-	(3)	-
CSP Atacama Inversiones Dos, SpA	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA	-	(1)	-
CSP Equity Investment S.a.r.l.	Luxembourg (LU)	110,012	100.00	Abengoa Solar España, S.A.	-	(1)	-
Dalian Xizhong Island Desalination Co., Ltd	Dalian (CN)	30	70.00	Abengoa Water Dalian, S.L.U.	-	(4)	-
Denizli Water Treatment Limited Sirketi	Ankara (TR)	3	100.00	Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A./ Abeinsa Infraestructuras Medio Ambiente, S.A./ Abengoa Perú, S.A.	-	(1)	-
Desarrolladora de Energía Renovable, S.A.P.I. de C.V	México D.F. (MX)	-	100.00	Abengoa México, S.A. de C.V. /Servicios Auxiliares de Administración, S.A. De C.V.	-	(1)	-
Development NEA, Ltd.	Tel Aviv (IL)	-	100.00	NEA Solar Development, S.A.	-	(1)	B
DGEN Transmission Company, Ltd.	Delhi (IN)	1,495	100.00	Instalaciones Inabensa, S.A.	-	(2)	-
Ecoagricola, S.A.	Murcia (ES)	586	100.00	Abengoa Bioenergía Inversiones, S.A./Ecocarburantes, S.A.	-	(6)	B
Ecocarburantes Españoles , S.A.	Murcia (ES)	3,798	95.10	Abengoa Bioenergía Inversiones, S.A.	-	(6)	B
Energoprojekt-Gliwice S.A.	Gliwice (PL)	9,895	100.00	Abener Energía, S.A.	-	(1)	C
Enertey, S.A.	Montevideo (UY)	2,671	100.00	Teyma Sociedad de Inversión, S.A.	-	(1)	-
Enicar Chile, SA	Santiago de Chile (CL)	12	100.00	Abengoa Chile, S.A.	-	(2)	-
Europa Desenvolvimentos Solares Ltda.	Rio de Janeiro (BR)	3	100.00	Abengoa Solar Brasil Desenvolvimientos Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(3)	-
Europea de Construcciones Metálicas, S.A. (Eucomsa)	Seville (ES)	7,124	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Solar, S.A.	-	(1)	B
Faritel, S.A.	Montevideo (UY)	16	100.00	Teyma Forestal, S.A.	-	(1)	-
GES Investment C.V.	Amsterdam (NL)	-	92.00	Asa Investment, AG ZUG	-	(1)	-
Gestión Integral de Recursos Humanos, S.A.	Seville (ES)	165	100.00	Siema Technologies / Soc. Inver. en Energ. y M. Amb., S.A. (Siema)	-	(1)	B
Giomper, S.A.	Montevideo (UY)	327	100.00	Instalaciones Inabensa, S.A./ Enertey, S.A.	-	(1)	-

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Girhmex, S.A. De C.V.	México D.F. (MX)	-	100.00	Gestión Integral de Recursos Humanos, S.A./Abengoa México, S.A. de C.V.	-	(1)	-
Global Engineering Services LLC	Delaware (US)	2	100.00	GES Investment C.V.	-	(1)	-
Inabensa Bharat Private Limited	New Delhi (IN)	12,110	100.00	Europea Const. Metálicas, S.A./Instalaciones Inabensa, S.A./Abener Energía, S.A.	-	(1)	A
Inabensa Electric and Electronic Equipment Manufacturing (Tiajin)Co. Ltda.	Tianjin (CN)	190	100.00	Instalaciones Inabensa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	C
Inabensa Fotovoltaica, S.L.	Seville (ES)	3	100.00	Instalaciones Inabensa, S.A./Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Inabensa France, S.A.	Vitrollles (FR)	550	100.00	Instalaciones Inabensa, S.A.	-	(1)	B
Inabensa Limited	Leeds (GB)	-	100.00	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa Maroc, S.A.R.L.	Tánger (MA)	2,373	100.00	Instalaciones Inabensa, S.A.	-	(1)	A
Inabensa Pty Ltd	Sandton (SUD)	-	100.00	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa Rio Ltda	Rio de Janeiro (BR)	15,217	100.00	Abeanza Brasil, S.A./Abengoa Construçao Brasil, Ltda.	-	(1)	C
Inabensa Saudi Company Limited	Jeddah (SAi)	93	100.00	Instalaciones Inabensa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	C
Inabensa Ukraine, LLC	Kiev (UA)	15	100.00	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa USA, LLC	Arizona (US)	47	100.00	Abeinsa, LLC.	-	(1)	-
Inabensa, LLC	Ruwi (OM)	366	70.00	Instalaciones Inabensa, S.A.	-	(1)	B
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	Huesca (ES)	4,007	95.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(4)	-
Iniciativas Hidroeléctricas, S.A.	Seville (ES)	1,226	50.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(4)	C
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	-	100.00	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	-	100.00	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	-	100.00	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Inabensa Insaat Enerji Sanayi ve Ticaret Ltd Sirketi	Ankara (TR)	2,535	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.A./ Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Inabensa, Ltda.	Rio de Janeiro (BR)	2,884	100.00	Zeroemissions Technologies, S.A./Zeroemissions Carbon Trust,S.A./ Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Inabensa, S.A.	Seville (ES)	17,307	100.00	Nicsa/Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Inversora Enicar S.A.	Santiago de Chile (CL)	1,893	100.00	Abengoa Chile, S.A.	-	(2)	-
Junertil S.A.	Montevideo (UY)	3	100.00	Enertey, S.A.	-	(1)	-
Kai Garib BEE Holding (Pty) Ltd	Cape Town (ZA)	-	100.00	Kai Garib Investments	-	(1)	-
Kai Garib EPC Holding (Pty) Ltd	Cape Town (ZA)	-	100.00	Khunab Investments	-	(1)	-
Kai Garib Investments (Pty) Ltd	Cape Town (ZA)	6	100.00	Abengoa Solar Investments 2 LLC	-	(1)	-
Kai Garib O&M (Pty) Ltd	Cape Town (ZA)	-	100.00	Abengoa Solar Power South Africa(Pty) Ltd	-	(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Kai Garib Solar (Pty) Ltd	Cape Town (ZA)	-	100.00	Kai Garib Investments (Pty) Ltd	-	(1)	-
Kaxu CSP O&M Company (Pty) Limited	Cape Town (ZA)	-	92.00	Abengoa Solar Power South Africa (Pty) Ltd.	-	(3)	B
Kaxu CSP South Africa (Proprietary) Limited	Cape Town (ZA)	1,235	51.00	Solar Power PV South Africa (Pty) Ltd.	-	(3)	B
Khi CSP O&M Company (Pty) Limited	Cape Town (ZA)	-	92.00	Abengoa Solar Power South Africa (Pty) Ltd.	-	(3)	B
Khi CSP South Africa (Proprietary) Limited	Cape Town (ZA)	741	51.00	Solar Power PV South Africa (Pty) Ltd.	-	(3)	B
Khi Solar One (Pty) Ltd.	Gauteng (ZA)	18,895	51.00	Son Rivieren (Pty) Limited [L23] (51%) / IDC (49%)	-	(3)	B
Khunab Investments (Pty) Ltd	Cape Town (ZA)	6	100.00	Abengoa Africa Investment LLC	-	(1)	-
Khunab O&M (Pty) Ltd	Cape Town (ZA)	-	100.00	Abengoa Solar Power South Africa(Pty) Ltd	-	(1)	-
Khunab Solar (Pty) Ltd	Cape Town (ZA)	-	100.00	Khunab Investments (Pty) Ltd	-	(1)	-
Klitten, S.A.	Montevideo (UY)	14	100.00	Teyma Uruguay S.A.	-	(1)	-
Las Cabezas Fotovoltaica, S.L.	Seville (ES)	8,164	100.00	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	B
Latifox, S.A.	Montevideo (UY)	3	100.00	Enertey, S.A.	-	(1)	-
Linares Fotovoltaica, S.L.	Seville (ES)	3,271	100.00	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	B
Londrina Transmissora De Energía, S.A.	Rio de Janeiro (BR)	37,534	100.00	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construçao Brasil, Ltda.	-	(2)	C
Mallorca Desenvolvimentos Solares Ltda.	Rio de Janeiro (BR)	2	100.00	Abengoa Solar Brasil Desenvolvimientos Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(3)	-
Manaus Constructora Ltda	Rio de Janeiro (BR)	-	50.50	Abengoa Construçao Brasil, Ltda.	-	(1)	C
Marismas PV A1, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A10, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A11, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A12, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A13, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A14, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A15, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A16, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A17, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A18, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A2, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A3, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A4, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A5, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Marismas PV A6, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A7, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A8, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A9, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B1, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B10, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B11, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B12, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B13, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B14, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B15, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B16, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B17, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B18, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B2, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B3, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B4, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B5, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B6, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B7, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B8, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B9, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C1, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C10, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C11, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C12, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C13, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C14, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C15, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C16, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C17, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Marismas PV C18, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C2, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C3, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C4, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C5, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C6, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C7, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C8, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C9, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV E1, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV E2, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV E3, S.L.	Seville (ES)	123	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marudhara Akshay Urja Private Limited	Maharashtra (IN)	35	100.00	Abengoa Solar India Private Limited/Abengoa Solar Internacional. S.A.	-	(3)	B
Marusthal Green Power Private Limited	Maharashtra (IN)	35	100.00	Abengoa Solar India Private Limited/Abengoa Solar Internacional, S.A.	-	(3)	B
McTaggart Infraco 1(Pty) Ltd	Cape Town (ZA)	-	100.00	Solar Power PV South Africa Pty Ltd	-	(1)	-
NEA Solar Development, S.A.	Seville (ES)	5,530	100.00	Abengoa Solar, S.A /Abengoa Solar España, S.A.	-	(1)	-
NEA Solar Investments, LLC.	Dover (USA)	-	100.00	Abengoa Solar LLC.	-	(1)	-
NEA Solar O&M Holdings LLC	Dover (USA)	-	100.00	Abengoa Solar, LLC	-	(1)	-
NEA Solar Operation and Manteinance, Ltd	Tel Aviv (IL)	-	100.00	NEA Solar O&M Holdings, LLC.	-	(1)	-
NEA Solar Power, Ltd.	Tel Aviv (IL)	-	100.00	NEA Solar Investments, LLC	-	(1)	B
NEA Solar Power, S.A.	Seville (ES)	61	100.00	Abengoa Solar, S.A /Abengoa Solar España, S.A.	-	(1)	-
Negocios Industriales y Comerciales, S.A. (Nicsa)	Madrid (ES)	1,791	100.00	Abencor, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Nicsa Chile, SpA.	Santiago de Chile (CL)	2	100.00	Nicsa Perú, S.A.	-	(1)	-
Nicsa Colombia, SAS	Bogotá (CO)	1	100.00	Negocios Industriales y Comerciales, S.A. (Nicsa)	-	(1)	-
Nicsa Fornecimiento de Materiais Eléctricos, Ltda.	Rio de Janeiro (BR)	5,152	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Nicsa Industrial Supplies South Africa (Pty) Ltd.	Upington (ZA)	-	100.00	Negocios Industriales y Comerciales, S.A. (Nicsa)	-	(1)	-
Nicsa Industrial Supplies, LLC.	Texas (US)	991	100.00	Abeinsa, LLC.	-	(1)	-
Nicsa Perú, S.A.	Lima (PE)	561	100.00	Negocios Industriales y Comerciales, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Nicsa Sanayi Malzemeleri Limited Sirketi	Estambul (TR)	4	100.00	Negocios Industriales y Comerciales, S.A.	-	(1)	-

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Nicsamex, S.A. de C.V.	México D.F. (MX)	4	100.00	Negocios Industriales y Comerciales, S.A./Abengoa México, S.A. de C.V.	-	(1)	B
Omega Chile SpA	Santiago de Chile (CL)	2	100.00	Omega Sudamérica, S.L.	-	(1)	-
OMEGA Operação e Manutenção de Linhas de Transmissão, S.A.	Rio de Janeiro (BR)	175	100.00	Omega Sudamérica, S.L./Abengoa Construçao Brasil, Ltda.	-	(1)	-
Omega Perú Operación y Mantenimiento S.A.	Lima (PE)	83	100.00	Omega Sudamérica S.L./Abengoa Perú S.A.	-	(1)	B
Omega Sudamérica, S.L	Seville (ES)	3	100.00	Instalaciones Inabensa, S.A./ASA Iberoamérica S.A.	-	(1)	-
Operación y Mantenimiento Uruguay, S.A.	Montevideo (UY)	2,034	100.00	Teyma Uruguay S.A	-	(5)	-
Pahrump Valley Solar LLC	Lakewood (US)	1	100.00	Abengoa Solar, LLC [G70] 100%	(*)	(3)	-
Power & Railway Solutions, S.L.	Seville (ES)	3	100.00	Instalaciones Inabensa, S.A.	-	(1)	-
Power Structures Inc.	Delaware (US)	-	100.00	Abeinsa, LLC.	-	(1)	-
Presentel, S.A.	Montevideo (UY)	1	100.00	Abencor Suministros, S.A.	-	(1)	-
Procesos Ecológicos Carmona 1, S.A.	Seville (ES)	63	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Carmona 2, S.A.	Seville (ES)	90	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Carmona 3, S.A.	Seville (ES)	60	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Lorca 1, S.A.	Seville (ES)	180	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Vilches, S.A.	Seville (ES)	1,299	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(5)	B
Procesos Ecológicos, S.A.	Seville (ES)	657	50.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	-
Promotora Serabén de Servicios Corporativos, S.A. de C.V.	México D.F. (MX)	2	100.00	Abener Mexico S.A. de C.V./Abengoa Mexico S.A. de C.V.	-	(1)	-
Puerto Real Cogeneración, S.A.	Seville (ES)	176	99.09	Abeinsa Asset Management, S.L.	-	(5)	B
PV Atacama Dos, S.A	Santiago de Chile (CL)	2	100.00	PV Atacama Inversiones Dos, SpA/ Abengoa Solar Chile, SpA	-	(3)	-
PV Atacama Inversiones Uno, SpA	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA	-	(1)	-
PV Atacama Inversiones Dos, SpA	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA	-	(1)	-
PV Atacama Tres S.A	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA / PV Atacama Inversiones Dos	-	(3)	-
Qingdao Befesa Agua Co., Ltd	Qingdao (CH)	1,209	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Codesa, S.A.	-	(1)	B
Rajasthan Photon Energy Pvt Ltd	Maharashtra (IN)	35	100.00	Abengoa Solar India Private Limited/Abengoa Solar Internacional, S.A.	-	(3)	B
Sao Mateus Transmissora de Energía, Ltda.	Rio de Janeiro (BR)	55,208	76.00	Abengoa Concessoes Brasil Holding, S.A.	-	(2)	C
Servicios Administrativos Tabasco, S.A. de C.V.	Tabasco (MX)	-	100.00	Servicios Auxiliares de Administración, S.A. de C.V./ Abengoa México, S.A. de CV	-	(1)	-
Servicios Auxiliares de Administración, S.A. de C.V.	México D.F. (MX)	7,713	100.00	Abengoa México, S.A. de C.V.	-	(1)	B

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Servicios de Ingenieria IMA, S.A.	Santiago de Chile (CL)	4,956	94.08	Abengoa Chile, S.A.	-	(1)	B
Servicios Integrales de Mantenimiento y Operación, S.A. (Simosa)	Seville (ES)	1,185	100.00	Negocios Industriales y Comerciales, S.A./Abengoa, S.A.	-	(1)	C
Siema Factory Holding, AG	Zug (SZ)	9,353	100.00	Siema Investment, S.L.	-	(1)	-
Siema Investment, S.L.U.	Seville (ES)	7,000	100.00	Siema Technologies, S.L	-	(1)	-
Siema Technologies, S.L.	Seville (ES)	24,297	100.00	Abengoa, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A.	-	(1)	B
Simosa Brasil, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda./Inabensa Rio Ltda	-	(1)	-
Simosa I.T., S.A	Seville (ES)	61	100.00	Abengoa, S.A./Simosa, S.A.	-	(1)	B
Simosa IT Uruguay S.A.	Montevideo (UY)	2	100.00	Simosa IT, S.A.	-	(1)	-
Simosa IT US, LLC	Missouri (US)	-	100.00	Simosa IT, S.A.	-	(1)	-
Simosa UY S.A	Montevideo (UY)	8,758	100.00	Teyma Uruguay, S.A	-	(1)	-
Sistemas de Desarrollo Sustentables S.A. De C.V.	México D.F. (MX)	3,687	65.00	Abengoa Servicios Industriales, S.A./Abengoa México, S.A. de CV	-	(1)	B
Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	Seville (ES)	93,008	100.00	Abengoa, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	B
Sociedad Inversora Lineas de Brasil, S.L. (ETVE)	Seville (ES)	12,798	100.00	Asa Iberoamérica, S.L.	-	(1)	B
Société d'Eau Déssalée d'Agadir (SEDA)	Agadir (MA)	2,710	51.00	Abengoa Water Agadir, S.L.U.	-	(4)	-
Solar Power Plant One	Argel (DZ)	42,111	51.00	Abener Energía, S.A.	-	(3)	C
Solar Power PV South Africa (Pty) Ltd.	Gauteng (ZA)	173	100.00	Abengoa Solar Internacional, S.A.	-	(3)	B
Solargate Electricidad Cuatro , S.A.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Solargate Electricidad Tres , S.A.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Son Rivieren (Pty) Limited	Cape Town (ZA)	549	100.00	South Africa Solar Investment, S.L.	-	(1)	B
South Africa Solar Investments, S.L.	Seville (ES)	104,837	100.00	Abengoa Solar Internacional, S.A./ Abengoa Solar, S.A.	-	(1)	B
South Africa Solar Ventures, S.L.	Seville (ES)	50	100.00	Abengoa Solar Internacional, S.A./NEA Solar Power, S.A.	-	(1)	-
Subestaciones 611 Baja California, S.A. De C.V.	México D.F. (MX)	3	100.00	Abengoa México, S.A. de C.V./Abengoa, S.A	-	(1)	-
Tairol, S.A.	Montevideo (UY)	-	100.00	Talentir, S.A.	-	(1)	-
Talentir, S.A.	Montevideo (UY)	3	100.00	Enertey, S.A./ Instalaciones Inabensa, S.A.	-	(1)	-
Tarefix S.A	Delaware (US)	2	92.00	Asa Investment, AG ZUG	-	(1)	-
Tenes Lylmyah	Dely Ibrahim (DZ)	19,803	51.00	Befesa Aguas Tenes, S.L.	-	(4)	C
Teyma Abengoa, S.A.	Buenos Aires (AR)	57,947	100.00	Asa Investment, AG ZUG/Asa Iberoamérica, S.L./Abengoa, S.A.	-	(1)	B
Teyma Construction USA, LLC.	Arizona (US)	1	100.00	Abeinsa, LLC.	-	(1)	-
Teyma Forestal, S.A.	Montevideo (UY)	6,410	100.00	Teyma Sociedad de Inversión, S.A	-	(1)	B
Teyma Gestión Ambiental, S.A	Montevideo (UY)	17	100.00	Teyma Medioambiente, S.A.	-	(1)	-
Teyma India Private Limited	Mumbai (IN)	4,748	100.00	Teyma Gestión de Contratos de Construcción e Ingeniería, S.A. / Teyma Internacional S.A.	-	(1)	B

Appendix I – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Teyma Internacional, S.A.	Montevideo (UY)	18	100.00	Teyma Sociedad de Inversión, S.A.	-	(1)	-
Teyma Medio Ambiente, S.A.	Montevideo (UY)	18	100.00	Teyma Sociedad de Inversión, S.A.	-	(1)	-
Teyma Paraguay, SA.	Asunción (PY)	-	100.00	Teyma Internacional, S.A.	-	(1)	-
Teyma Sociedad de Inversión, S.A.	Montevideo (UY)	15,833	100.00	Abeinsa Inversiones Latam, S.L.	-	(1)	B
Teyma South Africa (Pty) Ltd.	Upington (ZA)	80	100.00	Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.	-	(1)	-
Teyma Uruguay ZF, S.A.	Montevideo (UY)	4,613	100.00	Teyma Uruguay, S.A.	-	(1)	-
Teyma Uruguay, S.A.	Montevideo (UY)	7,711	97.00	Teyma Sociedad de Inversión, S.A.	-	(1)	B
Teyma USA & Abener Engineering and Construction Services Partnership	Missouri (US)	19,370	100.00	Teyma Construction USA, LLC/Abener Construction Services, LLC.	-	(1)	-
Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	Seville (ES)	55	92.00	Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Transportadora Bahía Blanca S.A.	Buenos Aires (AR)	1	100.00	Abengoa S.A./Teyma Abengoa S.A.	-	(2)	-
Transportadora Cuyana, S.A.	Buenos Aires (AR)	4	100.00	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	B
Transportadora del Norte, S.A.	Buenos Aires (AR)	1	100.00	Abengoa, S.A./Teyma Abengoa, S.A.	-	(1)	B
Transportadora Mar del Plata S.A.	Buenos Aires (AR)	4	70.00	Teyma Abengoa, S.A./ Abengoa, S.A.	-	(1)	B
Transportadora Río Coronda, S.A.	Buenos Aires (AR)	1	100.00	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	B
Transportadora Rio de la Plata, S.A.	Buenos Aires (AR)	-	100.00	Teyma Argentina, S.A./Abengoa, S.A.	-	(1)	-
Transportadora Riojana S.A.	Buenos Aires (AR)	-	100.00	Teyma Abengoa S.A. / Abengoa S.A.	-	(1)	-
Turbogenerador Madero 7, S.A. de C.V.	México D.F. (MX)	3	100.00	Abener Energ., S.A./ Teyma, Gest. Cont. Const. e Ing., S.A./Abengoa México, S.A. de C.V.	-	(1)	-
Unidad Punta de Rieles, S.A.	Montevideo (UY)	11,540	85.00	Teyma Uruguay, S.A.	-	(5)	B
XiNa CSP South Africa (Pty) Ltd	Cape Town (ZA)	15,500	100.00	South Africa Solar Investments, S.L.	-	(1)	B
XiNa Operations and Maintenance Company (Pty) Ltd	Cape Town (ZA)	-	92.00	Abengoa Solar Power South Africa (Pty) Ltd.	-	(1)	-
Zero Emissions Technologies, S.A. (Zeroemissions)	Seville (ES)	60	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Hidrógeno, S.A.	-	(1)	-
Zeroemissions (Beijing) Technology Consulting Service Co. Ltd	Beijing (CN)	100	100.00	Zero Emissions Technologies, S.A./Zeroemissions Carbon Trust, S.A.	-	(1)	-
Zeroemissions Carbon Trust, S.A	Seville (ES)	125	100.00	Zeroemissions Technologies, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Zona Norte Engenharia, Manutenção e Gestão De Serviços, S.A. Spe.	Manaus (BR)	31,493	60.00	Abengoa Concessões Brasil Holding, S.A.	-	(5)	C

Shareholding capital cost is calculated using the current closing year exchange rate.

(*) Companies incorporated or acquired and consolidated for the first time in the year.

(1) Operating segment activities area: Engineering and Construction.
(2) Operating segment activities area: Transmission.
(3) Operating segment activities area: Solar.
(4) Operating segment activities area: Water.
(5) Operating segment activities areae: Cogeneration .
(6) Operating segment activities area: Bioenergy.

A Audited by PricewaterhouseCoopers Auditores.
B Audited by Deloitte.
C Audited by others auditors .

Appendix II – Associated companies and Joint Ventures included in the 2016 Consolidation Perimeter using the participation pethod

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)/(**)/(***)	Activity	Auditor
Abeinsa Energy and Water Contracting LLC	Abu Dhabi (UAE)	-	49	Abener Energia S.A / Abeinsa Infraestructuras Medio Ambiente, S.A	-	(1)	-
Abengoa Generación Chile, S.A.	Santiago de Chile (Chile)	10	100	APW I Spain/ CSP Atacama Inversiones Uno	(**)	(1)	-
Abengoa Projects Warehouse I, LLP (APW UK, Llp)	London (GB)	369,251	45	Abengoa PW I Investmens, S.L.	(**)	(1)	-
Abengoa Vista Ridge, LLC. (SAW)	Texas (US)	18,651	20	Abengoa Water USA, LLC.	-	(5)	-
Agua y Gestión de Servicios Ambientales, S.A.	Seville (ES)	2,892	41.54	Abengoa Water, S.L.	-	(4)	-
APW Brasil Fondo de Investimento Em Participacoes	Sao Paulo (Brasil)	201,913	100	APW I Brazil Holdings I, Llc / APW I Brazil Holdings II,Llc/ APW I Brazil Holdings III, Llc	(**)	(1)	-
APW I Brazil Holdings I, Llc	Delaware (US)	55,527	100	APW UK, Llp	(**)	(1)	-
APW I Brazil Holdings II, Llc	Delaware (US)	55,527	100	APW UK, Llp	(**)	(1)	-
APW I Brazil Holdings III, Llc	Delaware (US)	90,862	100	APW UK, Llp	(**)	(1)	-
APW I Spain, S.L. (antigua Abengoa Greenfield España, S.L.)	Seville (ES)	349,718	100	Abengoa Projects Warehouse I, LLP	(**)	(1)	-
Ashalim Thermo Solar Management, Ltd.	Israel	-	50	Abener Energía, S.A./ Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	(**)	(1)	-
ATE VIII Transmissora de Energía S.A.(lote Itacaiuna) (antes ATE XV)	Rio de Janeiro (Brazil)	9,324	50	Abengoa Concessoes Brasil Holding, S.A.	(**)	(2)	C
Atlantica Yield, Plc y filiales	Leeds (GB)	776,468	41.47	Abengoa Concessions, S.L.	(***)	(7)	-
Cedisolar, S.A.	Ourense (ES)	4,992	57.5	Rioglass Solar Holding, S.A	-	(3)	-
Chennai O&M, JV Private Limited	Chennai (India)	-	50	Abengoa Water, S.L.	(**)	(1)	-
Chennai Water Desalination Limited	Chennai (India)	6,584	25	Abengoa Water, S.L.	-	(4)	-
Coaben SA de CV	México D.F. (México)	1	50	Abengoa México S.A. de C.V./Instalaciones Inabensa, S.A.	(**)	(1)	-
Cogeneración Motril, S.A.	Seville (ES)	-	19	Abeinsa Asset Management, S.L.	-	(1)	-
Concecutex, S.A. de C.V.	México D.F. (México)	6,687	50	Abengoa México, S.A. de C.V.	(**)	(5)	-
Concesionaria Costa del Sol S.A.	Málaga (ES)	4,585	50	Instalaciones Inabensa, S.A.	(**)	(5)	B
Concesionaria Hospital del Tajo, S.A.	Madrid (ES)	944	20	Instalaciones Inabensa, S.A.	-	(1)	C
Consorcio Teyma M y C, Ltda.	Santiago de Chile (Chile)	10	49.9	Abengoa Chile, S.A.	-	(1)	-
CSP Atacama Inversiones Uno, SpA	Santiago de Chile (Chile)	3	100	APW I Spain, S.L	(**)	(1)	-
CSP Atacama Uno, S.A. (antigua Abengoa Solar Chile, S.A.)	Santiago de Chile (Chile)	2	100	APW I Spain, S.L./ CSP Atacama Inversiones Uno, SpA	(**)	(3)	B
Dalian Xizhong Island Energy Co., Ltd.	Dalian (China)	108	4.68	Abengoa Water Dalian, S.L.U.	-	(4)	-
Evacuación Villanueva del Rey, S.L.	Seville (ES)	2	45.125	Helioenergy Electricidad Uno, Dos y Tres, S.A.	(**)	(3)	-
Explotadora Hospital del Tajo, S.L.	Madrid (ES)	1	20	Instalaciones Inabensa, S.A.	-	(1)	-
Gran Establecimiento SA	Uruguay	1,902	33.33	Teyma Forestal	(*)	(1)	-
Green Visión Holding BV	Arnhem (NL)	3,000	24	Abengoa Hidrógeno, S.A.	-	(1)	-
HZN Manutenção Hospitalar Ltda.	Manaus (Brazil)	-	33	Simosa Brasil, S.A.	-	(1)	-
Inapreu, S.A.	Barcelona (ES)	2,318	50	Instalaciones Inabensa, S.A.	(**)	(5)	B

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)/(**)/(***)	Activity	Auditor
Ledincor S.A.	Uruguay	739	49	Teyma Forestal, S.A.	(**)	(1)	-
Lidelir S.A.	Uruguay	1,195	49	Teyma Forestal, S.A.	(**)	(1)	-
Micronet Porous Fibers, S.L.	Vizcaya (ES)	3,596	50	Abengoa Water, S.L.	(**)	(1)	-
PV Atacama Uno, S.A	Santiago de Chile (Chile)	2	100	APW I Spain, S.L ./ CSP Atacama Inversiones Uno, SpA	(**)	(3)	-
Rio Huan Solar Co., Ltd	China	1,486	55	Rioglass Solar Holding, S.A.	-	(3)	-
Rioglass Solar 2	Asturias (ES)	60	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass Solar Chile, S.A.	Santiago de Chile (Chile)	1	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass Solar Holding, S.A	Asturias (ES)	4,498	15	Abengoa Solar, S.A.	-	(1)	-
Rioglass Solar Inc.	Delaware (US)	9,391	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass Solar Internacional	Brussels (Belgium)	62	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass Solar Systems Ltd. (antigua Alantia, Ltd.)	Tel Aviv (Israel)	-	100	Rioglass Solar Holding, S.A.	-	(3)	-
Rioglass Solar, S.A	Asturias (ES)	6,906	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass South Africa (Lty) Ltd.	Gauteng (ZA)	60	100	Rioglass Solar Holding, S.A	-	(1)	-
Servicios Culturales Mexiquenses, S.A. de C.V. (Securmex)	México D.F. (México)	1	50	Abengoa México, S.A. de C.V./ Instalaciones Inabensa, S.A.	(**)	(1)	-
SRC Nanomaterials, S.A	Asturias (ES)	500	50	Rioglass Solar, S.A.	(**)	(3)	-
Total Abengoa Solar Emirates O&M Company, B.V. (TASEOM)	Amsterdam (HL)	165	50	Abengoa Solar Ventures, S.A.	(**)	(3)	B
TSMC Ingeniería y Contrucción, Ltda.	Santiago de Chile (Chile)	12	33.3	Abengoa Chile, S.A.	-	(1)	-
Vista Ridge Regional Water Supply Corporation	Texas (US)	-	100	Abengoa Vista Ridge	-	(4)	-
Xina Solar One (Rf) (Pty), Ltd. (antigua Tendogenix (RF) (Pty) Ltd.)	Gauteng (ZA)	70,592	40	XiNa CSP South Africa (Pty) Ltd.	-	(3)	B

Shareholding capital cost is calculated using the current closing year exchange rate.

(*) Companies incorporated or acquired and consolidated for the first time in the year.
(**) Joint ventures included in the consolidation perimeter
(***) Parent company of a group of 57 companies.

(1) Operating segment activities area: Engineering and Construction.
(2) Operating segment activities area: Transmission.
(3) Operating segment activities area: Solar.
(4) Operating segment activities area: Water.
(5) Operating segment activities areae: Cogeneration and others.
(6) Operating segment activities area: Bioenergy.
(7) Operating segment activities area: Yield

A Audited by PricewaterhouseCoopers Auditores.
B Audited by Deloitte (for legal purposes).
C Audited by others auditors (for legal purposes).

Appendix III – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Acceso Avda Pais Valencia	Alicante (ES)	3.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Agencia Andaluza de Energía	Seville (ES)	6.00	35.00%	Instalaciones Inabensa, S.A.		(1)	-
Albalac	Madrid (ES)	2.04	33.34%	Instalaciones Inabensa, S.A.		(1)	-
Almanjayar	Madrid (ES)	1.50	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Almería	Almería (ES)	1.50	50.00%	Abengoa Water S.L.		(4)	-
Aparcamiento L'Ordana	Alicante (ES)	4.50	90.00%	Instalaciones Inabensa, S.A.		(1)	-
APCA Inabensa-Abengoa Lote 2	Seville (ES)	6.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
APCA Inabensa-Abengoa Lote 1	Seville (ES)	6.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Argelia	Madrid (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Armilla	Seville (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Asimel	Madrid (ES)	1.30	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Badaia	Vitoria (ES)	3.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Baja California	Seville (ES)	-	100.00%	Abener Energía, S.A. /Abeinsa, Ing y Const. Ind., S.A./Serv. Aux. de Admon., S.A. de C.V.		(1)	B
CARE Córdoba	Seville (ES)	12.00	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Cartagena	Murcia (ES)	1.13	37.50%	Abengoa Water S.L.		(4)	-
CEI Huesca	Zaragoza (ES)	0.60	20.00%	Instalaciones Inabensa, S.A.		(1)	-
CGS-ABENGOA	Zaragoza (ES)	2.40	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Circulo Mercantil e Industrial de Sevilla	Seville (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Ciudad de la Justicia	Madrid (ES)	1.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Consistorio	Madrid (ES)	6.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Consorcio Abengoa Colombia	Bogotá (CO)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Abener Energía, S.A./ Abengoa Perú S,A.		(1)	-
Consorcio Pachacutec	Lima (PE)	-	50.00%	Abengoa Perú, S.A.		(1)	-
Consorcio La Gloria	Lima (PE)	-	50.00%	Abengoa Perú, S.A.		(1)	-
Consorcio Abengoa Kipreos Limitada	Santiago (CL)	(0.81)	50.00%	Abengoa Chile, S.A.		(1)	-
Consorcio Ambiental de la Plata	Montevideo (UY)	0.67	100.00%	Teyma Uruguay, S.A./Teyma Medioambiente S.A.		(1)	-
Consorcio Constructor Alto Cayma	Lima (PE)	-	25.00%	Abengoa Perú, S.A.		(1)	-
Consorcio Ermitaño	Lima (PE)	-	50.00%	Abengoa Perú, S.A.	(*)	(1)	-
CPD Solares UTE	Madrid (ES)	10.00	35.00%	Instalaciones Inabensa, S.A.		(1)	-
CSP Atacama III	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
Edificio ETEA	Zaragoza (ES)	-	40.00%	Instalaciones Inabensa, S.A.		(1)	-
Edificio ITA	Zaragoza (ES)	3.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Electrificación Granollers	Madrid (ES)	6.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Emvisesa Palacio Exposiciones	Seville (ES)	1.50	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Energía Línea 9	Barcelona (ES)	1.20	20.00%	Instalaciones Inabensa, S.A.		(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Equipamiento Solar Caballería	Madrid (ES)	1.20	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Facultades	Madrid (ES)	1.00	15.00%	Instalaciones Inabensa, S.A.		(1)	-
Ferrovial-Agroman Teyma (FAT)	Montevideo (UY)	-	40.00%	Teyma Uruguay, S.A		(1)	-
Gallur Castejon	Madrid (ES)	2.00	33.33%	Instalaciones Inabensa, S.A.		(1)	-
Giesa Inabensa	Seville (ES)	1.50	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Guardería La Nucia	Alicante (ES)	4.50	100.00%	Instalaciones Inabensa, S.A.		(1)	-
H. Campus de la Salud	Seville (ES)	2.40	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Hospital Costa del Sol	Málaga (ES)	10.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
IB INABENSA (JV) G15	India (IN)	-	100.00%	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.		(1)	-
IB INABENSA (JV) G24	India (IN)	-	100.00%	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.		(1)	-
IB INABENSA (JV) GR177	India (IN)	-	100.00%	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.		(1)	-
IB-PGF-INABEN(JV) GR159 CORE	India (IN)	-	100.00%	Inabensa Bharat Private Limited/ Instalaciones Inabensa S.A.		(1)	-
Inabensa-Jayton Catral	Alicante (ES)	10.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Inabensa-Jayton La Nucia	Alicante (ES)	6.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Inabensa-Jayton Villajoyosa	Alicante (ES)	3.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Inacom	Madrid (ES)	6.00	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Incubadora	Madrid (ES)	1.80	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Inst. Eléctricas Hospital Costa del Sol	Málaga (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Instalaciones Hospital VQ	Seville (ES)	6.00	60.00%	Instalaciones Inabensa, S.A.		(1)	-
La Faisanera	Burgos (ES)	4.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Libia-Líneas	Seville (ES)	-	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Machupichu	Seville (ES)	6.00	100.00%	Abeinsa, Ing y Const. Ind., S.A. /Abencor Suministros, S.A.		(1)	-
Mantenimiento AVE Energia	Madrid (ES)	0.68	11.27%	Instalaciones Inabensa, S.A.		(1)	-
Mataporquera	Madrid (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Metro Ligero de Granada	Madrid (ES)	6.00	40.00%	Instalaciones Inabensa, S.A.		(1)	-
Mnto.Comunic.Metro L9	Barcelona (ES)	1.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Mobiliario La Nucia	Alicante (ES)	5.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Norte III	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
Ontoria	Vizcaya (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Pabellón Cubierto La Nucia	Alicante (ES)	9.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Parque aeronáutico	Seville (ES)	2.00	40.00%	Instalaciones Inabensa, S.A.		(1)	-
Parque Soland	Seville (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Patrimonio	Seville (ES)	2.00	35.00%	Instalaciones Inabensa, S.A.		(1)	-
Peaje Irun (Telvent Inabensa)	Bilbao (ES)	-	20.00%	Instalaciones Inabensa, S.A.		(1)	-

Appendix III – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Pistas Deportivas La Nucia	Alicante (ES)	1.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Preufet Juzgados	Barcelona (ES)	6.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Primapen III	Gijón (ES)	6.00	33.00%	Instalaciones Inabensa, S.A.		(1)	-
Rap Fenol	Madrid (ES)	6.00	33.00%	Instalaciones Inabensa, S.A.		(1)	-
Rotonda CV-70	Alicante (ES)	4.50	100.00%	Instalaciones Inabensa, S.A.		(1)	-
S/E Blanes	Madrid (ES)	6.00	33.33%	Instalaciones Inabensa, S.A.		(1)	-
S/E Libia	Madrid (ES)	-	50.00%	Instalaciones Inabensa, S.A.		(1)	-
S/E Sant Adriá	Madrid (ES)	2.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Sede Universitaria	Alicante (ES)	4.50	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Seguridad Vial y Tráfico Rodado	Alicante (ES)	9.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Semi-Inabensa	Madrid (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Sigmacat	Madrid (ES)	2.00	33.00%	Instalaciones Inabensa, S.A.		(1)	-
Silfrasub	Madrid (ES)	2.00	40.00%	Instalaciones Inabensa, S.A.		(1)	-
Silvacat	Madrid (ES)	30.00	35.50%	Instalaciones Inabensa, S.A.		(1)	-
Silvacat II	Madrid (ES)	0.35	35.30%	Instalaciones Inabensa, S.A.		(1)	-
Sisecat	Madrid (ES)	1.00	20.95%	Instalaciones Inabensa, S.A.		(1)	-
Sisecat II	Madrid (ES)	6.00	20.95%	Instalaciones Inabensa, S.A.		(1)	-
Suburbano Mexico	Seville (ES)	6.00	100.00%	Instalaciones Inabensa, S.A. /Abeinsa, Ing y Const. Ind., S.A.		(1)	-
Tablada	Seville (ES)	6.00	50.00%	Abengoa Water S.L.		(4)	-
Telar Klitten	Montevideo (UY)	0.88	100.00%	Teyma Uruguay, S.A.		(1)	-
Torre	Bilbao (ES)	6.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Torre Isla Cartuja	Seville (ES)	12.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Tranvía de Jaén	Seville (ES)	1.00	15.00%	Instalaciones Inabensa, S.A.		(1)	-
Usansolo	Vizcaya (ES)	-	50.00%	Instalaciones Inabensa, S.A.		(1)	-
UTE Abener Teyma Inabensa Atacama I PV	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Alacat	Madrid (ES)	3.00	50.00%	Instalaciones Inabensa, S.A./ Electrificaciones y Montajes Integrales OHL, S.A.		(1)	-
UTE Inabensa-Ansaldo	Madrid (ES)	10.00	40.12%	Instalaciones Inabensa, S.A./Ansaldo STS España SAU		(1)	-
UTE Abeima Teyma Zapotillo	Seville (ES)	7.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abeima Teyma Nungua	Seville (ES)	7.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abeima Teyma Barka	Seville (ES)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Abeima Teyma Agadir	Seville (ES)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abencor-Inabensa Chilca Montalvo	Seville (ES)	7.00	100.00%	Abeinsa, Ing y Const. Ind., S.A./Abencor Suministros, S.A.		(1)	-
UTE Abener Teyma Helio Energy I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Helio Energy II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Inabensa NP Tabasco	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	B
UTE Abener Teyma Emirates I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Helios II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solaben I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solaben II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solaben III	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solaben VI	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Abengoa Water Sahechores	Seville (ES)	3.00	50.00%	Abener Energía, S.A./ Abengoa Water, S.L.		(4)	-
UTE Abener Teyma Upington	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Paulputs	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Paysandu	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Xina	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Atacama I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Atacama II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Inabensa Atacama II PV	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Inabensa NP Tabasco II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Bélgica	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abensaih Mantenimiento	Seville (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-

Appendix III – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Abensaih Guadalquivir	Seville (ES)	3.06	51.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Aguas Salobres	Seville (ES)	3.60	60.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Alcoy	Alicante (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Amés Brión	La Coruña (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Ute Ashalim Eucomsa-Abeinsa Engineering	Seville (ES)	-	100.00%	Europea de Construcc. Metálicas, S.A./Abeinsa Engineering SL		(1)	-
UTE Avensaih Guadalete - Barbate	Cádiz (ES)	3.06	51.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Avinyó	Cataluña (ES)	-	40.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE B.Almanzora	Murcia (ES)	2.40	40.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Ute Baja California Sur IV	Seville (ES)	-	100.00%	Abener Energía, S.A. /Abeinsa, Ing y Const. Ind., S.A./Serv. Aux. de Admon., S.A. de C.V.		(1)	-
UTE Báscara	Cataluña (ES)	-	40.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Boaco	Nicaragua (NI)	2.21	73.83%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE CAC Arequipa	Arequipa (PE)	3.26	51.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Cáceres	Cáceres (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Canal de Navarra	Navarra (ES)	3.60	20.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Canal Estremera	Madrid (ES)	6.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Cartuja	Seville (ES)	-	30.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE CCAC Arequipa	Arequipa (PE)	6.66	25.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Centro Morelos	Seville (ES)	-	100.00%	Abener Energía, S.A./ Teyma Gestión de Contratos de Construcción e Ingeniería, S.A./ Serv. Aux. de Administración, S.A. de C.V.		(1)	-
UTE Chennai O&M	India (IN)	6.00	100.00%	Construcciones y Depuraciones, S.A./ Abengoa Water S.L.		(4)	-
UTE Chennai	India (IN)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
UTE Conquero	Huelva (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Ute Dead Sea	Seville (ES)	-	100.00%	Abener Energía, S.A/Abeinsa Engineering SL		(1)	-
UTE Denizli	Denizli (TR)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Abener Energía, S.A./ Abengoa Perú S,A.		(1)	-
UTE Depurbaix	Cataluña (ES)	6.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE El Cerrillo	Córdoba (ES)	4.80	80.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Espluga	Cataluña (ES)	-	40.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Fontsanta	Cataluña (ES)	4.80	40.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Fuente Alamo	Murcia (ES)	2.97	33.00%	Construcciones y Depuraciones, S.A		(1)	-
UTE Guadalajara	Guadalajara (ES)	3.31	55.00%	Abengoa Water S.L.		(4)	-
UTE Hassi R'Mel Construction	Seville (ES)	-	70.00%	Abener Energía, S.A./ Abengoa Solar New Technologies, S.A		(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Hassi R'Mel O&M	Seville (ES)	-	100.00%	Abener Energía, S.A./ Abengoa Solar España, S.A		(1)	C
UTE Hidrosur	Málaga (ES)	2.00	33.33%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Honaine	Algeria (AR)	1.50	50.00%	Abengoa Water S.L.		(4)	-
UTE Honaine	Algeria (AR)	1.50	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Inabensa Teyma Peralta	Seville (ES)	60.00	100.00%	Instalaciones Inabensa, S.A. /Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Inabensa Teyma Eólica del Tala	Seville (ES)	60.00	100.00%	Instalaciones Inabensa, S.A. /Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Inabensa-Eucomsa-Perú	Seville (ES)	6.90	100.00%	Abeinsa, Ing y Const. Ind., S.A./Europea de Construcc. Metálicas, S.A.		(1)	-
Ute Inst. Clima Hospital Costa del Sol	Málaga (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
UTE Itoiz II	Navarra (ES)	3.50	35.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Júcar Vinalopo	Valencia (ES)	2.00	33.34%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Kurkudi	Vizcaya (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE La Codosera	Cáceres (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Las Bambas	Seville (ES)	6.00	100.00%	Abeinsa, Ing y Const. Ind., S.A. /Abencor Suministros, S.A.		(1)	-
UTE Lubet Cádiz	Cádiz (ES)	-	75.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Mant. Valdeinfierno	Murcia (ES)	1.80	60.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Mantenimiento Presas	Málaga (ES)	2.10	35.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Marismas Construccion	Seville (ES)	12.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Minicentrales	Madrid (ES)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Moraira	Alicante (ES)	2.55	42.50%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Ojén Mijas	Málaga (ES)	-	70.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Qingdao	China (CH)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Ranilla	Seville (ES)	1.80	15.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Reus	Cataluña (ES)	3.90	65.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Ribera	Valencia (ES)	3.01	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Riegos Marismas	Seville (ES)	5.94	99.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Rincón Vict	Málaga (ES)	3.01	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Sallent	Cataluña (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Sant Celoni	Cataluña (ES)	6.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-

Appendix III – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Skikda	Algeria (AR)	2.00	67.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
UTE Skikda O&M	Algeria (AR)	2.01	67.00%	Construcciones y Depuraciones, S.A./ Abengoa Water S.L.		(4)	-
UTE Sta. Amalia	Badajoz (ES)	4.80	80.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Teatinos	Málaga (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Tenés	Algeria (AR)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
Ute Tenes O&M	Algeria (AR)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./ Abengoa Water S.L.		(4)	-
UTE Valdeinfierno	Murcia (ES)	1.80	60.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
UTE Valdelentisco	Murcia (ES)	4.80	80.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Vall Baixa	Cataluña (ES)	6.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Vilagarcía	Pontevedra (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Utrera	Seville (ES)	3.01	50.00%	Abengoa Water S.L.		(4)	-
Winterra.-Inaben.Atraque Puerto de Vigo	Compostela (ES)	-	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Winterra-Inabensa Sarriá	Compostela (ES)	2.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Winterra-Inabensa Monterroso	Compostela (ES)	6.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Zonas Deportivas La Nucia	Alicante (ES)	4.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-

(*) Companies incorporated or acquired and consolidated for the first time in the year.

(1) Operating segment activities area: Engineering and Construction.
(2) Operating segment activities area: Transmission.
(3) Operating segment activities area: Solar.
(4) Operating segment activities area: Water.
(5) Operating segment activities areae: Cogeneration.
(6) Operating segment activities area: Bioenergy.

A Audited by PricewaterhouseCoopers Auditores.
B Audited by Deloitte.
C Audited by others auditors.

Appendix IV – Subsidiary companies which during 2016 and 2015 were no longer included in the Consolidation Perimeter

Company Name	Year of Exit	% Share	Motive
Abeinsa Business Development Representaçoes, Energía e Água, Ltda.	2016	100.00	Windup of the company
Abeinsa Business Development, Pty. Ltd.	2016	100.00	Windup of the company
Abeinsa Noroeste Sinaloa, S.A.	2016	100.00	Windup of the company
Abeinsa Topolobampo III, S.A.	2016	100.00	Windup of the company
Abener Teyma Termocolón II, S.A.	2016	100.00	Windup of the company
Abengoa Australia Pty. Ltd.	2016	100.00	Windup of the company
Abengoa Bioenergía San Roque, S.A.	2016	100.00	Lost Control
Abengoa Bioenergy Netherlands B.V.	2016	100.00	Lost Control
Abengoa Biotechnology Research, S.A.	2016	100.00	Windup of the company
Abengoa Energy Crops Pellet 2 USA, LLC	2016	100.00	Did not become established
Abengoa Greenfield PLC	2016	100.00	Windup of the company
Abengoa Hellas Solar, Ltd.	2016	100.00	Windup of the company
Abengoa Research, Corp.	2016	100.00	Windup of the company
Abengoa Solar Italia, S.R.L.	2016	100.00	Sale of the company
Abengoa Solar Research, S.A.	2016	100.00	Windup of the company
Abengoa Water Hong Kong, Co. Limited	2016	100.00	Sale of the company
Agroenergía de Campillos, S.L.	2016	100.00	Sale of the company
Aznalcóllar Solar, S.A.	2016	100.00	Sale of the company
Centro Industrial y Logístico Torrecuellar, S.A.	2016	100.00	Sale of the company
CSP Atacama Tres, S.A	2016	100.00	Fusion of the company
Cycon Solar, LTD	2016	100.00	Windup of the company
Financiera Soteland, S.A.	2016	100.00	Windup of the company
Helioenergy Electricidad Tres, S.A.	2016	100.00	Sale of the company
Helioenergy Electricidad Cuatro, S.A.	2016	100.00	Sale of the company
Helioenergy Electricidad Cinco, S.A.	2016	100.00	Sale of the company
Helioenergy Electricidad Once, S.A.	2016	100.00	Sale of the company
Helioenergy Electricidad Veintiuno, S.A	2016	100.00	Sale of the company
Helioenergy Electricidad Veintidos, S.A	2016	100.00	Sale of the company
Helioenergy Electricidad Veintitres, S.A	2016	100.00	Sale of the company
Helioenergy Electricidad Veinticuatro, S.A	2016	100.00	Sale of the company
Insolation Sic 6 S.R.L	2016	100.00	Windup of the company
Insolation Sic 9 S.R.L	2016	100.00	Windup of the company
Insolation Sic 10 S.R.L	2016	100.00	Windup of the company
Insolation Sic 11 S.R.L	2016	100.00	Windup of the company
Insolation Sic 12 S.R.L	2016	100.00	Windup of the company
Insolation Sic 13 S.R.L	2016	100.00	Windup of the company
Insolation Sic 14 S.R.L	2016	100.00	Windup of the company
Insolation Sic 15 S.R.L	2016	100.00	Windup of the company

Company Name	Year of Exit	% Share	Motive
Insolation 17 S.R.L	2016	100.00	Windup of the company
Insolation 18 S.R.L	2016	100.00	Windup of the company
Instalaciones Inabensa Contracting, LLC	2016	49.00	Windup of the company
Juárez N-III, S.A. de C.V.	2016	100.00	Windup of the company
Jupiter Energy LLC	2016	100.00	Windup of the company
Mars Energy LLC	2016	100.00	Windup of the company
Nicefield S.A	2016	100.00	Sale of the company
Nicsa Asia Pacific Private Limited	2016	100.00	Windup of the company
Pichirropulli Transmisora de Energía S.A	2016	100.00	Sale of the company
Royalla PV Pty Ltd.	2016	100.00	Windup of the company
Saturn Energy LLC	2016	100.00	Windup of the company
Sinalan, S.A.	2016	100.00	Windup of the company
Solaben Electricidad Diez, S.A.	2016	100.00	Sale of the company
Solnova Electricidad Dos, S.A.	2016	100.00	Sale of the company
Solnova Electricidad Cinco, S.A.	2016	100.00	Windup of the company
Solnova Electricidad Séis , S.A.	2016	100.00	Sale of the company
Teyma Middle East, S.L.	2016	100.00	Windup of the company
Venus Energy LLC	2016	100.00	Windup of the company
Waste to Energy Suppliers San Jose, S.A.	2016	100.00	Windup of the company
Abeima Agua Internacional, S.L.	2015	100.00	Windup of the company
Advanced Feedstocks of Kansas, LLC	2015	51.00	Windup of the company
Arao Enerxías Eólica, S.L.	2015	70.00	Windup of the company
Befesa Apa, S.R.L	2015	100.00	Windup of the company
Captasol Fotovoltaica 52 S.L.	2015	100.00	Windup of the company
Centinela Power Plant S.A.P.I. de C.V.	2015	90.00	Sale of the company
Enernova Ayamonte S.A.	2015	91.00	Windup of the company
Helioenergy Electricidad Trece, S.A.	2015	100.00	Windup of the company
Japan PV Ventures, S.A.	2015	100.00	Windup of the company
Linha Verde Transmisora de Energia, S.A	2015	51.00	Sale of the company
Nicsa Middle East, FZE	2015	100.00	Windup of the company
Norventus Atlántico, S.L.	2015	70.00	Windup of the company
Palen Solar Holdings, LLC	2015	100.00	Sale of the company
Siema AG	2015	100.00	Windup of the company
Solargate Electricidad Cinco, S.A.	2015	100.00	Windup of the company
Solúcar Andalucía FV2, S.A	2015	100.00	Windup of the company
South Africa PV Investments, S.L.	2015	100.00	Windup of the company

Appendix V – Associated companies and Joint Ventures which during 2016 and 2015 were no longer included in the Consolidation Perimeter

Company Name	Year of Exit	% Share	Motive
Basor México, S.A.P.I. de C.V.	2016	50.00	Venta sociedad
Explotaciones Varias, S.L.	2016	50.00	Sale of the company
Ghenova Ingeniería S.L.	2016	20.00	Sale of the company
Greentech Water Engineering Company	2016	25.00	Sale of the company
Negev Energy - Ashalim Thermo-Solar Ltd.	2016	50.00	Sale of the company
Negev Energy Ashalim Finance, Ltd	2016	50.00	Sale of the company
Negev Energy Ashalim Operation and Mantainance, Ltd. (Negev Energy Ashalim O&M, Ltd.)	2016	50.00	Sale of the company
Shams Power Company PJSC	2016	40.00	Windup of the company
SolelAben EPC Ashalim, L.P.	2016	50.00	Sale of the company
Total Abengoa Solar Emirates Investment Company, B.V. (TASEIC)	2016	50.00	Sale of the company
Inabensa Green Energy Co., Ltd.	2015	50.00	Windup of the company
Residuos Sólidos Urbanos de Ceuta, S.L.	2015	50.00	Windup of the company

Appendix VI – Temporary Joint Ventures which during 2016 and 2015 were no longer included in the Consolidation Perimeter

Company Name	Year of Exit	% Share
ACE L5	2016	44.80
Cercanias Tren (Camas-Salteras)	2016	35.00
Ferial Badajoz	2016	25.00
Fotovoltaica Expo	2016	70.00
Soterramnet 132 Kv	2016	33.34
UTE Abener Befesa Cortés Pallás	2016	100.00
UTE Abener Inabensa Francia	2016	100.00
UTE Abener Inabensa Germany	2016	100.00
UTE Abener Inabensa Paises Bajos	2016	100.00
UTE Abener Teyma Helios I	2016	100.00
UTE Abener Teyma Solaben IC	2016	100.00
UTE Abener Teyma Solacor I	2016	100.00
UTE Abener Teyma Solacor II	2016	100.00
UTE Atabal	2016	53.00
UTE Cunene	2016	50.00
UTE Retortillo	2016	100.00
UTE Saih Duero	2016	30.00
UTE San Juan del Sur	2016	73.31
UTE Segriá Sud	2016	60.00
Adis Segovia Valdestrilla	2015	7.00
Barras Parada	2015	50.00
Edificio PICA	2015	50.00
Electrificación Burgos	2015	33.34
Electrificación L-3	2015	50.00
Emergencia NAT Barcelona	2015	33.33
Energía Noroeste	2015	50.00
Inabervion	2015	50.00
Instalaciones Plataforma Sur	2015	50.00
Lav-Buixalleu	2015	50.00
Meisa-Inabensa	2015	50.00
Nat Electricidad	2015	33.34
S/E Modulares	2015	50.00
Teyma Israel I	2015	100.00
Teyma Israel II	2015	100.00
Teyma Israel III	2015	100.00
Túnel Rovira	2015	33.00
UTE Abeima Teyma Barka II	2015	100.00
UTE Abener Teyma Biomasa Salamanca II	2015	100.00
UTE Abener Teyma CRS I	2015	100.00

Company Name	Year of Exit	% Share
UTE Abener Teyma CRS II	2015	100.00
UTE Abener Teyma Solar Tabernas	2015	80.00
UTE Agua Prieta (EP)	2015	100.00
UTE Balsa del Rosario	2015	52.00
UTE Canal Alguerri	2015	33.34
UTE Carboneras	2015	43.00
UTE Deca	2015	32.25
UTE Edar Montemayor	2015	50.00
UTE Esclusa 42	2015	30.00
UTE Fonz	2015	90.00
UTE Guiamets	2015	60.00
UTE Huesna	2015	33.34
UTE Paneles	2015	30.00
UTE Puerto de Huelva	2015	100.00
UTE Sahechores	2015	62.00
UTE Sanchonuño	2015	50.00
UTE Villanueva	2015	50.00
UTE Xerta-Xenia	2015	50.00

Appendix VII – Projects subject to the application of IFRIC 12 interpretation on concessional services

Kind of Agreement/Project	Activity	Country	Status (*)	% Share	Years of Agreement	Offtaker	Financial / Intangible	Arrangement Terms	Description of the Arrangement	Assets/Investment	Amort. Acum.	Revenues ordinary operating activ.	Operating Income
Electricity Transmission:													
Sao Mateus Transmissora de Energia , ATE IV(Abengoa Brasil Proyectos e construcoes, Ltda.)	Transmission	Brazil	(O)	100	2010-2037	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	70,796	(12,383)	5,121	(110)
Londrina Transmissora De Energía S.A (Abener Brasil Transmissora de Energía Ltda)ATE V	Transmission	Brazil	(O)	100	2009-2036	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	53,744	(10,043)	4,537	757
ATE VI Campos Novos Transmissora de Energía ,S.A	Transmission	Brazil	(O)	100	2009-2036	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	61,409	(11,633)	5,330	1,424
ATE VII- Foz do Iguacú Transmissora de Energía, S.A.	Transmission	Brazil	(O)	100	2009-2036	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	37,177	(7,386)	3,318	1,028
ATE VIII Transmissora de Energía S.A.(lote Itacaiuna)	Transmission	Brazil	(O)	50	2013-2041	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	13,514	(1,082)	951	254
ATE XVI Transmissora de Energia S.A.	Transmission	Brazil	(C)	100	2013-2043	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	377,026	(67,597)	-	-
ATE XVII Transmissora de Energia S.A.	Transmission	Brazil	(C)	100	2013-2043	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	144,294	(17,014)	-	-
ATE XVIII Transmissora de Energia S.A.	Transmission	Brazil	(C)	100	2013-2043	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	69,457	(10,197)	-	-
ATE XIX Transmissora de Energia S.A. (Luiz Gonzaga)	Transmission	Brazil	(C)	100	2013-2043	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	65,854	(12,405)	-	-
ATE XX Transmissora de Energia S.A.	Transmission	Brazil	(C)	100	2013-2043	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	48,246	(10,151)	-	-
ATE XXI Transmissora de Energia S.A.	Transmission	Brazil	(C)	100	2013-2043	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	164,676	(18,123)	-	-

Appendix VII – Projects subject to the application of IFRIC 12 interpretation on concessional services (continuation)

Kind of Agreement/Project	Activity	Country	Status (*)	% Share	Years of Agreement	Offtaker	Financial / Intangible	Arrangement Terms	Description of the Arrangement	Assets/Investment	Amort. Acum.	Revenues ordinary operating activ.	Operating Income
ATE XXII Transmissora de Energia S.A.	Transmission	Brazil	(C)	100	2014-2044	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	44,924	(7,801)	-	-
ATE XXIII Transmissora de Energia S.A.	Transmission	Brazil	(C)	100	2014-2044	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	11,093	(2,762)	-	-
ATE XXIV Transmissora de Energia, S.A.	Transmission	Brazil	(C)	100	2014-2044	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	6,490	(1,649)	-	-
ATE XI, Manaus Transmissora de Energía	Transmission	Brazil	(O)	50.5	2011-2038	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	650,160	(73,578)	43,572	15,158
ATE XIII, Norte Brasil Transmissora de Energía S.A	Transmission	Brazil	(O)	51	2012-2039	Agencia Nacional de Energia Eléctrica	(I)	Fixed price, annually indexed to the Harmonised Index of Consumer Prices and reviewed every 5 years by macroeconomic assumptions. Subject to the volume of demand.	30-year Agreement with Aneel	917,742	(53,393)	76,145	35,666
ATN 1, S.A.	Transmission	Peru	(O)	100	2013-2043	Administradora Chungar	(F)	Paid in EPC and O&M service annually adjusted by the US Finished Goods Less Food and Energy Inflation Index	30-year Concession Agreement	66	(14)	1,447	16
DGEN Transmission Company, Ltd.	Transmission	India	(C)	100	2015-2053	Gobierno de India (Ministerio de Energía)	(F)	Fixed transmission price adjusted by the availability factor	38-year Concession Agreement with Torrent Power	7,537	-	1,409	1,408
Electric Power Sale:													
Xina Solar One (Pty) Ltd.	Solar	South Africa	(C)	40	2017-2037	The Department of Energy of South Africa (Offtaker Eskom Holding Soc Limited)	(I)	Fixed price in Rands/kWh indexed to annual inflation	20 year Implementation Agreement with Department of Energy and 20 year Power Purchase Agreement with Eskom Holding Soc Limited	219,440	(45)	-	(2)
Infraestructure Mant.:													
Concesionaria Costa del Sol S.A.	Construction	Spain	(O)	50	2011-2048	Agencia Pública sanitaria Costa del Sol /Junta de Andalucia	(I)/ (F)	Fixed price updated by the inflation and a variable rate based on level of services	40-year Concession Agreement with an option to extend for an aditional 20-year period.	10,770	(10,756)	173	9
Explotadora Hospital del Tajo, S.L.	Construction	Spain	(O)	20	2007-2035	Consejería de Sanidad de Madrid	(F)	Fixed price updated by the inflation rate	30-year Concession Agreement	944	-	-	-
Inapreu, S.A.	Construction	Spain	(O)	50	2008-2022	Generalitat de Catalunya	(F)	Fixed price with annual adjustment of 2,5%	Concession agreement signed until 2024 with the public entity.	2,543	-	297	(30)
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	Construction	México	(C)	100	2013-2038	Gobierno de México (Comisión Nacional del Agua)	(F)	CPS with fixed price updated by inflation and a variable rate to recover operationg variable costs	25-year Concession Agreement with Conagua	178,078	(46,996)	6,885	6,885
Unidad Punta de Rieles, S.A.	Construction	Uruguay	(C)	100	2015-2043	Ministerio del Interior de Uruguay	(F)	Fixed price indexed to availability and variable price for complementary services	27,5 -year Concession Agreement with Ministerio del Interior de Uruguay	57,587	-	2,326	2,078
Desalinated Water Sale:													

Appendix VII – Projects subject to the application of IFRIC 12 interpretation on concessional services (continuation)

Kind of Agreement/Project	Activity	Country	Status (*)	% Share	Years of Agreement	Offtaker	Financial / Intangible	Arrangement Terms	Description of the Arrangement	Assets/Investment	Amort. Acum.	Revenues ordinary operating activ.	Operating Income
Chennai Water Desalination Limited	Desalination	India	(O)	25	2010-2034	Chennai Metropolitan Wate Supply & Sewerage Board	(I)	Fixed price per m3 available of the plant and fixed price per m3 produced, both indexed.	25-year Concession Agreement from Commercial Operation Date	76,500	(19,704)	25,058	1,604
Société d'Eau Déssalée d'Agadir (SEDA)	Desalination	Morocco	(C)	51	2017-2032	Office National de l'Eau Potable et de l'Electricité	(I)	Fixed price per m3 available of the plant and fixed price per m3 produced, both indexed.	20-year Concession Agreement from Commercial Operation Date with ONEE state-owned company	64,058	(1,603)	10,300	10,247

(*) Operation (O); Construction (C)

Appendix VIII – Companies not connected with the group but which hold shares equal to or above 10% of the capital of a subsidiary included in the Consolidation Perimeter

Company Shareholding	Partner	% Share
Abeima Teyma Barka LLC.	Sultan Said Abdullah Al Kindi	30.00
Abengoa Bioenergy France, S.A.	Oceol	25.22
Abengoa Bioenergy Meramec Holding, Inc.	Cofides	49.00
Aboadze Desalination Developments, Limited	Hydrocol Infrastructure	10.00
ATE XI, Manaus Transmissora de Energía	Chesf/Eletronorte	49.50
ATE XIII, Norte Brasil Transmissora de Energía S.A	Centrais Elétricas do Norte S.A/Eletrosul Centrais Elétricas S.A	49.00
Befesa Desalination Developments Ghana Limited	Daye Water Investment Ghana Bv.	44.00
Construtora Integração, Ltda.	Centrais Elétricas Norte Brasil S.A/Eletrosul Centrais Elátricas S.A	49.00
Copero Solar Huerta Uno, S.A.	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Copero Solar Huerta Dos, S.A.	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Copero Solar Huerta Tres, S.A	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Copero Solar Huerta Cuatro, S.A.	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Copero Solar Huerta Cinco, S.A.	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Copero Solar Huerta Seis, S.A.	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Copero Solar Huerta Siete, S.A.	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Copero Solar Huerta Ocho, S.A.	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Copero Solar Huerta Nueve, S.A.	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Copero Solar Huerta Diez, S.A.	Empresa Metropolitana de Abastecimiento de aguas de Sevilla	50.00
Dalian Xizhong Island Desalination Co., Ltd	Hitachi Plant Technologies/Dalian Changxong Island Administration	30.00
Inabensa, LLC	Sultan Said Abdullah Al Kindi	30.00
Iniciativas Hidroeléctricas, S.A.	Suma de Energias/LPV	50.00
Kaxu CSP South Africa (Pty) Limited	Industrial Development Corporation (IDC)	49.00
Khi CSP South Africa (Pty) Limited	Industrial Development Corporation (IDC)	49.00
Khi Solar One (Pty) Ltd.	Industrial Development Corporation (IDC)	49.00
Manaus Constructora, Ltda.	Centrais Elétricas Norte Brasil S.A/Chesf	49.50
Procesos Ecológicos, S.A.	Global Plasma Envioroment	50.00
Sao Mateus Transmissora de Energía, Ltda.	Cofides	24.00
Sistemas de Desarrollo Sustentables S.A. De C.V.	Cofides	35.00
Société d'Eau Déssalée d'Agadir (SEDA)	InfraMaroc, S.A.	49.06
Solar Power Plant One	New Energy Algeria (NEAL)/SVH (Sonatrach)/Cofides	49.00
Tenes Lylmyah	Algerian Energy Company (AEC)	49.00
Transportadora Mar del Plata S.A.	Tel 3 S.A.	30.00
Unidad Punta de Rieles, S.A.	Goddard Catering Group Uruguay S.A.	15.00
Zona Norte Engenharia, Manutenção e Gestão De Serviços, S.A. Spe.	Sh Engenharia/Magi Clean	40.00

Appendix IX – Companies with projects financed through project debt in 2016

Proyect	Activity	Country	Status (*)	% Abengoa
Engineering and Construction				
ATE X Abengoa Brasil Administraçao Predial Ltda	Infraestructuras	Brazil	(O)	100.00
Concession-type Infrastructure				
Abengoa Transmisión Norte S.A., 1	Transmisión	Perú	(O)	100.00
ATE VI Campos Novos Transmissora de Energía ,S.A	Transmisión	Brazil	(O)	100.00
ATE VII- Foz do Iguacú Transmissora de Energía, S.A.	Transmisión	Brazil	(O)	100.00
ATE XI, Manaus Transmissora de Energía	Transmisión	Brazil	(O)	50.50
ATE XIII, Norte Brasil Transmissora de Energía S.A	Transmisión	Brazil	(O)	51.00
ATE XIX Transmissora de Energia S.A.	Transmisión	Brazil	(C)	100.00
ATE XVI Transmissora de Energia S.A.	Transmisión	Brazil	(C)	100.00
ATE XVII Transmissora de Energia S.A.	Transmisión	Brazil	(C)	100.00
ATE XVIII Transmissora de Energia S.A.	Transmisión	Brazil	(C)	100.00
ATE XX Transmissora de Energia S.A.	Transmisión	Brazil	(C)	100.00
ATE XXI Transmissora de Energia S.A.	Transmisión	Brazil	(C)	100.00
ATE XXII Transmissora de Energia S.A.	Transmisión	Brazil	(C)	100.00
ATE XXIII Transmissora de Energia S.A.	Transmisión	Brazil	(C)	100.00
ATE XXIV Transmissora de Energia, S.A.	Transmisión	Brazil	(C)	100.00
Centro Tecnológico Palmas Altas, S.A.	Infraestructuras	Brazil	(O)	100.00
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	Infraestructuras	Brazil	(C)	100.00
DGEN Transmission Company, Ltd.	Transmisión	Brazil	(C)	100.00
Iniciativas Hidroeléctricas, S.A.	Generación Energía Eólica	Brazil	(O)	51.00
Londrina Transmissora De Energía, S.A.	Transmisión	Brazil	(O)	100.00
PV Atacama Inversiones Dos, SpA	Generación Energía Solar	Brazil	(C)	100.00
Sao Mateus Transmissora de Energía, Ltda.	Transmisión	Brazil	(O)	76.00
Société d'Eau Déssalée d'Agadir (SEDA)	Desalación	Brazil	(C)	50.94
Teyma Forestal, S.A.	Infraestructuras	Brazil	(O)	100.00
Unidad Punta de Rieles, S.A.	Infraestructuras	Brazil	(C)	85.00
Industrial Production				
Abengoa Bioenergía Agroindustria Ltda	Etanol	Brazil	(O)	100.00
Abengoa Bioenergy France, S.A.	Etanol	France	(O)	74.79
Abengoa Bioenergy Maple, LLC	Etanol	US	(O)	100.00
Abengoa Bioenergy of Illinois, LLC	Etanol	US	(O)	100.00
Abengoa Bioenergy of Indiana, LLC	Etanol	US	(O)	100.00

(*) Operation (O), Construction (C)

Appendix X – Companies with Electricity Operations included in the 2016 Consolidation Perimeter

Company Name	Registered Address	Activity (*)	Comments
Abeinsa Juárez Norte III, S.A. de C.V.	Bahía de Santa Barbara (México)	3	Contruction phase
Abengoa Bioenergy Biomass of Kansas, LLC.	Kansas (US)	3	Operational
Abengoa Bioenergía Agroindustria, Ltda.	São Paulo (BR)	3	Operational
Abengoa Cogeneraçao de Energía II, S.A.	Rio de Janeiro (BR)	9	Operational
Abengoa Cogeneración Tabasco, S. de R.L. de C.V.	México D.F. (MX)	3	Operational
Abengoa Transmisión Norte, S.A.	Lima (PE)	9	Operational
Abengoa Transmisión Sur, S.A.	Lima (PE)	9	Operational
Abent 3T, S.A.P.I. de C.V.	México D.F. (MX)	3	Operational
ACC 4T, S.A.P.I. de C.V.	México D.F. (MX)	3	Operational
Aguas de Skikda	Argel (DZ)	7	Operational
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	1	Operational
Arizona Solar One, LLC	Colorado (US)	6	Operational
ATE VI Campos Novos Transmissora de Energía ,S.A	Rio de Janeiro (BR)	9	Operational
ATE VII- Foz do Iguacú Transmissora de Energía, S.A.	Rio de Janeiro (BR)	9	Operational
ATE VIII Transmissora de Energía, S.A.	Rio de Janeiro (BR)	9	Operational
ATE XI, Manaus Transmissora de Energía	Rio de Janeiro (BR)	9	Operational
ATE XIII, Norte Brasil Transmissora de Energía S.A	Rio de Janeiro (BR)	9	Operational
ATE XIX Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATE XVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATE XVII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATE XVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATE XX Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATE XXI Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATE XXII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATE XXIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATE XXIV Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	Operational
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	Operational
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Operational
ATN 1, S.A.	Rio de Janeiro (BR)	9	Operational
ATN 2, S.A.	Rio de Janeiro (BR)	9	Operational
ATN 3, S.A.	Rio de Janeiro (BR)	9	Operational
Biocarburantes de Castilla y León, S.A.	Rio de Janeiro (BR)	3	Operational
Bioetanol Galicia, S.A.	Rio de Janeiro (BR)	3	Operational
Cadonal, S.A.	Rio de Janeiro (BR)	2	Operational
Captasol Fotovoltaica 1, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 2, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 3, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 4, S.L.	Rio de Janeiro (BR)	5	Operational

Company Name	Registered Address	Activity (*)	Comments
Captasol Fotovoltaica 5, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 6, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 7, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 8, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 9, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 10, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 11, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 12, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 13, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 14, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 15, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 16, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 17, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 18, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 19, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 20, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 21, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 22, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 23, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 24, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 25, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 26, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 27, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 28, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 29, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 30, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 31, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 32, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 33, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 34, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 35, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 36, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 37, S.L.	Rio de Janeiro (BR)	5	Operational
Captasol Fotovoltaica 38, S.L.	Rio de Janeiro (BR)	5	Operational
Cogeneración Villaricos, S.A.	Rio de Janeiro (BR)	1	Operational
Concesiones Eléctricas Chile SpA	Rio de Janeiro (BR)	9	Operational
Copero Solar Huerta Uno, S.A.	Rio de Janeiro (BR)	5	Operational
Copero Solar Huerta Dos, S.A.	Rio de Janeiro (BR)	5	Operational
Copero Solar Huerta Tres, S.A	Rio de Janeiro (BR)	5	Operational

Appendix X – Companies with Electricity Operations included in the 2016 Consolidation Perimeter (continuation)

Company Name	Registered Address	Activity (*)	Comments
Copero Solar Huerta Cuatro, S.A.	Rio de Janeiro (BR)	5	Operational
Copero Solar Huerta Cinco, S.A.	Rio de Janeiro (BR)	5	Operational
Copero Solar Huerta Seis, S.A.	Rio de Janeiro (BR)	5	Operational
Copero Solar Huerta Siete, S.A.	Rio de Janeiro (BR)	5	Operational
Copero Solar Huerta Ocho, S.A.	Rio de Janeiro (BR)	5	Operational
Copero Solar Huerta Nueve, S.A.	Rio de Janeiro (BR)	5	Operational
Copero Solar Huerta Diez, S.A.	Rio de Janeiro (BR)	5	Operational
CSP Atacama Uno, S.A.	Rio de Janeiro (BR)	6	Operational
CSP Atacama Dos, S.A	Rio de Janeiro (BR)	6	Operational
DGEN Transmission Company, Ltd.	Rio de Janeiro (BR)	9	Operational
Ecocarburantes Españoles , S.A.	Rio de Janeiro (BR)	3	Operational
Fotovoltaica Solar Sevilla, S.A.	Rio de Janeiro (BR)	5	Operational
Helioenergy Electricidad Uno, S.A.	Rio de Janeiro (BR)	6	Operational
Helioenergy Electricidad Dos, S.A.	Rio de Janeiro (BR)	6	Operational
Helios I Hyperion Energy Investments, S.L.	Rio de Janeiro (BR)	6	Operational
Helios II Hyperion Energy Investments, S.L.	Rio de Janeiro (BR)	6	Operational
Honaine	Rio de Janeiro (BR)	7	Operational
Inabensa Fotovoltaica, S.L.	Rio de Janeiro (BR)	5	Operational
Iniciativas Hidroeléctricas, S.A.	Rio de Janeiro (BR)	7	Operational
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	Rio de Janeiro (BR)	7	Operational
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Rio de Janeiro (BR)	5	Operational
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Rio de Janeiro (BR)	5	Operational
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Rio de Janeiro (BR)	5	Operational
Kaxu Solar One (Pty) Ltd.	Rio de Janeiro (BR)	6	Operational
Khi Solar One (Pty) Ltd.	Rio de Janeiro (BR)	6	Operational
Linares Fotovoltaica, S.L.	Rio de Janeiro (BR)	5	Operational
Londrina Transmissora De Energía, S.A.	Rio de Janeiro (BR)	9	Operational
Marismas PV A1, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A2, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A3, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A4, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A5, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A6, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A7, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A8, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A9, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A10, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A11, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A12, S.L.	Rio de Janeiro (BR)	5	Operational

Company Name	Registered Address	Activity (*)	Comments
Marismas PV A13, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A14, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A15, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A16, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A17, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV A18, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B1, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B2, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B3, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B4, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B5, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B6, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B7, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B8, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B9, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B10, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B11, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B12, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B13, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B14, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B15, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B16, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B17, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV B18, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C1, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C2, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C3, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C4, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C5, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C6, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C7, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C8, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C9, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C10, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C11, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C12, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C13, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C14, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C15, S.L.	Rio de Janeiro (BR)	5	Operational

Appendix X – Companies with Electricity Operations included in the 2016 Consolidation Perimeter (continuation)

Company Name	Registered Address	Activity (*)	Comments
Marismas PV C16, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C17, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV C18, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV E1, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV E2, S.L.	Rio de Janeiro (BR)	5	Operational
Marismas PV E3, S.L.	Rio de Janeiro (BR)	5	Operational
Marudhara Akshay Urja Private Limited	Rio de Janeiro (BR)	6	Operational
Marusthal Green Power Private Limited	Rio de Janeiro (BR)	6	Operational
Mojave Solar LLC	Rio de Janeiro (BR)	6	Operational
Palmatir, S.A.	Rio de Janeiro (BR)	2	Operational
Palmucho, S.A.	Rio de Janeiro (BR)	9	Operational
Procesos Ecológicos Vilches, S.A.	Rio de Janeiro (BR)	3	Operational
Puerto Real Cogeneración, S.A.	Rio de Janeiro (BR)	3	Operational
PV Atacama Uno, S.A.	Rio de Janeiro (BR)	5	Operational
PV Atacama Dos, S.A	Rio de Janeiro (BR)	5	Operational
Rajasthan Photon Energy Pvt Ltd	Rio de Janeiro (BR)	6	Operational
Sanlúcar Solar, S.A.	Rio de Janeiro (BR)	6	Operational
Sao Mateus Transmissora de Energía, Ltda.	Rio de Janeiro (BR)	9	Operational
Solaben Electricidad Uno, S.A.	Cáceres (ES)	6	Operational
Solaben Electricidad Dos, S.A.	Cáceres (ES)	6	Operational
Solaben Electricidad Tres, S.A.	Cáceres (ES)	6	Operational
Solaben Electricidad Seis, S.A.	Badajoz (ES)	6	Operational
Solacor Electricidad Uno, S.A.	Seville (ES)	6	Operational
Solacor Electricidad Dos, S.A.	Seville (ES)	6	Operational
Solar de Receptores de Andalucía, S.A.	Seville (ES)	5	Operational
Solar Power Plant One	Seville (ES)	5	Operational
Solar Processes, S.A.	Seville (ES)	6	Operational
Solargate Electricidad Tres, S.A.	Seville (ES)	6	Operational
Solargate Electricidad Cuatro, S.A.	Seville (ES)	6	Operational
Solnova Electricidad, S.A.	Seville (ES)	6	Operational
Solnova Electricidad Tres, S.A.	Seville (ES)	6	Operational
Solnova Electricidad Cuatro, S.A.	Seville (ES)	6	Operational
Transmisora Baquedano, S.A.	Santiago de Chile (CL)	9	Operational
Transmisora Mejillones, S.A.	Santiago de Chile (CL)	9	Operational
Transportadora Riojana S.A.	Buenos Aires (AR)	9	Contruction phase
Xina Solar One (Rf) (Pty), Ltd.	Gauteng (ZA)	6	Contruction phase

(*) Electricity operations as described in Note (2).(2)(9) in accordance with the provisions of Law (5)4/(1)(9)(9)(7)

(1) Production under Special Regime: Cogeneration. Primary energy type: Fuel
(2) Production under Special Regime: Wind. Primary energy type: Wind
(3) Includes production under Special Regime: Cogeneration. Primary energy type: Natural gas
(4) Production under Special Regime: Cogeneration. Primary energy type: Natural gas
(5) Production under Special Regime: Solar Photovoltaic. Primary energy type: Solar light
(6) Production under Special Regime: Solar. Primary energy type: Solar light
(7) Production under Special Regime: Hydraulic. Primary energy type: Water
(8) Production under Special Regime: Other. Primary energy type: Industrial waste (used oils)
(9) Transport
(10) Electricity production: Based on hydrogen. Primary type of energy: Hydrogen

Appendix XI – Companies taxed under the Special Regime for Company Groups at 12.31.16

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
	Seville (ES)	Sociedad Dominante
A3T Holdco España, S.A	Seville (ES)	Abener Energía, S.A./ Negocios Industriales y Comerciales, S.A. (Nicsa)
Abeima Agua Internacional, S.L.	Seville (ES)	Abeinsa Infraestructuras Medio Ambiente/Construcciones y Depuraciones, S.A.(Codesa)
Abeinsa Asset Management, S.L.	Seville (ES)	Abener Energía, S.A./Negocios Industriales y Comerciales, S.A.
Abeinsa Business Development, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./ Negocios Industriales y Comerciales, S.A.
Abeinsa Engineering S.L.	Seville (ES)	Abener Energía
Abeinsa EPC, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.
Abeinsa Infraestructuras Medio Ambiente, S.A	Seville (ES)	Abeinsa Business Development, S.A. / Negocios Industriales y Comerciales, S.A.
Abeinsa, Ingeniería y Construcción Industrial, S.A.	Seville (ES)	Abengoa, S.A./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)
Abeinsa Inversiones Latam, S.L.	Seville (ES)	Asa Iberoamérica, S.L./Abeinsa Ingeniería y Construcción Industrial, S.A.
Abeinsa Noroeste Sinaloa, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A. / Abener Energía, S.A.
Abeinsa Operation and Maintenance, S.A.	Seville (ES)	Abeinsa Ing. y Const. Industrial, S.A./Negocios Industriales y de Construcción, S.A.
Abeinsa Topolobampo III, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A. / Abener Energía, S.A.
Abencor Suministros S.A.	Seville (ES)	Nicsa /Abeinsa
Abener Argelia, S.L.	Seville (ES)	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Abener Energía, S.A.	Seville (ES)	Abeinsa, Ing. y Const., S.A./Abeinsa Business Development, S.A./Negocios Ind. y Com., S.A.
Abengoa Abenewco 1, S.A.	Seville (ES)	Abengoa Abenewco 2, S.A.
Abengoa Abenewco 2, S.A.	Seville (ES)	Abengoa S.A.
Abengoa Bioenergía Biodiesel, S.A.	Seville (ES)	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.
Abengoa Bioenergía Inversiones, S.A.	Seville (ES)	Abengoa Bioenergía, S.A./Abengoa Bioenergía Nuevas Tecnologías, S.A.
Abengoa Bioenergía Nuevas Tecnologías, S.A.	Seville (ES)	Abengoa Bioenergía, S.L./Instalaciones Inabensa, S.A.
Abengoa Bioenergía, S.A.	Seville (ES)	Abengoa, S.A./Sociedad Inversora Energía y Medio Ambiente, S.A.
Abengoa Biotechnology Research, S.A.	Seville (ES)	Abengoa Bioenergía Nuevas Tecnologías, S.A./Abengoa Research, S.A.
Abengoa Concessions, S.L.	Seville (ES)	Abengoa, S.A./Siema
Abengoa Energy Crops, S.A.	Seville (ES)	Abengoa, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)
Abengoa Finance, S.A.	Seville (ES)	Abengoa, S.A.
Abengoa Greenbridge, S.A.U.	Seville (ES)	Abengoa, S.A.
Abengoa Greenfield S.A.U.	Seville (ES)	Abengoa, S.A.
Abengoa Hidrógeno, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./ Instalaciones Inabensa, S.A.
Abengoa Inversiones Mexico, S.L.	Seville (ES)	Abengoa PW I Investments, S.L.
Abengoa Inversiones Spain, S.L.	Seville (ES)	Abengoa PW I Investments, S.L.
Abengoa Inversiones Sudamérica, S.L.	Seville (ES)	Abengoa Inversiones Sudamerica, S.L.
Abengoa Inversiones Uruguay, S.L.	Seville (ES)	Abengoa PW I Investments, S.L.
Abengoa PW I Investments, S.L.	Seville (ES)	Abeinsa, Ing y Const. Ind., S.A.
Abengoa PW II Investments, S.L	Seville (ES)	Abeinsa, Ing y Const. Ind., S.A.
Abengoa Research, S.L.	Seville (ES)	Abeinsa, Ingeniería y Construcción Industrial, S.A./Instalaciones Inabensa, S.A.
Abengoa SeaPower, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./Instalaciones Inabensa, S.A.
Abengoa Solar España, S.A.	Seville (ES)	Abengoa Solar, S.A./Abengoa Solar New Technologies, S.A.
Abengoa Solar Extremadura, S.A.	Cáceres (ES)	Abengoa Solar España, S.A./Abengoa Solar New Technologies, S.A.

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Abengoa Solar Internacional, S.A.	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.
Abengoa Solar International Investments, S.L	Seville (ES)	Abengoa Solar Internacional, S.A. / Abengoa Solar España, S.A.
Abengoa Solar Middle East Holding, S.L	Seville (ES)	Abengoa Solar Internacional, S.A / Abengoa Solar España, S.A
Abengoa Solar New Technologies, S.A.	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.
Abengoa Solar Power, S.A.	Seville (ES)	Abengoa Solar, S.A./Abengoa Solar España, S.A.
Abengoa Solar Research, S.A.	Seville (ES)	Abengoa Solar New Technologies, S.A./ Abengoa Research, S.L.
Abengoa Solar, S.A.	Seville (ES)	Abengoa, S.A./Abengoa Solar España, S.A.
Abengoa Solar Ventures S.A	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.
Abengoa Water Agadir, S.L.U.	Seville (ES)	Abengoa Water, S.L.
Abengoa Water, S.L.	Seville (ES)	Abengoa, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)
Abengoa Water Dalian, S.L.U.	Seville (ES)	Abengoa Water, S.L.
Abengoa Water Internacional, S.L.U.	Seville (ES)	Abengoa Water, S.L.
Abengoa Water Nungua, S.L.U.	Seville (ES)	Abengoa Water, S.L.U.
Abengoa Water Taiwan, S.L.U.	Seville (ES)	Abengoa Water, S.L.
Abentel Telecomunicaciones, S.A.	Seville (ES)	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	Abeinsa Asset Management, S.L.
Asa Iberoamérica, S.L.	Seville (ES)	Soc. Inv. Energía y Medio Ambiente, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Befesa Agua Djerba, S.L. (AW Takoradi)	Seville (ES)	Abengoa Water, S.L.
Befesa Agua Tenes S.L.	Seville (ES)	Abengoa Water S.L.
Befesa CTA Qingdao, S.L.U	Madrid (ES)	Abengoa Water, S.L.
Biocarburantes de Castilla y León, S.A.	Salamanca (ES)	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.
Bioetanol Galicia, S.A.	A Coruña (ES)	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.
Captación Solar, S.A.	Seville (ES)	Abeinsa Asset Management, S.L./Abener Energía, S.A.
Captasol Fotovoltaica 1, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 2, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 3, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 4, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 5, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 6, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 7, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 8, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 9, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 10, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 11, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 12, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 13, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 14, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 15, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 16, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.

Appendix XI – Companies taxed under the Special Regime for Company Groups at 12.31.16 (continuation)

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Captasol Fotovoltaica 17, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 18, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 19, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 20, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 21, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 22, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 23, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 24, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 25, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 26, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 27, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 28, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 29, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 30, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 31, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 32, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 33, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 34, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 35, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 36, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 37, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 38, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 52 S.L.	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.
Casaquemada Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Centro Tecnológico Palmas Altas, S.A.	Seville (ES)	Abengoa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Construcciones y Depuraciones, S.A.(Codesa)	Seville (ES)	Abeinsa Asset Management, S.L.
Covisa, Cogeneración Villaricos, S.A.	Seville (ES)	Abeinsa Asset Management, S.L.
Ecoagricola, S.A.	Murcia (ES)	Abengoa Bioenergía Inversiones, S.A./Ecocarburantes, S.A.
Ecocarburantes Españoles , S.A.	Murcia (ES)	Abengoa Bioenergía Inversiones, S.A.
Europea de Construcciones Metálicas, S.A. (Eucomsa)	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Solar, S.A.
Gestión Integral de Recursos Humanos, S.A.	Seville (ES)	Siema Technologies, S.L
Helioenergy Electricidad Trece, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Inabensa Fotovoltaica, S.L.	Seville (ES)	Instalaciones Inabensa, S.A./C.I.L. Torrecuéllar, S.A.
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	Huesca (ES)	Abeinsa Infraestructuras Medio Ambiente, S.A.
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.
Instalaciones Inabensa, S.A.	Seville (ES)	Nicsa/Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Japan PV Ventures, S.A.	Seville (ES)	Abengoa Solar S.A. / Abengoa Solar España

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Las Cabezas Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Linares Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Marismas PV A1, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A2, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A3, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A4, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A5, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A6, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A7, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A8, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A9, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A10, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A11, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A12, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A13, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A14, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A15, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A16, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A17, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A18, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B1, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B2, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B3, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B4, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B5, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B6, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B7, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B8, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B9, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B10, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B11, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B12, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B13, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B14, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B15, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B16, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B17, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B18, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C1, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.

Appendix XI – Companies taxed under the Special Regime for Company Groups at 12.31.16 (continuation)

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Marismas PV C2, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C3, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C4, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C5, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C6, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C7, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C8, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C9, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C10, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C11, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C12, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C13, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C14, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C15, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C16, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C17, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C18, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV E1, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV E2, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV E3, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
NEA Solar O&M, S.A.	Seville (ES)	Abengoa Solar, S.A /Abengoa Solar España, S.A.
NEA Solar Power, S.A.	Seville (ES)	Abengoa Solar, S.A /Abengoa Solar España, S.A.
Nicsa, Negocios Industr. y Comer. S.A.	Madrid (ES)	Abencor /Abeinsa
Omega Sudamérica, S.L	Seville (ES)	Instalaciones Inabensa, S.A./ASA Iberoamérica S.A.
Power & Railway Solutions, S.L.	Seville (ES)	Instalaciones Inabensa, S.A.
Puerto Real Cogeneración, S.A.	Seville (ES)	Abeinsa Asset Management, S.L.
Simosa, Serv. Integ. Manten y Operac., S.A.	Seville (ES)	Negocios Industriales y Comerciales, S.A./Abengoa, S.A.
Siema Investment, S.L.U.	Madrid (ES)	Siema Technologies, S.L
Siema Technologies, S.L.	Madrid (ES)	Abengoa, S.A./Siema AG
Simosa I.T., S.A	Seville (ES)	Abengoa, S.A./Simosa, S.A.
Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	Seville (ES)	Abengoa, S.A./Negocios Industriales y Comerciales, S.A.
Sociedad Inversora Lineas de Brasil, S.L. (ETVE)	Seville (ES)	Asa Iberoamérica
Solargate Electricidad Tres, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Solargate Electricidad Cuatro, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Solargate Electricidad Cinco, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Solúcar Andalucía FV2, S.A	Seville (ES)	Abengoa Solar España, S.A./ Abengoa Solar New Technologies, S.A.
South Africa PV Investments, S.L.	Seville (ES)	Abengoa Solar Internacional, S.A./Abengoa Solar Ventures, S.A
South Africa Solar Investments, S.L.	Seville (ES)	Abengoa Solar Internacional, S.A./ Abengoa Solar, S.A.
South Africa Solar Ventures, S.L.	Seville (ES)	Abengoa Solar Internacional, S.A./Abengoa Solar Ventures, S.A

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A.
Zero Emissions Technologies, S.A. (Zeroemissions)	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Hidrógeno, S.A.
Zeroemissions Carbon Trust, S.A	Seville (ES)	Zeroemissions Technologies, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
A3T Holdco España, S.A	Seville (ES)	60	100.00	Abener Energía, S.A./ Negocios Industriales y Comerciales, S.A. (Nicsa)	-	(1)	-
AB Bioenergy Hannover, GmbH	Hannover (DE)	98	100.00	Abengoa Bioenergía, S.A.	-	(6)	-
Abacus Project Management, Inc.	Arizona (US)	3,824	100.00	Teyma Construction USA, LLC	-	(1)	-
Abacus Project Management of Arizona, LLC.	Arizona (US)	1	100.00	Teyma Construction USA, LLC.	-	(1)	B
Abeanza Brasil, S.A.	Rio de Janeiro (BR)	1,330	100.00	Asa Investment, AG ZUG/Sociedad Inversora Lineas de Brasil, S.L. (ETVE)	-	(1)	-
Abeima India, Pvt. Ltd.	Chennai (IN)	7,602	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	C
Abeima Teyma Zapotillo SRL de CV	México D.F. (MX)	-	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	B
Abeima Teyma Infraestructure Ghana Limited	Accra (GH)	38	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	B
Abeima Teyma Barka LLC.	Ruwi (OM)	332	70.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	B
Abeima USA, LLC.	Delaware (US)	1	100.00	Abeinsa Business Development, LLC	-	(1)	C
Abeinsa Abener Teyma General Partnership	Arizona (US)	4	100.00	Teyma Construction USA LLC./Abener Eng. Const. Serv., LLC/Abeinsa EPC Inc.	-	(1)	B
Abeinsa Abeima Teyma General Partnership	Arizona (US)	4	100.00	Abeima USA, LLC./ Teyma Construction USA, LLC./ Abeinsa EPC, LLC.	-	(1)	A
Abeinsa Asset Management, S.L.	Seville (ES)	22,861	100.00	Abener Energía, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	C
Abeinsa BD Asia Pacific Pte. Ltd.	Singapur (SG)	66	100.00	Abeinsa Business Development, S.A.	-	(1)	B
Abeinsa Business Development Private Limited	Mumbai (IN)	3,261	100.00	Abeinsa Business Development, S.A. /Negocios Industriales y Comerciales, S.A.	-	(1)	B
Abeinsa Business Development, Sp.z.o.o.	Gliwice (PL)	1	100.00	Abeinsa Business Development, S.A.	-	(1)	C
Abeinsa Business Development, S.A.	Seville (ES)	501,735	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./ Negocios Industriales y Comerciales, S.A.	-	(1)	B
Abeinsa Business Development Representaçoes, Energía e Água, Ltda.	Rio de Janeiro (BR)	1	100.00	Abeinsa Business Development, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa Business Development, LLC	Missouri (US)	80,975	100.00	Abeinsa, LLC.	-	(1)	C
Abeinsa Business Developmet México, S.A. de C.V.	México D.F. (MX)	3	100.00	Abeinsa Business Development, S.A./ Negocios Industriales y Comerciales, S.A.	-	(1)	B
Abeinsa Business Development Corp.	Toronto (CA)	-	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development, Ltd.	Seoul (KR)	70	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development (Pty) Ltd.	Johannesburgo (ZA)	-	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development, Pty. Ltd.	Sydney (AU)	-	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development, Spa.	Santiago de Chile (CL)	1	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development GmbH	Berlín (DE)	25	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development S.A.C.	Lima (PE)	-	100.00	Abeinsa Business Development, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa Business Development S.a.R.L./ A.U	Casablanca (MA)	-	100.00	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Engineering, S.L.	Seville (ES)	5,542	100.00	Abener Energía, S.A.	-	(1)	B
Abeinsa Engineering, Inc.	Arizona (US)	37	100.00	Abeinsa Engineering, S.L.	-	(1)	B

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abeinsa Engineering, S.A. de CV.	México D.F. (MX)	3	100.00	Abeinsa Engineering, S.L./Abeinsa Asset Management, S.L.	-	(1)	B
Abeinsa Engineering Private Limited	Mumbai (IN)	270	100.00	Abeinsa Engineering, S.L./ Abener Energía, S.A.	-	(1)	B
Abeinsa EPC, S.A.	Seville (ES)	60	100.00	Abeinsa Ingeniería y Construcción Industrial S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	B
Abeinsa EPC, LLC.	Arizona (US)	-	100.00	Abeinsa, LLC.	-	(1)	B
Abeinsa EPC Khi Pty Ltd.	Johannesburgo (ZA)	-	92.00	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.	-	(1)	B
Abeinsa EPC Kaxu Pty Ltd.	Johannesburgo (ZA)	-	92.00	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.	-	(1)	B
Abeinsa EPC México, S.A de C.V	México D.F. (MX)	1	100.00	Abeinsa Ingeniería y Construcción Industrial S.A./ ASA Iberoamérica, S.L.	-	(1)	B
Abeinsa EPC South Africa (Pty) Ltd	Cape Town (ZA)	-	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abeinsa EPC Xina (Pty) Ltd.	Cape Town (ZA)	-	92.00	Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A./Abener Energía, S.A.	-	(1)	-
Abeinsa Holding, Inc.	Delaware (US)	-	100.00	Abengoa US Holding, LLC.	-	(1)	B
Abeinsa Infraestructuras Medio Ambiente, S.A.	Seville (ES)	447,151	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.L./Negocios Industriales y Comerciales, S.A	-	(1)	B
Abeinsa Inversiones Latam, S.L.	Seville (ES)	245,333	100.00	Asa Iberoamérica, S.L./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Abeinsa Is Gelistirme Limited Sirketi	Ankara (TR)	5	100.00	Abeinsa Business Development, S.A.	-	(1)	B
Abeinsa Juárez Norte III, S.A. de C.V.	México D.F. (MX)	3	100.00	Abeinsa Norte III, S.A. de C.V./ Abener Energía, S.A.	(*)	(5)	B
Abeinsa Monterrey VI, S.A. de C.V.	México D.F. (MX)	3	100.00	Abengoa México, S.A. de CV/ Abener Energía, S.A.	-	(1)	-
Abeinsa Noroeste Sinaloa, S.A.	Seville (ES)	60	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A. / Abener Energía, S.A.	(*)	(1)	-
Abeinsa Norte III, S. A. de C. V.	México D.F. (MX)	3	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.A./Abener México, S.A. de C.V.	-	(1)	-
Abeinsa Operation and Maintenance, S.A.	Seville (ES)	60	100.00	Abeinsa Ing. y Const. Industrial, S.A./Negocios Industriales y de Construcción, S.A.	-	(1)	C
Abeinsa Topolobampo III, S.A.	Seville (ES)	60	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./ Abener Energía, S.A.	(*)	(1)	-
Abeinsa, Ingeniería y Construcción Industrial, S.A.	Seville (ES)	90,642	100.00	Abengoa, S.A./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	B
Abeinsa, LLC.	Delaware (US)	225,419	100.00	Abengoa US Operations, LLC	-	(1)	-
Abelec, S.A.	Santiago de Chile (CL)	2	99.99	Abengoa Chile, S.A.	-	(2)	-
Abema Ltda	Santiago de Chile (CL)	2	100.00	Abengoa Chile, S.A./Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	-
Abencor Brasil Ltda.	Rio de Janeiro (BR)	-	100.00	Abencor Suministros, S.A./Abengoa Construção Brasil Ltda.	-	(1)	-
Abencor Colombia S.A.S.	Bogotá (CO)	-	100.00	Abencor Suministros S.A.	-	(1)	-
Abencor México, S.A. de C.V	México D.F. (MX)	3	100.00	Abencor Suministros, S.A./Abengoa México, S.A. de C.V.	-	(1)	-
Abencor Perú	Lima (PE)	1	99.99	Abencor Suministros S.A.	-	(1)	-
Abencor South Africa Pty Ltd	Upington (ZA)	-	100.00	Abencor Suministros, S.A.	-	(1)	-
Abencor Suministros S.A.	Seville (ES)	4,133	100.00	Negocios Industriales y Comerciales, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Abencor Suministros Chile, S.A.	Santiago de Chile (CL)	1	100.00	Abengoa Chile S.A./Abencor Suministros, S.A.	-	(1)	B
Abencor USA LLC	Arizona (US)	1	100.00	Abeinsa, LLC	-	(1)	-
Abener Argelia	Seville (ES)	4	100.00	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	-

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abener Construction Services, LLC.	Missouri (US)	113,887	100.00	Abeinsa Business Development, LLC	-	(1)	C
Abener Energía, S.A.	Seville (ES)	454,523	100.00	Abeinsa, Ing. y Const., S.A./Abeinsa Business Development, S.A./Negocios Ind. y Com., S.A.	-	(1)	B
Abener Energie S.A.R.L.	Oudja (MA)	3	100.00	Abener Energía, S.A.	-	(1)	-
Abener México, S.A. De C.V.	México D.F. (MX)	4	100.00	Abengoa México, S.A. de C.V./Abeinsa Business Development México, S.A. de C.V.	-	(1)	B
Abener North America Construction Services, Inc.	Delaware (US)	16	100.00	Abener Engineering & Construction Services, LLC.	-	(1)	-
Abener North America Construction, L.P.	Missouri (US)	28	100.00	Abener Construction Service, LLC /Abener North America Construction Services, Inc.	-	(1)	-
Abener Teyma Termocolón II, S.A.	Panamá (PA)	-	100.00	Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A./ Abener Energía, S.A.	-	(1)	-
Abener Teyma Hugoton General Partnership	Missouri (US)	8	100.00	Teyma Construction USA LLC/Abener Construction Services, LLC.	-	(1)	B
Abener Teyma Mojave General Partnership	Missouri (US)	4	100.00	Teyma Construction USA, LLC/Abener North America Construction Services, L.P.	-	(1)	B
Abener, Abeinsa, for Construction, Water and Energy Company Limited	Riyadh (SA)	196	100.00	Abener Energía, S.A./ Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	-
Abengoa Africa Investments LLC	Inglaterra	14	100.00	South Africa Solar Ventures, S. L.	(*)	(1)	-
Abengoa Australia Pty. Ltd.	Sidney (AU)	3,489	100.00	Instalaciones Inabensa, S.A.	-	(1)	B
Abengoa Bioenergía Nuevas Tecnologías, S.A.	Seville (ES)	386	100.00	Abengoa Bioenergía, S.L./Instalaciones Inabensa, S.A.	-	(6)	B
Abengoa Bioenergía, S.A.	Seville (ES)	147,093	100.00	Abengoa, S.A./Sociedad Inversora Energía y Medio Ambiente, S.A.	-	(6)	B
Abengoa Bioenergy Company, LLC.	Kansas (US)	74,144	100.00	Abengoa Bioenergy Operations, LLC.	-	(6)	B
Abengoa Bioenergy New Technologies, LLC.	Missouri (US)	734	100.00	Abengoa Bioenergy Technology Holding, LLC.	-	(6)	B
Abengoa Bioenergy of Nebraska, LLC.	Nebraska (US)	48,809	100.00	Abengoa Bioenergy Operations, LLC	-	(6)	B
Abengoa Bioenergy France, S.A.	Montardon (FR)	108,353	74.79	Abengoa Bioenergía Inversiones, S.A.	-	(6)	B
Abengoa Bioenergía San Roque, S.A.	Cádiz (ES)	21,990	100.00	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.	-	(6)	B
Abengoa Bioenergy Netherlands B.V.	Rotterdam (NL)	644,710	100.00	Abengoa Bioenergía Inversiones, S.A.	-	(6)	C
Abengoa Bioenergy Engineering & Construction, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operations, LLC.	-	(6)	-
Abengoa Bioenergy of Kansas, LLC	Missouri (US)	223	100.00	Abengoa Bioenergy Operations,LLC	-	(6)	-
Abengoa Bioenergy US Holding, LLC	Missouri (US)	796,063	100.00	Abengoa US, LLC	-	(6)	B
Abengoa Bioenergy Trading US, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operations, LLC	-	(6)	B
Abengoa Bioenergy of Indiana, LLC	Missouri (US)	178,398	100.00	Abengoa Bioenergy Maple, LLC.	-	(6)	-
Abengoa Bioenergy UK Limited	Cardiff (UK)	14,503	100.00	Abengoa Bioenergía Inversiones, S.A.	-	(6)	-
Abengoa Bioenergy of Illinois, LLC	Missouri (US)	213,172	100.00	Abengoa Bioenergy Maple, LLC	-	(6)	-
Abengoa Bioenergy Germany, GmbH	Rostock (DE)	11,859	100.00	Abengoa Bioenergía Inversiones, S.A.	-	(6)	-
Abengoa Bioenergy Trading Europe, B.V.	Rotterdam (NL)	5,618	100.00	Abengoa Bioenergía Inversiones, S.A.	-	(6)	C
Abengoa Bioenergy Hybrid of Kansas, LLC.	Kansas (US)	618,238	100.00	Abengoa Bioenergy Technology Holding, Inc.	-	(6)	-
Abengoa Bioenergy Biomass of Kansas, LLC.	Kansas (US)	626,039	100.00	Abengoa Bioenergy Hybrid of Kansas, LLC.	-	(6)	B

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abengoa Bioenergy Funding, LLC.	Missouri (US)	284,916	100.00	Abengoa Bioenergy Meramec Renewable, LLC.	-	(6)	-
Abengoa Bioenergy Operations , LLC	Missouri (US)	427,614	100.00	Abengoa Bioenergy US Holding, LLC.	-	(6)	-
Abengoa Bioenergia Brasil, S.A.	São Paulo (BR)	717,000	99.99	Asa Bioenergy Holding AG./Abengoa Bioenergia, S.A.	-	(6)	B
Abengoa Bioenergia Agroindustria Ltda	São Paulo (BR)	222,316	100.00	Abengoa Bioenergia Brasil, S.A./Abengoa Bioenergia Santa Fe, Ltda.	-	(6)	B
Abengoa Bioenergia Santa Fe, Ltda.	São Paulo (BR)	279	100.00	Abengoa Bioenergia Brasil, S.A./Abengoa Bioenergia Trading Brasil Ltda.	-	(6)	-
Abengoa Bioenergy Maple, LLC	Missouri (US)	284,916	100.00	Abengoa Bioenergy Funding LLC.	-	(6)	B
Abengoa Bioenergía Inversiones, S.A.	Seville (ES)	743,069	100.00	Abengoa Bioenergía, S.A./Abengoa Bioenergía Nuevas Tecnologías, S.A.	-	(6)	B
Abengoa Bioenergy Technology Holding , LLC	Missouri (US)	618,237	100.00	Abengoa Bioenergy US Holding, LLC.	-	(6)	-
Abengoa Bioenergía Outsourcing, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operation, LLC.	-	(6)	-
Abengoa Bioenergia Trading Brasil Ltda	São Paulo (BR)	-	100.00	Abengoa Bioenergia Brasil, S.A./Abengoa Bioenergia Agroindústria, Ltda .	-	(6)	-
Abengoa Bioenergy Meramec Renewable, LLC.	Missouri (US)	373,338	100.00	Abengoa Bioenergy Meramec Holding, Inc./ Abengoa Bioenergy Operations , LLC	-	(6)	B
Abengoa Bioenergía Biodiesel S.A.	Seville (ES)	60	100.00	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.	-	(6)	-
Abengoa Bioenergy Renewable Power US,LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operations, LLC.	-	(6)	-
Abengoa Bioenergy Developments, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy US Holding, LLC.	-	(6)	-
Abengoa Bioenergia Inovações Ltda.	São Paulo (BR)	347,012	100.00	ASA Bioenergy Holding, AG/ Abengoa Bioenergia Santa Fe, Ltda.	-	(6)	-
Abengoa Bioenergy Holdco, Inc.	Delaware (US)	802,242	100.00	Abengoa US Holding, LLC/ASA Bioenergy Holding, AG	-	(6)	-
Abengoa Bioenergia Biomasse France, SAS	Arance (FR)	3	100.00	Abengoa Bioenergía Inversiones, S.A.	-	(6)	-
Abengoa Bioenergia Agroindustria Trading US Inc.	Delaware (US)	-	100.00	Abengoa Bioenergia Agroindústria Ltda.	-	(6)	-
Abengoa Bioenergy Investments , LLC	Missouri (US)	-	100.00	Abengoa Bioenergy US Holding, LLC.	-	(6)	-
Abengoa Biotechnology Research, S.A.	Seville (ES)	60	100.00	Abengoa Bioenergía Nuevas Tecnologías, S.A./Abengoa Research, S.A.	-	(6)	-
Abengoa Biotechnology, LLC	Delaware (US)	-	100.00	Abengoa Bioenergy US Holding, LLC	-	(6)	-
Abengoa Bioenergy Biomass Funding, LLC	Kansas (US)	-	100.00	Abengoa Bioenergy Technology Holding , LLC	-	(6)	-
Abengoa Bioenergy of Texas, LLC	Delaware (US)	-	100.00	Abengoa Bioenergy Operations , LLC	-	(6)	-
Abengoa Bioenergy Meramec Holding, Inc.	Delaware (US)	38,779	51.00	Abengoa Bioenergy Holdco, Inc.	-	(6)	-
Abengoa Bioenergy of Maryland, LLC	Missouri (US)	-	100.00	Abengoa Bioenergy Operations, LLC	(*)	(6)	-
Abengoa Brasil Logística Ltda.	Rio de Janeiro (BR)	65	100.00	Abeanza Brasil, S.A./Abengoa Construçao Brasil, Ltda.	-	(1)	C
Abengoa Chile, S.A.	Santiago de Chile (CL)	47,847	100.00	Asa Investment, AG ZUG/Teyma Abengoa, S.A.	-	(1)	B
Abengoa Concessions Investments, S.à.r.l.	Luxemburgo (LU)	-	100.00	Abengoa Concessions, S.L.	-	(1)	-
Abengoa Construçao Brasil, Ltda.	Rio de Janeiro (BR)	943,968	100.00	Abeanza Brasil, S.A./Sociedad Inversora de Líneas de Brasil, S.L.	-	(1)	C
Abengoa Concessões Brasil Holding, S.A.	Rio de Janeiro (BR)	742,028	100.00	Abengoa Construçao Brasil, Ltda./ Sociedad Inversora de Líneas de Brasil, S.L./ Abengoa Yield Plc.	-	(2)	B
Abengoa Cogeneraçao de Energia, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(2)	-
Abengoa Cogeneraçao de Energia II, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(2)	-
Abengoa Colombia, S.A.S.	Bogotá (CO)	215	100.00	Abengoa Perú, S.A./Abener Energía, S.A./Abeinsa Infraestructuras Medio	-	(1)	-

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
				Ambiente, S.A.			
Abengoa Concessions, S.L.	Seville (ES)	3	100.00	Abengoa, S.A./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	-
Abengoa Concessions Investments Ltd.	Leeds (GB)	594,468	100.00	Abengoa Concessions, S.L./ Abengoa Solar, S.A.	-	(1)	-
Abengoa Desalination Pilot Plants, Ltd.	Masdar (AE)	30	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa ECA Finance LLP	Leeds (GB)	-	100.00	Abengoa, S.A./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	(*)	(1)	-
Abengoa Energy Crops Australia Pty Ltd.	Perth (AU)	-	100.00	Abengoa Energy Crops, S.A	(*)	(1)	-
Abengoa Energy Crops Pellet 1 USA, LLC	Florida (US)	-	100.00	Abengoa Energy Crops Biomass USA, LLC	-	(1)	-
Abengoa Energy Crops Pellet 2 USA, LLC	Miami (USA)	-	100.00	AEC Biomass USA LLC	(*)	(1)	-
Abengoa Energy Crops Biomass USA, LLC	Florida (US)	236	100.00	Abengoa Energy Crops USA, LLC	-	(1)	-
Abengoa Energy Crops, S.A.	Seville (ES)	60	100.00	Abengoa, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	B
Abengoa Energy Crops USA, LLC	Florida (US)	213	100.00	Abengoa Energy Crops, S.A.	-	(1)	-
Abengoa Energy Crops Biomassa, S.A.	Rio de Janeiro (BR)	-	99.80	Abengoa Energy Crops, S.A.	-	(1)	-
Abengoa Energy Trading Chile SpA	Santiago de Chile (CL)	14	100.00	Abengoa Chile, S.A.	-	(1)	-
Abengoa Finance, S.A.	Seville (ES)	60	100.00	Abengoa, S.A.	-	(1)	B
Abengoa Generación Chile, S.A.	Santiago de Chile (CL)	10	100.00	Abengoa Chile, S.A. / Abengoa Solar Chile SpA / Abengoa Solar S.A.	(*)	(1)	-
Abengoa Greenfield S.A.U.	Seville (ES)	60	100.00	Abengoa, S.A.	-	(1)	B
Abengoa Greenfield Brasil Holding, S.A.	Rio de Janeiro (BR)	844,928	100.00	Abengoa Construçao Brasil, Ltda.	-	(1)	C
Abengoa Greenbridge, S.A.U.	Seville (ES)	60	100.00	Abengoa, S.A.	-	(1)	B
Abengoa Greenfield PLC	London (GB)	65	100.00	Abengoa, S.A.	-	(1)	-
Abengoa Greenfield Perú, S.A.	Lima (PE)	-	99.80	Abengoa Perú, S.A.	-	(1)	-
Abengoa Hellas Solar, Ltd.	Athens (GR)	-	100.00	Abengoa Solar, S.A./Abengoa Solar España, S.A.	-	(3)	-
Abengoa Hidrógeno, S.A.	Seville (ES)	912	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./ Instalaciones Inabensa, S.A.	-	(1)	B
Abengoa Infraestrutura, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construção Brasil Ltda.	(*)	(1)	-
Abengoa Inversiones Sudamerica, S.L.	Seville (ES)	3	100.00	Abengoa PW I Investments, S.L.	(*)	(1)	-
Abengoa Inversiones Mexico, S.L.	Seville (ES)	3	100.00	Abengoa PW I Investments, S.L.	(*)	(1)	-
Abengoa Inversiones Uruguay, S.L.	Seville (ES)	3	100.00	Abengoa PW I Investments, S.L.	(*)	(1)	-
Abengoa Inversiones Spain, S.L.	Seville (ES)	3	100.00	Abengoa PW I Investments, S.L.	(*)	(1)	-
Abengoa México, S.A. de CV	México D.F. (MX)	153,326	100.00	Asa Investment, AG ZUG /Asa Iberoamérica, S.L.	-	(1)	B
Abengoa México O&M, S.A. de C.V.	México D.F. (MX)	3	100.00	Abeinsa Operation and Maintenance, S.A./ Abengoa México, S.A. de CV	-	(1)	-
Abengoa Perú, S.A.	Lima (PE)	128,830	99.90	Asa Investment, AG ZUG	-	(1)	B
Abengoa Puerto Rico, S.E.	San Juan (PR)	8	100.00	Siema Investment, S.L./Abencor Suministros, S.A.	-	(1)	-
Abengoa PW I Investments, S.L.	Seville (ES)	3	100.00	Abeinsa, Ing y Const. Ind., S.A.	(*)	(1)	-
Abengoa PW II Investments, S.L	Seville (ES)	3	100.00	Abeinsa, Ing y Const. Ind., S.A.	(*)	(1)	-
Abengoa Research, S.L.	Seville (ES)	4,734	100.00	Abengoa, S.A/Instalaciones Inabensa, S.A.	-	(1)	C

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abengoa Research, Corp.	Missouri (US)	-	100.00	Abengoa Research, S.L.	-	(1)	-
Abengoa Servicios Industriales, S.A. de C.V.	México D.F. (MX)	1,825	100.00	Abengoa México, S.A. de C.V./Asa Iberoamérica, S.L.	-	(1)	B
Abengoa Servicios, S.A. De C.V.	México D.F. (MX)	159	100.00	Abengoa México, S.A. de C.V./Servicios Aux. de Admon., S.A	-	(1)	B
Abengoa SeaPower, S.A.	Seville (ES)	60	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./Instalaciones Inabensa, S.A.	-	(1)	-
Abengoa Solar Investments 2 Ltd	London (GB)	-	100.00	Africa Solar Investments 2 LLC	(*)	(1)	-
Abengoa Solar España, S.A.	Seville (ES)	53,846	100.00	Abengoa Solar, S.A./Abengoa Solar New Technologies, S.A.	-	(1)	B
Abengoa Solar New Technologies, S.A.	Seville (ES)	10,748	100.00	Abengoa Solar, S.A./ Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar, LLC	New York (US)	91,477	100.00	Abengoa US Operations, LLC	-	(1)	A
Abengoa Solar, S.A.	Seville (ES)	68,060	100.00	Abengoa, S.A./Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar Extremadura, S.A.	Cáceres (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar New Technologies, S.A.	-	(3)	-
Abengoa Solar Internacional, S.A.	Seville (ES)	12,501	100.00	Abengoa Solar, S.A./ Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar Ventures S.A	Seville (ES)	26,660	100.00	Abengoa Solar, S.A./ Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar Engeneering (Beijing), Co. Ltd.	Beijing (CN)	103	100.00	Abengoa Solar, S.A.	-	(3)	B
Abengoa Solar India Private Limited	Maharashtra (IN)	1,755	100.00	Abengoa Solar Internacional, S.A./ Abengoa Solar, S.A.	-	(1)	B
Abengoa Solar Italia, S.R.L.	Roma (IT)	3,834	100.00	Abengoa Solar Internacional, S.A./Abengoa Solar, S.A.	-	(1)	-
Abengoa Solar Power, S.A.	Seville (ES)	250	100.00	Abengoa Solar, S.A./Abengoa Solar España, S.A.	-	(3)	B
Abengoa Solar Industrial Systems, LLC	Colorado (US)	5,922	100.00	Abengoa Solar, LLC.	-	(1)	-
Abengoa Solar Power Australia Pty Limited	Brisbane (AU)	610	100.00	Abengoa Solar Internacional, S.A.	-	(3)	B
Abengoa Solar Power South Africa (Pty) Ltd.	Gauteng (ZA)	1,242	100.00	Abengoa Solar Internacional, S.A.	-	(3)	B
Abengoa Solar GmbH	Berlin (DE)	160	100.00	Abengoa Solar Internacional, S.A.	-	(3)	-
Abengoa Solar México S.A. de C.V.	México D.F. (MX)	595	100.00	Abengoa Solar Internacional, S.A./Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar Brasil Desenvolvimientos Solares Ltda.	Rio de Janeiro (BR)	1,050	100.00	Abengoa Solar Internacional, S.A./Abengoa Solar España, S.A.	-	(1)	-
Abengoa Solar Japan K.K.	Tokio (JP)	68	100.00	Abengoa Solar Internacional, S.A.	-	(1)	B
Abengoa Solar Power Arabia LLC	Saudi Arabia	245	100.00	Abengoa Solar, S.A./ Abengoa Solar New Technologies, S.A.	(*)	(3)	-
Abengoa Solar Research, S.A.	Seville (ES)	60	100.00	Abengoa Solar New Technologies, S.A./ Abengoa Research, S.L.	-	(1)	-
Abengoa Solar Holdings Inc.	Washington (US)	174,669	100.00	Abengoa US Holding, LLC	-	(1)	-
Abengoa Solar Power DMCC, LLC	Dubai (AE)	1	100.00	Abengoa Solar Ventures S.A	-	(1)	-
Abengoa Solar Chile, SpA	Santiago de Chile (CL)	2	100.00	Abengoa Solar Internacional, S.A.	-	(1)	B
Abengoa Solar Chile O&M Spa	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA	(*)	(1)	-
Abengoa SP Holdings, LLC	California (US)	25,560	100.00	Abengoa Solar, LLC.	-	(1)	-
Abengoa Transmission Holdings, LLC	Arizona (US)	-	100.00	Abengoa Transmission & Infrastructure, LLC	-	(1)	-
Abengoa Transmission & Infrastructure, LLC	Delaware (US)	821	100.00	Abeinsa, LLC.	-	(1)	C
Abengoa Transmission & Infrastructure ULC	Vancouver (CA)	-	100.00	Abengoa Transmission & Infrastructure, LLC	-	(1)	-

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Abengoa US Holding, LLC	Washington (US)	980,123	100.00	Abengoa Bioenergía, S.A./ Abengoa Solar, S.A./Abeinsa, S.A./Abengoa Water, S.L.U.	-	(1)	B
Abengoa US, LLC	Washington (US)	1,127,738	100.00	Abengoa Bioenergy Holdco, Inc./ Abengoa Solar Holdings Inc../ Abengoa Water Holding USA, Inc./ Abener Energía, S. A./ Abacus Project Management, Inc./ Abeinsa Holding, Inc.	-	(1)	-
Abengoa US Operations, LLC	Washington (US)	320,354	100.00	Abengoa US, LLC	-	(1)	-
Abengoa Vista Ridge, LLC.	Texas (US)	-	100.00	Abengoa Water USA, LLC.	-	(4)	-
Abengoa Water Investments Ghana, BV	Amsterdam (NL)	5,804	100.00	Abengoa Water Nungua, S.L.U.	-	(1)	-
Abengoa Water USA, LLC.	Texas (US)	3,459	100.00	Abengoa US Operations, LLC.	-	(1)	C
Abengoa Water, S.L.	Seville (ES)	10,860	100.00	Abengoa, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	B
Abengoa Water Takoradi, S.L.U.	Seville (ES)	13	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Beijing Co., Ltd	Pekín (CN)	65	100.00	Abengoa Water, S.L.	-	(4)	C
Abengoa Water Nungua, S.L.U.	Seville (ES)	5,586	100.00	Abengoa Water, S.L.U.	-	(1)	-
Abengoa Water Dalian, S.L.U.	Seville (ES)	1	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Agadir, S.L.U.	Seville (ES)	2,734	100.00	Abengoa Water, S.L.	-	(1)	B
Abengoa Water Holding USA, Inc.	Delaware (US)	1	100.00	Abengoa US Holding, LLC	-	(4)	-
Abengoa Water Chile, Limitada	Santiago de Chile (CL)	5	100.00	Abengoa Water, S.L.	-	(4)	-
Abengoa Water Internacional, S.L.U.	Seville (ES)	3	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Hong Kong, Co. Limited	Hong-Kong (CN)	-	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Taiwan, S.L.U.	Seville (ES)	16	100.00	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Investments Takoradi Bv	Amsterdam (NL)	15	100.00	Abengoa Water Takoradi, S.L.U.	-	(1)	-
Abengoa Yield S.à.r.l.	Luxemburgo (LU)	-	100.00	Abengoa Concessions Investments, S.à.r.l.	-	(1)	-
Abent 3T, S.A.P.I. de C.V.	México D.F. (MX)	231,865	100.00	A3T Holdco España, S.A/ Abener Energía, S.A.	-	(5)	B
Abenta Construçao Brasil Ltda	Rio de Janeiro (BR)	16,167	100.00	Inabensa Rio, Ltda./Abengoa Construçao Brasil, Ltda.	-	(1)	B
Abenta Concessões Brasil	Rio de Janeiro (BR)	3	95.84	Abengoa Concessões Brasil Holding, S.A.	-	(2)	C
Abentel Telecomunicaciones, S.A.	Seville (ES)	5,530	100.00	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Abentey Brasil, Ltda.	Pirassununga (BR)	-	100.00	Abener Energía, S.A./Teyma Internacional,S.A.	-	(1)	-
Aboadze Desalination Developments, Limited	Accra (GH)	-	90.00	Abengoa Water Investments Takoradi, Bv	-	(4)	-
Abratey Construção, Ltda.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda. / Teyma Internacional S.A.	-	(1)	C
ACC 4T, S.A.P.I. de C.V.	México D.F. (MX)	3	100.00	Abengoa México, S.A. de CV/ Servicios Auxiliares de Administración, S.A. de C.V.	-	(5)	B
Africa Solar Investments 2 LLC	South Africa	1	100.00	Abengoa Solar LLC	(*)	(1)	-
Agroenergía de Campillos, S.L.	Seville (ES)	490	100.00	Instalaciones Inabensa, S.A.	-	(1)	-
Alsiraj I Solar, JSC	Cairo (Egypt)	-	100.00	Abengoa Solar Egypt Investment Company B.V./ Abengoa Solar Internacional, S.A / Abengoa Solar España, S.A.	(*)	(3)	-
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	2,211	98.00	Abeinsa Asset Management, S.L.	-	(5)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Asa Bioenergy Holding, AG	Zug (SZ)	430,749	100.00	Abengoa Bioenergía, S.A.	-	(6)	B
Asa Desulfuración, S.A.	Barakaldo (ES)	44,611	100.00	Siema Investment, S.L.U.	-	(1)	B
Asa E.& E.H., AG	Zug (SZ)	81	100.00	Sociedad Inversora Energía y Medio Ambiente, S.A.	-	(1)	B
Asa Iberoamérica, S.L.	Seville (ES)	48,522	100.00	Soc. Inv. Energía y Medio Ambiente, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Asa Inmobiliaria Chile, S.A.	Santiago de Chile (CL)	521	100.00	Asa Investment AG, ZUG/ Teyma Abengoa, S.A.	-	(1)	-
Asa Investment AG, ZUG	Zug (SZ)	69,950	100.00	Abeinsa Inversiones Latam, S.L.	-	(1)	B
ASA Investment Brasil Ltda	Rio de Janeiro (BR)	993	100.00	Abeanza Brasil, S.A./Abengoa Construçao Brasil, Ltda.	-	(1)	C
ASI Operations LLC	Delaware (US)	4,413	100.00	Abengoa Solar, LLC.	-	(1)	-
ATE VI Campos Novos Transmissora de Energia ,S.A	Rio de Janeiro (BR)	41,580	100.00	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construçao Brasil, Ltda.	-	(2)	B
ATE VII- Foz do Iguacú Transmissora de Energía, S.A.	Rio de Janeiro (BR)	26,309	100.00	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construçao Brasil, Ltda.	-	(2)	B
ATE X Abengoa Brasil Administraçao Predial Ltda	Rio de Janeiro (BR)	6,327	100.00	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(1)	B
ATE XI, Manaus Transmissora de Energia	Rio de Janeiro (BR)	194,847	50.50	Abengoa Concessoes Brasil Holding, S.A.	-	(2)	C
ATE XIII, Norte Brasil Transmissora de Energía S.A	Rio de Janeiro (BR)	267,542	51.00	Abengoa Concessoes Brasil Holding, S.A.	-	(2)	C
ATE XVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	297,942	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XVII Transmissora de Energia S.A.	Rio de Janeiro (BR)	84,785	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	49,481	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XIX Transmissora de Energia S.A.	Rio de Janeiro (BR)	86,712	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XX Transmissora de Energia S.A.	Rio de Janeiro (BR)	70,452	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXI Transmissora de Energia S.A.	Rio de Janeiro (BR)	289,314	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXII Transmissora de Energia S.A.	Rio de Janeiro (BR)	89,124	100.00	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	136,053	100.00	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXIV Transmissora de Energia, S.A.	Rio de Janeiro (BR)	73,716	100.00	Abengoa Construçao Brasil, Ltda./Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	1	100.00	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda / Abengoa Greenfield Brasil Holding, S.A.	(*)	(2)	-
ATN 1, S.A.	Lima (PE)	55	100.00	Abengoa Perú, S.A.	-	(2)	B
ATN 3, S.A.	Lima (PE)	3,697	100.00	Abengoa Perú, S.A./ Asa Iberoamérica, S.L.	-	(2)	B
Aurorex, S.A.	Montevideo (UY)	377	100.00	Balofix, S.A.	-	(1)	-
Aznalcóllar Solar, S.A.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	-
Balofix, S.A.	Montevideo (UY)	1,428	100.00	Abengoa Energy Crops, S.A.	-	(1)	B
Befesa Agua Tenes S.L.	Seville (ES)	19,524	100.00	Abengoa Water S.L.	-	(4)	-
Befesa CTA Qingdao S.L.U	Madrid (ES)	5,365	100.00	Abengoa Water, S.L.	-	(4)	B
Befesa Desalination Developments Ghana Limited	Accra (GH)	5,317	56.00	Abengoa Water Investment Ghana BV	-	(4)	B
Beijing Abeinsa Management Consulting Co., Ltd.	Pekín (CN)	150	100.00	Abeinsa Business Development, S.A.	-	(1)	C

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Biocarburantes de Castilla y León, S.A.	Salamanca (ES)	66,679	100.00	Abengoa Bioenergía Inversiones, S.A./Ecoagricola, S.A.	-	(6)	B
Bioetanol Galicia, S.A.	A Coruña (ES)	7,448	100.00	Abengoa Bioenergía Inversiones, S.A./Ecoagricola, S.A.	-	(6)	B
Captación Solar, S.A.	Seville (ES)	205	100.00	Abeinsa Asset Management, S.L./Abener Energía, S.A.	-	(1)	-
Captasol Fotovoltaica 1, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 2, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 3, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 4, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 5, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 6, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 7, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 8, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 9, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 10, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 11, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 12, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 13, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 14, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 15, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 16, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 17, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 18, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 19, S.L.	Seville (ES)	3	100.00	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 20 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 21 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 22 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 23 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 24 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 25 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 26 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 27 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 28 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 29 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 30 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Captasol Fotovoltaica 31 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 32 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 33 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 34 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 35 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 36 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 37 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Captasol Fotovoltaica 38 S.L.	Seville (ES)	64	100.00	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.	-	(3)	-
Casaquemada Fotovoltaica, S.L.	Seville (ES)	2,936	100.00	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	B
Cedisolar, S.A.	Ourense (ES)	4,992	57.50	Rioglass Solar Holding, S.A.	-	(3)	-
Centro Industrial y Logístico Torrecuellar, S.A.	Seville (ES)	60	100.00	Instalaciones Inabensa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Centro Morelos 264 S.A. de C.V	México D.F. (MX)	3	100.00	Abener Energía, S.A./Inst. Inabensa, S.A./Servicios Auxiliares de Administración, S.A.	-	(1)	B
Centro Tecnológico Palmas Altas, S.A.	Seville (ES)	12,899	100.00	Abengoa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Cogeneración Villaricos, S.A.	Seville (ES)	5,951	99.22	Abeinsa Asset Management, S.L.	-	(5)	C
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	México D.F. (MX)	3	100.00	Abengoa México, S.A.C.V./Abeinsa Infraestructuras MedioAmbiente, S.A./Abeinsa, S.A.	-	(4)	B
Concesiones Eléctricas Chile SpA	Santiago de Chile (CL)	1	100.00	Abengoa Chile, S.A.	(*)	(1)	-
Construcciones Metalicas Mexicanas, S.A. de C.V. (Comemsa)	Querétaro (MX)	20,322	100.00	Europea Const. Metálicas, S.A./Abengoa México, S.A. de C.V.	-	(1)	B
Construcciones y Depuraciones, S.A.	Seville (ES)	7,771	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	B
Construtora Integração Ltda.	Rio de Janeiro (BR)	-	51.00	Abengoa Construçao Brasil, Ltda.	-	(1)	C
Consultora de Servicios y Proyectos Centro Norte, S.A. de C.V.	Guadalajara (MX)	3	100.00	Servicios Auxiliares de Administración, S.A. de C.V./ Abengoa México, S.A. de CV	-	(1)	-
Copero Solar Huerta Uno, S.A.	Seville (ES)	96	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Dos, S.A.	Seville (ES)	92	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Tres, S.A	Seville (ES)	94	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Cuatro, S.A.	Seville (ES)	88	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Cinco, S.A.	Seville (ES)	87	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Seis, S.A.	Seville (ES)	83	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Siete, S.A.	Seville (ES)	83	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Ocho, S.A.	Seville (ES)	81	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Nueve, S.A.	Seville (ES)	42	50.00	Abengoa Solar España, S.A.	-	(3)	B
Copero Solar Huerta Diez, S.A.	Seville (ES)	32	50.00	Abengoa Solar España, S.A.	-	(3)	B
CSP Atacama Inversiones Dos, SpA	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA	-	(1)	-
CSP Atacama Dos, S.A	Santiago de	40,647	100.00	CSP Atacama Inversiones Dos, SpA/	-	(3)	-

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
	Chile (CL)			Abengoa Solar Chile, SpA			
CSP Atacama Tres, S.A	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA/ CSP Atacama Inversiones Dos	(*)	(3)	-
CSP Equity Investment S.a.r.l.	Luxemburgo (LU)	110,012	100.00	Abengoa Solar España, S.A.	-	(1)	-
Cycon Solar, LTD	Nicosia (CY)	1	100.00	Abengoa Solar Internacional, S.A.	-	(3)	B
Dalian Xizhong Island Desalination Co., Ltd	Dalian (CN)	30	70.00	Abengoa Water Dalian, S.L.U.	-	(4)	-
Denizli Water Treatment Limited Sirketi	Ankara (TR)	1	100.00	Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A./ Abeinsa Infraestructuras Medio Ambiente, S.A./ Abengoa Perú, S.A.	-	(1)	-
Desarrolladora de Energía Renovable, S.A.P.I. de C.V	México D.F. (MX)	-	100.00	Abengoa México, S.A. de C.V. /Servicios Auxiliares de Administración, S.A. De C.V.	-	(1)	-
Development NEA, Ltd.	Tel Aviv (IL)	-	100.00	NEA Solar Development, S.A.	-	(1)	-
DGEN Transmission Company, Ltd.	Delhi (IN)	7	100.00	Instalaciones Inabensa, S.A.	(*)	(2)	-
Ecoagricola, S.A.	Murcia (ES)	586	100.00	Abengoa Bioenergía Inversiones, S.A./Ecocarburantes, S.A.	-	(6)	B
Ecocarburantes Españoles , S.A.	Murcia (ES)	3,798	95.10	Abengoa Bioenergía Inversiones, S.A.	-	(6)	B
Energoprojekt-Gliwice S.A.	Gliwice (PL)	9,895	100.00	Abener Energía, S.A.	-	(1)	C
Enertey, S.A.	Montevideo (UY)	3,568	100.00	Teyma Uruguay Holding S.A.	-	(1)	-
Enicar Chile, SA	Santiago de Chile (CL)	3	100.00	Abengoa Chile, S.A.	-	(2)	-
Europa Desenvolvimentos Solares Ltda.	Rio de Janeiro (BR)	3	100.00	Abengoa Solar Brasil Desenvolvimientos Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(3)	-
Europea de Construcciones Metálicas, S.A. (Eucomsa)	Seville (ES)	7,124	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Solar, S.A.	-	(1)	B
Faritel, S.A.	Montevideo (UY)	16	100.00	Teyma Forestal, S.A.	-	(1)	-
Financiera Soteland, S.A.	Montevideo (UY)	42	100.00	Asa Investment, AG ZUG	-	(1)	-
Fotovoltaica Solar Sevilla, S.A.	Seville (ES)	800	80.00	Abengoa Solar España, S.A.	-	(3)	B
GES Investment C.V.	Amsterdam (NL)	-	92.00	Asa Investment, AG ZUG	-	(1)	-
Gestión Integral de Recursos Humanos, S.A.	Seville (ES)	165	100.00	Siema Technologies, S.L	-	(1)	B
Giomper, S.A.	Montevideo (UY)	3	100.00	Instalaciones Inabensa, S.A./ Enertey, S.A.	-	(1)	-
Girhmex, S.A. De C.V.	México D.F. (MX)	-	100.00	Gestión Integral de Recursos Humanos, S.A./Abengoa México, S.A. de C.V.	-	(1)	-
Global Engineering Services LLC	Delaware (US)	2	100.00	GES Investment C.V.	-	(1)	-
Helioenergy Electricidad Tres, S.A.	Seville (ES)	5,507	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Helioenergy Electricidad Cuatro, S.A.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Helioenergy Electricidad Cinco, S.A.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Helioenergy Electricidad Once, S.A.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Helioenergy Electricidad Veintiuno, S.A	Seville (ES)	60	100.00	Abengoa Solar España, S.A. /Abengoa Solar New Technologies, S.A.	-	(3)	-
Helioenergy Electricidad Veintidos, S.A	Seville (ES)	60	100.00	Abengoa Solar España, S.A. /Abengoa Solar New Technologies, S.A.	-	(3)	-
Helioenergy Electricidad Veintitres, S.A	Seville (ES)	60	100.00	Abengoa Solar España, S.A. /Abengoa Solar New Technologies, S.A.	-	(3)	-
Helioenergy Electricidad Veinticuatro, S.A	Seville (ES)	60	100.00	Abengoa Solar España, S.A. /Abengoa Solar New Technologies, S.A.	-	(3)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Inabensa Bharat Private Limited	New Delhi (IN)	8,389	100.00	Europea Const. Metálicas, S.A./Instalaciones Inabensa, S.A./Abener Energía, S.A.	-	(1)	A
Inabensa Electric and Electronic Equipment Manufacturing (Tiajin)Co. Ltda.	Tianjin (CN)	190	100.00	Instalaciones Inabensa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	C
Inabensa France, S.A.	Pierrelate (FR)	550	100.00	Instalaciones Inabensa, S.A.	-	(1)	B
Inabensa Fotovoltaica, S.L.	Seville (ES)	3	100.00	Instalaciones Inabensa, S.A./C.I.L. Torrecuéllar, S.A.	-	(1)	-
Inabensa Limited	Leeds (GB)	-	100.00	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa Maroc, S.A.R.L.	Tánger (MA)	2,373	100.00	Instalaciones Inabensa, S.A.	-	(1)	A
Inabensa Pty Ltd	Sandton (SUD)	-	100.00	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa Rio Ltda	Rio de Janeiro (BR)	16,225	100.00	Abeanza Brasil, S.A./Abengoa Construçao Brasil, Ltda.	-	(1)	C
Inabensa Saudi Company Limited	Jeddah (SAí)	93	100.00	Instalaciones Inabensa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	C
Inabensa USA, LLC	Arizona (US)	41	100.00	Abeinsa, LLC.	-	(1)	-
Inabensa Ukraine, LLC	Kiev (UA)	15	100.00	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa, LLC	Ruwi (OM)	366	70.00	Instalaciones Inabensa, S.A.	-	(1)	B
Iniciativas Hidroeléctricas, S.A.	Seville (ES)	1,226	50.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(4)	B
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	Huesca (ES)	4,007	95.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(4)	-
Insolation Sic 6 S.R.L	Roma (IT)	3	100.00	Abengoa Solar Italia S.r.l./Abengoa Solar Internacional, S.A.	-	(3)	-
Insolation Sic 9 S.R.L	Roma (IT)	4	100.00	Abengoa Solar Italia S.r.l./Abengoa Solar Internacional, S.A.	-	(3)	-
Insolation Sic 10 S.R.L	Palermo (IT)	2	100.00	Abengoa Solar Italia, S.R.L./ Abengoa Solar, S.A.	-	(3)	-
Insolation Sic 11 S.R.L	Palermo (IT)	4	100.00	Abengoa Solar Italia, S.R.L./ Abengoa Solar, S.A.	-	(3)	-
Insolation Sic 12 S.R.L	Palermo (IT)	3	100.00	Abengoa Solar Italia, S.R.L./ Abengoa Solar, S.A.	-	(3)	-
Insolation Sic 13 S.R.L	Roma (IT)	8	100.00	Abengoa Solar Italia, S.R.L./ Abengoa Solar, S.A.	-	(3)	-
Insolation Sic 14 S.R.L	Roma (IT)	3	100.00	Abengoa Solar Italia, S.R.L./ Abengoa Solar, S.A.	-	(3)	-
Insolation Sic 15 S.R.L	Roma (IT)	5	100.00	Abengoa Solar Italia, S.R.L./ Abengoa Solar, S.A.	-	(3)	-
Insolation 17 S.R.L	Roma (IT)	2,476	100.00	Abengoa Solar Italia S.r.l./Abengoa Solar Internacional, S.A.	-	(1)	-
Insolation 18 S.R.L	Roma (IT)	4	100.00	Abengoa Solar Italia S.r.l./Abengoa Solar Internacional, S.A.	-	(3)	-
Instalaciones Inabensa, S.A.	Seville (ES)	17,307	100.00	Nicsa/Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Instalaciones Inabensa, Ltda.	Rio de Janeiro (BR)	2,884	100.00	Zeroemissions Technologies, S.A./Zeroemissions Carbon Trust,S.A./ Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	-	100.00	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	-	100.00	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	-	100.00	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Inabensa Insaat Enerji Sanayi ve Ticaret Ltd Sirketi	Ankara (TR)	58	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.A./ Instalaciones Inabensa, S.A.	-	(1)	B
Instalaciones Inabensa Contracting, LLC	Abu-Dhabi (AE)	-	49.00	Instalaciones Inabensa, S.A.	-	(1)	-
Inversora Enicar S.A.	Santiago de Chile (CL)	1,842	100.00	Abengoa Chile, S.A.	-	(2)	-

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Juárez N-III, S.A. de C.V.	México D.F. (MX)	3	100.00	Abeinsa Norte III, S.A. de C.V./ Abener Energía, S.A.	(*)	(2)	-
Junertil S.A.	Montevideo (UY)	3	100.00	Enertey, S.A.	-	(1)	-
Jupiter Energy LLC	Lakewood (USA)	1	100.00	Abengoa Solar LLC	(*)	(1)	-
Kai Garib EPC Holding (Pty) Ltd	Cape Town (ZA)	-	100.00	Khunab Investments	(*)	(1)	-
Kai Garib Solar (Pty) Ltd	Cape Town (ZA)	-	100.00	Kai Garib Investments (Pty) Ltd	(*)	(1)	-
Kai Garib Investments (Pty) Ltd	Cape Town (ZA)	6	100.00	Abengoa Solar Investments 2 LLC	(*)	(1)	-
Kai Garib BEE Holding (Pty) Ltd	Cape Town (ZA)	-	100.00	Kai Garib Investments	(*)	(1)	-
Kai Garib O&M (Pty) Ltd	Cape Town (ZA)	-	100.00	Abengoa Solar Power South Africa(Pty) Ltd	(*)	(1)	-
Kaxu CSP O&M Company (Pty) Limited	Gauteng (ZA)	-	92.00	Abengoa Solar Power South Africa (Pty) Ltd.	-	(3)	B
Kaxu CSP South Africa (Proprietary) Limited	Gauteng (ZA)	1,061	51.00	Solar Power PV South Africa (Pty) Ltd.	-	(3)	B
Khi CSP O&M Company (Pty) Limited	Gauteng (ZA)	-	92.00	Abengoa Solar Power South Africa (Pty) Ltd.	-	(3)	B
Khi CSP South Africa (Proprietary) Limited	Gauteng (ZA)	637	51.00	Solar Power PV South Africa (Pty) Ltd.	-	(3)	B
Khunab Investments (Pty) Ltd	Cape Town (ZA)	6	100.00	Abengoa Africa Investment LLC	(*)	(1)	-
Khunab O&M (Pty) Ltd	Cape Town (ZA)	-	100.00	Abengoa Solar Power South Africa(Pty) Ltd	(*)	(1)	-
Khunab Solar (Pty) Ltd	Cape Town (ZA)	-	100.00	Khunab Investments (Pty) Ltd	(*)	(1)	-
Klitten, S.A.	Montevideo (UY)	15	100.00	Teyma Uruguay, S.A.	-	(1)	-
Las Cabezas Fotovoltaica, S.L.	Seville (ES)	8,164	100.00	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	B
Latifox, S.A.	Montevideo (UY)	35	100.00	Balofix, S.A.	-	(1)	-
Linares Fotovoltaica, S.L.	Seville (ES)	3,271	100.00	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	B
Londrina Transmissora De Energía, S.A.	Rio de Janeiro (BR)	40,019	100.00	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construçao Brasil, Ltda.	-	(2)	B
Mallorca Desenvolvimentos Solares Ltda.	Rio de Janeiro (BR)	2	100.00	Abengoa Solar Brasil Desenvolvimientos Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(3)	-
Manaus Constructora Ltda	Rio de Janeiro (BR)	-	50.50	Abengoa Construçao Brasil, Ltda.	-	(1)	C
Marismas PV A1, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A2, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A3, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A4, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A5, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A6, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A7, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A8, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A9, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A10, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A11, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Marismas PV A12, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A13, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A14, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A15, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A16, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A17, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV A18, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B1, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B2, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B3, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B4, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B5, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B6, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B7, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B8, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B9, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B10, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B11, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B12, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B13, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B14, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B15, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B16, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B17, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV B18, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C1, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C2, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C3, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C4, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C5, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C6, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C7, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C8, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Marismas PV C9, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C10, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C11, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C12, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C13, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C14, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C15, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C16, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C17, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV C18, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV E1, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV E2, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Marismas PV E3, S.L.	Seville (ES)	125	100.00	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.	-	(3)	-
Mars Energy LLC	Lakewood (USA)	1	100.00	Abengoa Solar LLC	(*)	(1)	-
Marudhara Akshay Urja Private Limited	Maharashtra (IN)	35	100.00	Abengoa Solar India Private Limited/Abengoa Solar Internacional. S.A.	-	(3)	B
Marusthal Green Power Private Limited	Maharashtra (IN)	35	100.00	Abengoa Solar India Private Limited/Abengoa Solar Internacional, S.A.	-	(3)	B
McTaggart Infraco 1(Pty) Ltd	Cape Town (ZA)	-	100.00	Solar Power PV South Africa Pty Ltd	(*)	(1)	-
NEA Solar Power, S.A.	Seville (ES)	61	100.00	Abengoa Solar, S.A /Abengoa Solar España, S.A.	-	(1)	-
NEA Solar Development, S.A.	Seville (ES)	61	100.00	Abengoa Solar, S.A /Abengoa Solar España, S.A.	-	(1)	-
NEA Solar Power, Ltd.	Ashalim (IL)	-	100.00	NEA Solar Investments, LLC	-	(1)	B
NEA Solar Investments, LLC.	Delaware (US)	-	100.00	Abengoa Solar LLC.	-	(1)	-
NEA Solar Operation and Manteinance, Ltd	Tel Aviv (IL)	-	100.00	NEA Solar O&M Holdings, LLC.	-	(1)	-
NEA Solar O&M Holdings LLC	Delaware (US)	-	100.00	Abengoa Solar, LLC	-	(1)	-
Negocios Industriales y Comerciales, S.A. (Nicsa)	Madrid (ES)	1,791	100.00	Abencor, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Nicefield S.A	Uruguay (UY)	12	100.00	Giomper, S.A.	-	(5)	B
Nicsa Asia Pacific Private Limited	Singapur (SG)	-	100.00	Negocios Industriales y Comerciales, S.A.	-	(1)	C
Nicsa Chile, SpA.	Santiago de Chile (CL)	-	100.00	Nicsa Perú, S.A.	(*)	(1)	-
Nicsa Colombia, SAS	Bogotá (CO)	-	100.00	Negocios Industriales y Comerciales, S.A. (Nicsa)	-	(1)	-
Nicsa Fornecimiento de Materiais Eléctricos, Ltda.	Rio de Janeiro (BR)	5,152	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Nicsa Industrial Supplies, LLC.	Texas (US)	857	100.00	Abeinsa, LLC.	-	(1)	-
Nicsa Industrial Supplies South Africa (Pty) Ltd.	Upington (ZA)	-	100.00	Negocios Industriales y Comerciales, S.A. (Nicsa)	-	(1)	C
Nicsa Perú, S.A.	Lima (PE)	561	100.00	Negocios Industriales y Comerciales, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Nicsa Sanayi Malzemeleri Limited Sirketi	Istanbul (TR)	3	100.00	Negocios Industriales y Comerciales, S.A.	(*)	(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Nicsamex, S.A. de C.V.	México D.F. (MX)	4	100.00	Negocios Industriales y Comerciales, S.A./Abengoa México, S.A. de C.V.	-	(1)	B
Omega Chile SpA	Santiago de Chile (CL)	2	100.00	Omega Sudamérica, S.L.	-	(1)	-
OMEGA Operação e Manutenção de Linhas de Transmissão, S.A.	Rio de Janeiro (BR)	175	100.00	Omega Sudamérica, S.L./Abengoa Construçao Brasil, Ltda.	-	(1)	-
Omega Perú Operación y Mantenimiento S.A.	Lima (PE)	-	100.00	Omega Sudamérica S.L./Abengoa Perú S.A.	-	(1)	B
Omega Sudamérica, S.L	Seville (ES)	3	100.00	Instalaciones Inabensa, S.A./ASA Iberoamérica S.A.	-	(1)	-
Operación y Mantenimiento Uruguay, S.A.	Montevideo (UY)	2	100.00	Omega Sudamérica, S.L	-	(5)	-
Pichirropulli Transmisora de Energía S.A	Santiago de Chile (CL)	1	100.00	Abengoa Chile S.A	(*)	(1)	-
Power & Railway Solutions, S.L.	Seville (ES)	3	100.00	Instalaciones Inabensa, S.A.	-	(1)	-
Power Structures Inc.	Delaware (US)	-	100.00	Abeinsa, LLC.	-	(1)	-
Presentel, S.A.	Montevideo (UY)	-	100.00	Abencor Suministros, S.A.	-	(1)	-
Procesos Ecológicos, S.A.	Seville (ES)	657	50.00	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	-
Procesos Ecológicos Vilches, S.A.	Seville (ES)	1,299	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(5)	B
Procesos Ecológicos Lorca 1, S.A.	Seville (ES)	180	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Carmona 1, S.A.	Seville (ES)	63	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Carmona 2, S.A.	Seville (ES)	90	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Carmona 3, S.A.	Seville (ES)	60	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Promotora Serabén de Servicios Corporativos, S.A. de C.V.	México D.F. (MX)	3	100.00	Abener Mexico S.A. de C.V./Abengoa Mexico S.A. de C.V.	-	(1)	-
Puerto Real Cogeneración, S.A.	Seville (ES)	176	99.10	Abeinsa Asset Management, S.L.	-	(5)	B
PV Atacama Dos, S.A	Santiago de Chile (CL)	-	100.00	PV Atacama Inversiones Dos, SpA/ Abengoa Solar Chile, SpA	-	(3)	-
PV Atacama Inversiones Uno, SpA	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA	-	(1)	-
PV Atacama Inversiones Dos, SpA	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA	-	(1)	-
PV Atacama Tres S.A	Santiago de Chile (CL)	2	100.00	Abengoa Solar Chile, SpA / PV Atacama Inversiones Dos	(*)	(3)	-
Qingdao Befesa Agua Co., Ltd	Qingdao (CH)	1,609	100.00	Abeinsa Infraestructuras Medio Ambiente, S.A./Codesa, S.A.	-	(1)	B
Rajasthan Photon Energy Pvt Ltd	Maharashtra (IN)	35	100.00	Abengoa Solar India Private Limited/Abengoa Solar Internacional, S.A.	-	(3)	B
Royalla PV Pty Ltd.	Brisbane (AU)	22	100.00	Abengoa Solar Internacional, S.A.	-	(3)	-
Sao Mateus Transmissora de Energia, Ltda.	Rio de Janeiro (BR)	58,863	76.00	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construçao Brasil, Ltda.	-	(2)	B
Saturn Energy LLC	Lakewood (USA)	1	100.00	Abengoa Solar LLC	(*)	(1)	-
Servicios Auxiliares de Administración, S.A. de C.V.	México D.F. (MX)	3	100.00	Abengoa México, S.A. de C.V./Abengoa, S.A.	-	(1)	B
Servicios Integrales de Mantenimiento y Operación, S.A. (Simosa)	Seville (ES)	1,185	100.00	Negocios Industriales y Comerciales, S.A./Abengoa, S.A.	-	(1)	C
Servicios de Ingenieria IMA, S.A.	Santiago de Chile (CL)	4,823	94.08	Abengoa Chile, S.A.	-	(1)	B
Servicios Administrativos Tabasco, S.A. de C.V.	Tabasco (MX)	-	100.00	Servicios Auxiliares de Administración, S.A. de C.V./ Abengoa México, S.A. de CV	-	(1)	-
Siema Factory Holding, AG	Zug (SZ)	9,353	100.00	Siema Investment, S.L.	-	(1)	C

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Siema Investment, S.L.U.	Seville (ES)	7,000	100.00	Siema Technologies, S.L	-	(1)	-
Siema Technologies, S.L.	Seville (ES)	24,297	100.00	Abengoa, S.A./Siema AG	-	(1)	B
Simosa Brasil, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construçao Brasil, Ltda./Inabensa Rio Ltda	-	(1)	-
Simosa I.T., S.A	Seville (ES)	61	100.00	Abengoa, S.A./Simosa, S.A.	-	(1)	B
Simosa IT US, LLC	Missouri (US)	-	100.00	Simosa IT, S.A.	-	(1)	C
Simosa IT Uruguay S.A.	Montevideo (UY)	2	100.00	Simosa IT, S.A.	-	(1)	B
Simosa UY S.A	Montevideo (UY)	3	100.00	Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Sinalan, S.A.	Montevideo (UY)	4	100.00	Teyma Forestal, S.A.	-	(1)	-
Sistemas de Desarrollo Sustentables S.A. De C.V.	México D.F. (MX)	4,496	65.00	Abengoa Servicios Industriales, S.A./Abengoa México, S.A. de CV	-	(1)	B
Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	Seville (ES)	93,008	100.00	Abengoa, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	B
Sociedad Inversora Lineas de Brasil, S.L. (ETVE)	Seville (ES)	12,798	100.00	Asa Iberoamérica, S.L.	-	(1)	B
Société d'Eau Dèssalée d'Agadir (SEDA)	Agadir (MA)	2,710	50.94	Abengoa Water Agadir, S.L.U.	-	(4)	-
Solaben Electricidad Diez, S.A.	Cáceres (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Solar Power Plant One	Argel (DZ)	42,111	51.00	Abener Energía, S.A.	-	(3)	C
Solar Power PV South Africa (Pty) Ltd.	Gauteng (ZA)	173	100.00	Abengoa Solar South Africa (Pty) Ltd.	-	(3)	B
Solargate Electricidad Tres , S.A.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Solargate Electricidad Cuatro , S.A.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Solnova Electricidad Dos, S.A.	Seville (ES)	5,360	100.00	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	-
Solnova Electricidad Cinco, S.A.	Seville (ES)	4,315	100.00	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	-
Solnova Electricidad Séis , S.A.	Seville (ES)	60	100.00	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Son Rivieren (Pty) Limited	Gauteng (ZA)	549	100.00	South Africa Solar Investment, S.L.	-	(1)	B
South Africa Solar Investments, S.L.	Seville (ES)	104,837	100.00	Abengoa Solar Internacional, S.A./ Abengoa Solar, S.A.	-	(1)	B
South Africa Solar Ventures, S.L.	Seville (ES)	50	100.00	Abengoa Solar Internacional, S.A./Abengoa Solar Ventures, S.A	-	(1)	-
Subestaciones 611 Baja California, S.A. De C.V.	México D.F. (MX)	1	100.00	Abengoa México, S.A. de C.V./Abengoa, S.A	-	(1)	-
Tairol, S.A.	Montevideo (UY)	-	100.00	Talentir, S.A.	-	(1)	-
Talentir, S.A.	Montevideo (UY)	1	100.00	Enertey, S.A./ Instalaciones Inabensa, S.A.	-	(1)	-
Tarefix S.A	Delaware (US)	1	92.00	Asa Investment, AG ZUG	-	(1)	-
Tenes Lylmyah	Dely Ibrahim (DZ)	19,803	51.00	Befesa Aguas Tenes, S.L.	-	(4)	C
Teyma Abengoa, S.A.	Buenos Aires (AR)	51,858	100.00	Asa Investment, AG ZUG/Asa Iberoamérica, S.L./Abengoa, S.A.	-	(1)	B
Teyma Construction USA, LLC.	Arizona (US)	1	100.00	Abeinsa, LLC.	-	(1)	-
Teyma Forestal, S.A.	Montevideo (UY)	5,304	100.00	Balofix, S.A.	-	(1)	B
Teyma Gestión Ambiental, S.A	Montevideo (UY)	18	100.00	Teyma Medioambiente, S.A.	-	(1)	C
Teyma India Private Limited	Mumbai (IN)	1,518	100.00	Teyma Gestión de Contratos de Construcción e Ingeniería, S.A. / Teyma Internacional S.A.	-	(1)	B

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Teyma Internacional, S.A.	Montevideo (UY)	19	100.00	Teyma Uruguay Holding, S.A.	-	(1)	B
Teyma Medio Ambiente, S.A.	Montevideo (UY)	19	100.00	Teyma Sociedad de Inversión, S.A.	-	(1)	B
Teyma Middle East, S.L.	Seville (ES)	3	100.00	Teyma, S.A. /Teyma Int., S.A. /Ábacus Project Management Inc./Teyma Uruguay, S.A.	-	(1)	-
Teyma Paraguay, SA.	Asunción (PY)	-	100.00	Teyma Internacional, S.A.	-	(1)	-
Teyma Sociedad de Inversión, S.A.	Montevideo (UY)	15,833	92.00	Abeinsa Inversiones Latam, S.L.	-	(1)	B
Teyma South Africa (Pty) Ltd.	Upington (ZA)	80	100.00	Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.	-	(1)	-
Teyma Uruguay, S.A.	Montevideo (UY)	5,007	97.00	Teyma Sociedad de Inversión, S.A.	-	(1)	B
Teyma Uruguay ZF, S.A.	Montevideo (UY)	3,809	100.00	Teyma Uruguay, S.A.	-	(1)	B
Teyma USA & Abener Engineering and Construction Services Partnership	Missouri (US)	16,763	100.00	Teyma Construction USA, LLC/Abener Construction Services, LLC.	-	(1)	-
Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	Seville (ES)	55	92.00	Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Transportadora Cuyana, S.A.	Buenos Aires (AR)	3	100.00	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	B
Transportadora del Norte, S.A.	Buenos Aires (AR)	-	100.00	Abengoa, S.A./Teyma Abengoa, S.A.	-	(1)	B
Transportadora Río Coronda, S.A.	Buenos Aires (AR)	-	100.00	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	B
Transportadora Mar del Plata S.A.	Buenos Aires (AR)	5	70.00	Teyma Abengoa, S.A./ Abengoa, S.A.	-	(1)	-
Transportadora Bahía Blanca S.A.	Buenos Aires (AR)	2	100.00	Abengoa S.A./Teyma Abengoa S.A.	-	(2)	-
Transportadora Rio de la Plata, S.A.	Buenos Aires (AR)	-	100.00	Teyma Argentina, S.A./Abengoa, S.A.	-	(1)	-
Transportadora Riojana S.A.	Buenos Aires (AR)	7	100.00	Teyma Abengoa S.A. / Abengoa S.A.	(*)	(1)	-
Turbogenerador Madero 7, S.A. de C.V.	México D.F. (MX)	3	100.00	Abener Energ., S.A./ Teyma, Gest. Cont. Const. e Ing., S.A./Abengoa México, S.A. de C.V.	-	(1)	-
Unidad Punta de Rieles, S.A.	Montevideo (UY)	21	85.00	Teyma Uruguay, S.A./ Instalaciones Inabensa, S.A.	-	(5)	B
Venus Energy LLC	Lakewood (USA)	1	100.00	Abengoa Solar LLC	(*)	(1)	-
Vista Ridge Regional Water Supply Corporation	Texas (US)	-	100.00	Abengoa Vista Ridge, LLC.	-	(4)	-
Waste to Energy Suppliers San Jose, S.A.	Costa Rica (CR)	-	100.00	Abeinsa Inf. de Medio Ambiente, S.A./Teyma, Gestión de Contratos e Ingeniería, S.A.	-	(1)	-
XiNa CSP South Africa (Pty) Ltd	Gauteng (ZA)	15,500	100.00	South Africa Solar Investments, S.L.	-	(1)	B
XiNa Operations and Maintenance Company (Pty) Ltd	Cape Town (ZA)	-	92.00	Abengoa Solar Power South Africa (Pty) Ltd.	-	(1)	-
Zero Emissions Technologies, S.A. (Zeroemissions)	Seville (ES)	60	100.00	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Hidrógeno, S.A.	-	(1)	B

Appendix XII – Subsidiary companies included in the 2015 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity (see Page 10)	Auditor
Zeroemissions Carbon Trust, S.A	Seville (ES)	125	100.00	Zeroemissions Technologies, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Zeroemissions (Beijing) Technology Consulting Service Co. Ltd	Beijing (CN)	99	100.00	Zero Emissions Technologies, S.A./Zeroemissions Carbon Trust, S.A.	-	(1)	-
Zona Norte Engenharia, Manutenção e Gestão De Serviços, S.A. Spe.	Manaus (BR)	33,578	60.00	Abengoa Concessões Brasil Holding, S.A.	-	(5)	B

Shareholding capital cost is calculated using the current closing year exchange rate.

(*) Companies incorporated or acquired and consolidated for the first time in the year.

(1) Operating segment activities area: Engineering and Construction.
(2) Operating segment activities area: Transmission.
(3) Operating segment activities area: Solar.
(4) Operating segment activities area: Water.
(5) Operating segment activities areae: Cogeneration .
(6) Operating segment activities area: Bioenergy.

A Audited by PricewaterhouseCoopers Auditores.
B Audited by Deloitte.
C Audited by others auditors .

Appendix XIII – Associated companies and Joint Ventures included in the 2015 Consolidation Perimeter using the participation method

		Shareholding						
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	(**)	Activity	Auditor
Abeinsa Energy and Water Contracting LLC	Abu-Dhabi (AE)	-	49.00	Abener Energia S.A / Abeinsa Infraestructuras Medio Ambiente, S.A	(*)		(1)	-
Abengoa Cogeneración Tabasco, S. de R.L. de C.V.	México D.F. (MX)	4,235	100.00	ACT Holdings, S.A. de C.V.	-		(7)	-
Abengoa Concessions Perú, S.A.	Lima (PE)	241,134	100.00	Abengoa Yield Plc./Abengoa Perú, S.A.	-		(7)	-
Abengoa Concessions Infrastructure, S.L.	Seville (ES)	775,241	100.00	Abengoa Yield Plc./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-		(7)	-
Abengoa Projects Warehouse I, LLP	London (GB)	369,251	45.00	Abengoa PW I Investmens, S.L.	(*)	(**)	(1)	-
Abengoa Solar South Africa (Pty) Ltd.	Cape Town (ZA)	42,762	100.00	Abengoa Yield Plc.	-		(7)	B
Abengoa Solar US Holdings Inc.	Colorado (US)	292,718	100.00	Abengoa Yield Plc.	-		(7)	-
Abengoa Solar Holdings USA Inc.	Colorado (US)	350,021	100.00	Abengoa Yield Plc.	-		(7)	-
Abengoa Transmisión Norte, S.A.	Lima (PE)	224,143	100.00	Abengoa Concessions Perú, S.A./ Abengoa Concessions Infrastructure, S.L.	-		(7)	-
Abengoa Transmisión Sur, S.A.	Lima (PE)	93,553	100.00	Abengoa Concessions Perú, S.A./Abengoa Transmisión Norte, S.A.	-		(7)	-
Abengoa Yield Plc.	Leeds (GB)	902,537	41.86	Abengoa Concessions Investments Ltd.	-		(7)	-
ABY Servicios Corporativos, S.L.	Seville (ES)	5,048	100.00	Abengoa Yield Plc./ Abengoa Concessions Infrastructure, S.L.	-		(7)	-
ACT Holdings, S.A. de C.V.	México D.F. (MX)	90,723	100.00	Abengoa Yield Plc./Servicios Auxiliares de Administración, S.A. de C.V.	-		(7)	-
Agua y Gestión de Servicios Ambientales, S.A.	Seville (ES)	3,562	41.54	Abengoa Water, S.L.	-		(4)	-
Aguas de Skikda	Argel (DZ)	10,811	51.00	Geida Skikda, S.L.	-		(7)	C
Al Osais-Inabensa Co. Ltd	Dammam (SA)	491	50.00	Inabensa Saudi Arabia, LLC	-	(**)	(1)	B
APW Brasil Fondo de Investimento Em Participacoes	São Paulo (BR)	201,913	100.00	APW I Brazil Holdings I, Llc / APW I Brazil Holdings II,Llc/ APW I Brazil Holdings III, Llc	(*)	(**)	(1)	-
APW I Brazil Holdings I, Llc	Delaware (US)	55,527	100.00	APW UK, Llp	(*)	(**)	(1)	-
APW I Brazil Holdings II, Llc	Delaware (US)	55,527	100.00	APW UK, Llp	(*)	(**)	(1)	-
APW I Brazil Holdings III, Llc	Delaware (US)	90,862	100.00	APW UK, Llp	(*)	(**)	(1)	-
APW I Spain, S.L.	Seville (ES)	349,718	100.00	Abengoa Projects Warehouse I, LLP	-	(**)	(1)	-
Arizona Solar One, LLC	Colorado (US)	474,620	100.00	ASO Holdings Company, LLC	-	-	(7)	-
Ashalim Thermo Solar Management, Ltd.	Tel Aviv (IL)	-	50.00	Abener Energía, S.A./ Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	-	(**)	(1)	-
ASO Holdings Company, LLC	Colorado (US)	255,955	(***)	Abengoa Solar US Holdings Inc.	-	-	(7)	-
ATE VIII Transmissora de Energía, S.A.	R. de Janeiro (BR)	9,324	50.00	Abengoa Concessoes Brasil Holding, S.A.	-	(**)	(2)	B
ATN 2, S.A.	Lima (PE)	17,512	100.00	Abengoa Transmisión Norte, S.A./ Abengoa Yield Plc.	-	-	(7)	B
Basor México, S.A.P.I. de C.V.	México D.F. (MX)	12	50.00	Nicsamex, S.A. de C.V.	-	(**)	(1)	-
Cadonal, S.A.	Montevideo (UY)	34,491	100.00	Holding Energía Eólica, S.A	-	-	(7)	B
Carpio Solar Inversiones, S.A.	Seville (ES)	58,588	100.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-
Chennai O&M, JV Private Limited	Chennai (IN)	-	50.00	Abengoa Water, S.L.	-	(**)	(1)	-

		Shareholding						
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	(**)	Activity	Auditor
Chennai Water Desalination Limited	Chennai (IN)	7,086	25.00	Abengoa Water, S.L.	-	-	(4)	-
Coaben, S.A. de C.V.	México D.F. (MX)	1	50.00	Abengoa México S.A. de C.V./Instalaciones Inabensa, S.A.	-	(**)	(1)	B
Cogeneración Motril, S.A.	Granada (ES)	-	19.00	Abeinsa Asset Management, S.L.	-	-	(5)	-
Concecutex, S.A. de C.V.	Toluca (MX)	6,687	50.00	Abengoa México, S.A. de C.V.	-	(**)	(5)	B
Concesionaria Costa del Sol S.A.	Málaga (ES)	4,585	50.00	Instalaciones Inabensa, S.A.	-	(**)	(5)	B
Concesionaria Hospital del Tajo, S.A.	Madrid (ES)	944	20.00	Instalaciones Inabensa, S.A.	-	-	(5)	C
Consorcio Teyma M y C, Ltda.	Montevideo (UY)	10	49.90	Abengoa Chile, S.A.	-	-	(1)	-
CSP Atacama Uno, S.A.	Santiago de Chile (CL)	2	100.00	APW I Spain, S.L./ CSP Atacama Inversiones Uno, SpA	-	(**)	(3)	B
CSP Atacama Inversiones Uno, SpA	Santiago de Chile (CL)	3	100.00	APW I Spain, S.L	-	(**)	(1)	B
Dalian Xizhong Island Energy Co., Ltd.	Dalian (CN)	108	4.68	Abengoa Water Dalian, S.L.U.	(*)	-	(4)	-
Écija Solar Inversiones, S.A	Seville (ES)	65,159	100.00	Abengoa Concessions Infrastructure, S.L./Abengoa Solar, S.A.	-	-	(7)	-
Evacuación Villanueva del Rey, S.L.	Seville (ES)	2	45.13	Helioenergy Electricidad Uno, Dos y Tres, S.A.	-	(**)	(3)	-
Evacuación Valdecaballeros, S.L.	Madrid (ES)	8,984	57.14	Solaben Electricidad Uno, Dos, Tres y Seis, S.A.	-	-	(7)	-
Explotaciones Varias, S.L.	Seville (ES)	2,301	50.00	Abengoa, S.A.	-	(**)	(1)	-
Explotadora Hospital del Tajo, S.L.	Madrid (ES)	1	20.00	Instalaciones Inabensa, S.A.	-	-	(5)	-
Extremadura Equity Investments Sárl.	Luxembourg (LU)	258,792	100.00	Logrosán Equity Investments Sárl.	-	-	(7)	-
Geida Skikda, S.L.	Madrid (ES)	15,150	67.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-
Geida Tlemcen, S.L.	Madrid (ES)	27,312	50.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-
Ghenova Ingeniería S.L.	Seville (ES)	1,767	20.00	Abener Energía, S.A.	-	-	(1)	-
Green Visión Holding BV	Arnhem (NL)	3,000	24.00	Abengoa Hidrógeno, S.A.	-	-	(1)	-
Greentech Water Engineering Company	Pekín (CN)	5,960	25.00	Abengoa Water Hong Kong, Co. Limited	-	-	(1)	-
Helioenergy Electricidad Uno, S.A.	Seville (ES)	47,105	100.00	Écija Solar Inversiones, S.A.	-	-	(7)	-
Helioenergy Electricidad Dos, S.A.	Seville (ES)	44,131	100.00	Écija Solar Inversiones, S.A.	-	-	(7)	-
Helios I Hyperion Energy Investments, S.L.	Seville (ES)	120,739	100.00	Hypesol Energy Holding, S.L./Abengoa Solar New Technologies, S.A.	-	-	(7)	-
Helios II Hyperion Energy Investments, S.L.	Madrid (ES)	113,181	100.00	Hypesol Energy Holding, S.L./Abengoa Solar New Technologies, S.A.	-	-	(7)	-
Holding de Energía Eólica, S.A.	Montevideo (UY)	38,540	100.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	B
Hypesol Energy Holding , S.L.	Seville (ES)	254,690	100.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-
HZN Manutenção Hospitalar Ltda.	Manaus (BR)	-	33.00	Simosa Brasil, S.A.	-	-	(1)	-
Inapreu, S.A.	Barcelona (ES)	2,318	50.00	Instalaciones Inabensa, S.A.	-	(**)	(5)	B
Kaxu Solar One (Pty) Ltd.	Gauteng (ZA)	14,800	51.00	Abengoa Solar South Africa (Pty) Ltd.	-	-	(7)	B
Khi Solar One (Pty) Ltd	Gauteng (ZA)	10,094	51.00	Son Rivieren (Pty) Limited	-	-	(3)	B
Ledincor S.A.	Montevideo (UY)	739	49.00	Teyma Forestal, S.A.	-	(**)	(1)	-
Lidelir S.A.	Montevideo (UY)	1,195	49.00	Teyma Forestal, S.A.	-	(**)	(1)	-
Logrosán Equity Investments Sárl.	Luxembourg	258,787	100.00	Logrosán Solar Inversiones Dos, S.L.	-	-	(7)	-

Appendix XIII – Associated companies and Joint Ventures included in the 2015 Consolidation Perimeter using the participation method (continuation)

		Shareholding						
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	(**)	Activity	Auditor
	(LU)							
Logrosán Solar Inversiones, S.A.	Seville (ES)	147,940	100.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-
Logrosán Solar Inversiones Dos, S.L.	Seville (ES)	285,991	100.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-
Micronet Porous Fibers, S.L.	Vizcaya (ES)	3,596	50.00	Abengoa Water, S.L.	-	(**)	(1)	-
Mojave Solar LLC	Colorado (US)	351,077	100.00	Mojave Solar Holding, LLC.	-	-	(7)	-
Mojave Solar Holding, LLC.	Delaware (US)	351,070	100.00	Abengoa Solar Holdings USA Inc.	-	-	(7)	-
Myah Bahr Honaine, S.P.A.	Argel (DZ)	21,433	51.00	Geida Tlemcen, S.L.	-	-	(7)	C
Negev Energy - Ashalim Thermo-Solar Ltd.	Tel Aviv (IL)	-	50.00	NEA Solar Power, Ltd.	-	(**)	(3)	B
Negev Energy Ashalim Operation and Mantainance, Ltd.	Tel Aviv (IL)	-	50.00	NEA Solar Operation and Manteinance, Ltd	-	(**)	(1)	B
Negev Energy Finance, Ltd.	Tel Aviv (IL)	-	50.00	NEA Solar Power, Ltd.	-	(**)	(1)	B
Palmatir S.A.	Montevideo (UY)	41,854	100.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-
Palmucho, S.A.	Santiago de Chile (CL)	2	100.00	Abengoa Concessions Infrastructure, S.L./ Abengoa Yield Plc.	-	-	(7)	-
Pectonex (RF) (Pty) Limited	Menlo Park (ZA)	8,551	100.00	Kaxu Solar One (Pty) Ltd./ Xina Solar One (Rf) (Pty), Ltd.	-	-	(7)	-
PV Atacama Uno, S.A	Santiago de Chile (CL)	2	100.00	APW I Spain, S.L ./ CSP Atacama Inversiones Uno, SpA	-	(**)	(3)	B
Rio Huan Solar Co., Ltd	Mongolia (CN)	1,486	55.00	Rioglass Solar Holding, S.A.	(*)	-	(1)	-
Rioglass Solar Holding, S.A	Asturias (ES)	4,498	49.99	Abengoa Solar, S.A.	-	-	(1)	B
Rioglass Solar, S.A	Asturias (ES)	6,906	100.00	Rioglass Solar Holding, S.A.	-	-	(1)	B
Rioglass Solar Dos, S.A.	Asturias (ES)	60	100.00	Rioglass Solar Holding, S.A.	-	-	(1)	B
Rioglass Solar Inc.	Delaware (US)	9,391	100.00	Rioglass Solar Holding, S.A.	-	-	(1)	B
Rioglass South Africa (Lty) Ltd.	Upington (ZA)	60	100.00	Rioglass Solar Holding, S.A.	-	-	(1)	B
Rioglass Solar Internacional	Bruselas (BE)	62	100.00	Rioglass Solar Holding, S.A./Rioglass Solar, S.A.	-	-	(1)	-
Rioglass Solar Systems, Ltd.	Tel Aviv (IL)	-	100.00	Rioglass Solar Holding, S.A.	-	-	(1)	-
Rioglass Solar Chile, S.A.	Santiago de Chile (CL)	1	100.00	Rioglass Solar Holding, S.A	-	-	(1)	-
Sanlúcar Solar, S.A.	Seville (ES)	32,849	100.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-
Servicios Culturales Mexiquenses, S.A. de C.V.	Toluca (MX)	1	50.00	Abengoa México, S.A. de C.V./ Instalaciones Inabensa, S.A.	-	(**)	(1)	B
Shams Power Company PJSC	Abu-Dhabi (AE)	205	40.00	Total Abengoa Solar Emirates Investment Company, BV	-	-	(3)	-
Solaben Electricidad Uno, S.A.	Cáceres (ES)	131,106	100.00	Extremadura Equity Investments Sárl.	-	-	(7)	B
Solaben Electricidad Dos, S.A.	Cáceres (ES)	62,688	70.00	Abengoa Solar España, S.A./ Logrosán Solar Inversiones, S.A.	-	-	(7)	-
Solaben Electricidad Tres, S.A.	Cáceres (ES)	62,401	70.00	Abengoa Solar España, S.A./ Logrosán Solar Inversiones, S.A.	-	-	(7)	-
Solaben Electricidad Seis, S.A.	Badajoz (ES)	127,681	100.00	Extremadura Equity Investments Sárl.	-	-	(7)	B
Solaben Luxembourg S.A	Luxembourg (LU)	14,217	100.00	Logrosán Solar Inversiones Dos, S.A.	(*)	-	(7)	-
Solacor Electricidad Uno, S.A.	Seville (ES)	57,902	74.00	Carpio Solar Inversiones, S.A.	-	-	(7)	-
Solacor Electricidad Dos, S.A.	Seville (ES)	58,477	74.00	Carpio Solar Inversiones, S.A.	-	-	(7)	-
Solar Processes, S.A.	Seville (ES)	35,892	100.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-

		Shareholding						
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	(**)	Activity	Auditor
SolelAben EPC Ashalim, L.P.	Tel Aviv (IL)	-	50.00	Abener Energía, S.A./ Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	-	(**)	(1)	-
Solnova Electricidad, S.A.	Seville (ES)	30,986	100.00	Solnova Solar Inversiones, S.A./Instalaciones Inabensa, S.A.	-	-	(7)	-
Solnova Electricidad Tres, S.A.	Seville (ES)	30,110	100.00	Solnova Solar Inversiones, S.A./Instalaciones Inabensa, S.A.	-	-	(7)	-
Solnova Electricidad Cuatro, S.A.	Seville (ES)	28,964	100.00	Solnova Solar Inversiones, S.A /Instalaciones Inabensa, S.A.	-	-	(7)	-
Solnova Solar Inversiones, S.A	Seville (ES)	-	100.00	Abengoa Concessions Infrastructure, S.L.	-	-	(7)	-
SRC Nanomaterials, S.A	Asturias (ES)	500	50.00	Rioglass Solar, S.A.	-	(**)	(3)	-
Total Abengoa Solar Emirates Investment Company, B.V.	Amsterdam (NL)	17,018	50.00	Abengoa Solar Ventures, S.A	-	(**)	(1)	B
Total Abengoa Solar Emirates O&M Company, B.V.	Amsterdam (NL)	165	50.00	Abengoa Solar Ventures, S.A.	-	(**)	(3)	B
Transmisora Baquedano, S.A.	Santiago de Chile (CL)	13,044	100.00	Abengoa Concessions Infrastructure, S.L./ Abengoa Yield Plc.	-	-	(7)	-
Transmisora Mejillones, S.A.	Santiago de Chile (CL)	9,030	100.00	Abengoa Concessions Infrastructure, S.L./ Abengoa Yield Plc.	-	-	(7)	-
TSMC Ingeniería y Contrucción, Ltda.	Santiago de Chile (CL)	12	33.30	Abengoa Chile, S.A.	-	-	(1)	-
Xina Solar One (Rf) (Pty), Ltd.	Gauteng (ZA)	22,374	40.00	Xina CSP South Africa (Pty) Ltd	-	-	(3)	B

Shareholding capital cost is calculated using the current closing year exchange rate.

(*) Companies incorporated or acquired and consolidated for the first time in the year.
(**) Joint ventures included in the consolidation perimeter
(***) Abengoa 100% Class B (control), Liberty 100% Clase A.

(1) Operating segment activities area: Engineering and Construction.
(2) Operating segment activities area: Transmission.
(3) Operating segment activities area: Solar.
(4) Operating segment activities area: Water.
(5) Operating segment activities areae: Cogeneration and others.
(6) Operating segment activities area: Bioenergy.
(7) Operating segment activities area: Yield

A Audited by PricewaterhouseCoopers Auditores.
B Audited by Deloitte.
C Audited by others auditors ..

Appendix XIV – Temporary Joint Ventures included in the 2015 Consolidation Perimeter using the proportional integration method

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Acceso Avda Pais Valencia	Alicante (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
ACE L5	Setubal (PT)	-	44.80%	Instalaciones Inabensa, S.A.		(1)	-
Agencia Andaluza de Energía	Seville (ES)	6.00	35.00%	Instalaciones Inabensa, S.A.		(1)	-
Albalac	Madrid (ES)	2.04	33.34%	Instalaciones Inabensa, S.A.		(1)	-
Almanjayar	Madrid (ES)	1.50	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Almería	Almería (ES)	1.50	50.00%	Abengoa Water S.L.		(4)	-
Aparcamiento L'Ordana	Alicante (ES)	4.50	90.00%	Instalaciones Inabensa, S.A.		(1)	-
APCA Inabensa-Abengoa Lote 2	Seville (ES)	6.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
APCA Inabensa-Abengoa Lote 1	Seville (ES)	6.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Argelia	Madrid (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Armilla	Seville (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Asimel	Madrid (ES)	1.30	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Badaia	Vitoria (ES)	3.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Baja California	Seville (ES)	-	100.00%	Inabensa, S.A. /Abener Energía, S.A. /Abeinsa, Ing y Const. Ind., S.A./Serv. Aux. de Admon., S.A. de C.V.		(1)	B
CARE Córdoba	Seville (ES)	12.00	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Cartagena	Murcia (ES)	1.13	37.50%	Abengoa Water S.L.		(4)	-
CEI Huesca	Zaragoza (ES)	0.60	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Cercanias Tren (Camas-Salteras)	Madrid (ES)	1.00	35.00%	Instalaciones Inabensa, S.A.		(1)	-
CGS-ABENGOA	Zaragoza (ES)	2.40	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Circulo Mercantil e Industrial de Sevilla	Seville (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Ciudad de la Justicia	Madrid (ES)	1.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Consistorio	Madrid (ES)	6.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Consorcio Abengoa Colombia	Bogotá (CO)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Abener Energía, S.A./ Abengoa Perú S,A.		(1)	-
Consorcio Pachacutec	Lima (PE)	-	50.00%	Abengoa Perú, S.A.		(1)	-
Consorcio La Gloria	Lima (PE)	-	50.00%	Abengoa Perú, S.A.		(1)	-
Consorcio Abengoa Kipreos Limitada	Santiago (CL)	8.00	50.00%	Abengoa Chile, S.A.		(1)	-
Consorcio Ambiental de la Plata	Montevideo (UY)	0.67	100.00%	Teyma Uruguay, S.A./Teyma Medioambiente S.A.		(1)	-
Consorcio Constructor Alto Cayma	Lima (PE)	-	25.00%	Abengoa Perú, S.A.		(1)	-
CPD Solares UTE	Madrid (ES)	10.00	35.00%	Instalaciones Inabensa, S.A.		(1)	-
CSP Atacama III	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.	(*)	(1)	-
Edificio ETEA	Zaragoza (ES)	-	40.00%	Instalaciones Inabensa, S.A.		(1)	-
Edificio ITA	Zaragoza (ES)	3.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Electrificación Granollers	Madrid (ES)	6.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Emvisesa Palacio Exposiciones	Seville (ES)	1.50	25.00%	Instalaciones Inabensa, S.A.		(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Energía Línea 9	Barcelona (ES)	1.20	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Equipamiento Solar Caballería	Madrid (ES)	1.20	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Facultades	Madrid (ES)	1.00	15.00%	Instalaciones Inabensa, S.A.		(1)	-
Ferial Badajoz	Madrid (ES)	-	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Ferrovial-Agroman Teyma (FAT)	Montevideo (UY)	-	40.00%	Teyma Uruguay, S.A		(1)	-
Fotovoltaica Expo	Zaragoza (ES)	7.00	70.00%	Instalaciones Inabensa, S.A.		(1)	-
Gallur Castejon	Madrid (ES)	2.00	33.33%	Instalaciones Inabensa, S.A.		(1)	-
Giesa Inabensa	Seville (ES)	1.50	50.00%	Instalaciones Inabensa, S.A.	(*)	(1)	-
Guardería La Nucia	Alicante (ES)	4.50	45.00%	Instalaciones Inabensa, S.A.		(1)	-
H. Campus de la Salud	Seville (ES)	2.40	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Hospital Costa del Sol	Málaga (ES)	10.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
IB INABENSA (JV) G15	India (IN)	-	100.00%	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.		(1)	-
IB INABENSA (JV) G24	India (IN)	-	100.00%	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.		(1)	-
IB INABENSA (JV) GR177	India (IN)	-	100.00%	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.		(1)	-
IB-PGF-INABEN(JV) GR159 CORE	India (IN)	-	71.00%	Inabensa Bharat Private Limited/ Instalaciones Inabensa S.A.		(1)	-
Inabensa-Jayton Catral	Alicante (ES)	10.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Inabensa-Jayton La Nucia	Alicante (ES)	6.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Inabensa-Jayton Villajoyosa	Alicante (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Inacom	Madrid (ES)	6.00	25.00%	Instalaciones Inabensa, S.A.		(1)	-
Incubadora	Madrid (ES)	1.80	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Inst. Eléctricas Hospital Costa del Sol	Málaga (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Instalaciones Hospital VQ	Seville (ES)	6.00	60.00%	Instalaciones Inabensa, S.A.		(1)	-
La Faisanera	Burgos (ES)	4.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Libia-Líneas	Seville (ES)	-	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Machupichu	Seville (ES)	6.00	100.00%	Instalaciones Inabensa, S.A. /Abencor Suministros, S.A.		(1)	-
Mantenimiento AVE Energia	Madrid (ES)	0.68	11.27%	Instalaciones Inabensa, S.A.	(*)	(1)	-
Mataporquera	Madrid (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Metro Ligero de Granada	Madrid (ES)	6.00	40.00%	Instalaciones Inabensa, S.A.		(1)	-
Mnto.Comunic.Metro L9	Barcelona (ES)	1.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Mobiliario La Nucia	Alicante (ES)	5.00	45.00%	Instalaciones Inabensa, S.A.		(1)	-
Norte III	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.	(*)	(1)	-
Ontoria	Vizcaya (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Pabellón Cubierto La Nucia	Alicante (ES)	9.00	45.00%	Instalaciones Inabensa, S.A.		(1)	-
Parque aeronáutico	Seville (ES)	2.00	40.00%	Instalaciones Inabensa, S.A.		(1)	-
Parque Soland	Seville (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Patrimonio	Seville (ES)	2.00	35.00%	Instalaciones Inabensa, S.A.		(1)	-
Peaje Irun (Telvent Inabensa)	Bilbao (ES)	-	20.00%	Instalaciones Inabensa, S.A.		(1)	-

Appendix XIV – Temporary Joint Ventures included in the 2015 Consolidation Perimeter using the proportional integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Pistas Deportivas La Nucia	Alicante (ES)	1.00	45.00%	Instalaciones Inabensa, S.A.		(1)	-
Preufet Juzgados	Barcelona (ES)	6.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Primapen III	Gijón (ES)	6.00	33.00%	Instalaciones Inabensa, S.A.		(1)	-
Rap Fenol	Madrid (ES)	6.00	33.00%	Instalaciones Inabensa, S.A.		(1)	-
Rotonda CV-70	Alicante (ES)	4.50	45.00%	Instalaciones Inabensa, S.A.		(1)	-
S/E Blanes	Madrid (ES)	6.00	33.33%	Instalaciones Inabensa, S.A.		(1)	-
S/E Libia	Madrid (ES)	-	50.00%	Instalaciones Inabensa, S.A.		(1)	-
S/E Sant Adriá	Madrid (ES)	2.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Sede Universitaria	Alicante (ES)	4.50	45.00%	Instalaciones Inabensa, S.A.		(1)	-
Seguridad Vial y Tráfico Rodado	Alicante (ES)	9.00	90.00%	Instalaciones Inabensa, S.A.		(1)	-
Semi-Inabensa	Madrid (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Sigmacat	Madrid (ES)	2.00	33.00%	Instalaciones Inabensa, S.A.		(1)	-
Silfrasub	Madrid (ES)	2.00	40.00%	Instalaciones Inabensa, S.A.		(1)	-
Silvacat	Madrid (ES)	30.00	35.50%	Instalaciones Inabensa, S.A.		(1)	-
Silvacat II	Madrid (ES)	0.35	35.30%	Instalaciones Inabensa, S.A.	(*)	(1)	-
Sisecat	Madrid (ES)	1.00	20.95%	Instalaciones Inabensa, S.A.		(1)	-
Sisecat II	Madrid (ES)	6.00	20.95%	Instalaciones Inabensa, S.A.		(1)	-
Soterramnet 132 Kv	Barcelona (ES)	2.00	33.34%	Instalaciones Inabensa, S.A.		(1)	-
Suburbano Mexico	Seville (ES)	6.00	100.00%	Instalaciones Inabensa, S.A. /Abeinsa, Ing y Const. Ind., S.A.		(1)	B
Tablada	Seville (ES)	6.00	50.00%	Abengoa Water S.L.		(4)	-
Telar Klitten	Montevideo (UY)	0.88	100.00%	Teyma Uruguay, S.A.		(1)	-
Torre	Bilbao (ES)	6.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Torre Isla Cartuja	Seville (ES)	12.00	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Tranvía de Jaén	Seville (ES)	1.00	15.00%	Instalaciones Inabensa, S.A.		(1)	-
Usansolo	Vizcaya (ES)	-	50.00%	Instalaciones Inabensa, S.A.		(1)	-
UTE Abener Teyma Inabensa Atacama I PV	Seville (ES)	-	100.00%	Abener Energía, S.A./Instalaciones Inabensa, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Alacat	Madrid (ES)	3.00	50.00%	Instalaciones Inabensa, S.A./ Electrificaciones y Montajes Integrales OHL, S.A.		(1)	-
UTE Inabensa-Ansaldo	Madrid (ES)	10.00	40.12%	Instalaciones Inabensa, S.A./Ansaldo STS España SAU		(1)	-
UTE Abeima Teyma Zapotillo	Seville (ES)	7.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abeima Teyma Nungua	Seville (ES)	7.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abeima Teyma Barka	Seville (ES)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Abeima Teyma Agadir	Seville (ES)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abencor-Inabensa Chilca Montalvo	Seville (ES)	7.00	100.00%	Instalaciones Inabensa, S.A./Abencor Suministros, S.A.		(1)	-
UTE Abener Inabensa Paises Bajos	Seville (ES)	-	100.00%	Abener Energía, S.A./Instalaciones Inabensa, S.A.		(1)	-
UTE Abener Teyma Helio Energy I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Helio Energy II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Inabensa NP Tabasco	Seville (ES)	-	100.00%	Abener Energía, S.A./Instalaciones Inabensa, S.A.		(1)	B
UTE Abener Teyma Emirates I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	B
UTE Abener Teyma Solacor I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solacor II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Befesa Cortés Pallás	Seville (ES)	4.80	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A. /'Abener Energía, S.A.		(1)	-
UTE Abener Teyma Helios I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Helios II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solaben I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solaben II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solaben III	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solaben VI	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Solaben IC	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Abengoa Water Sahechores	Seville (ES)	1.80	50.00%	Abener Energía, S.A./ Abengoa Water, S.L.		(4)	-
UTE Abener Teyma Upington	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Paulputs	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Paysandu	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	C
UTE Abener Teyma Xina	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Atacama I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-

Appendix XIV – Temporary Joint Ventures included in the 2015 Consolidation Perimeter using the proportional integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Abener Teyma Atacama II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Inabensa Atacama II PV	Seville (ES)	-	100.00%	Abener Energía, S.A./Instalaciones Inabensa, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Inabensa NP Tabasco II	Seville (ES)	-	100.00%	Abener Energía, S.A./Instalaciones Inabensa, S.A.		(1)	-
UTE Abener Teyma Bélgica	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Inabensa Germany	Seville (ES)	-	100.00%	Abener Energía, S.A./Instalaciones Inabensa, S.A.		(1)	-
UTE Abener Inabensa Francia	Seville (ES)	-	100.00%	Abener Energía, S.A./Instalaciones Inabensa, S.A.		(1)	-
UTE Abensaih Mantenimiento	Seville (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Abensaih Guadalquivir	Seville (ES)	3.06	51.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Aguas Salobres	Seville (ES)	3.60	60.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Alcoy	Alicante (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Amés Brión	La Coruña (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Ute Ashalim Eucomsa-Abeinsa Engineering	Seville (ES)	-	100.00%	Europea de Construcc. Metálicas, S.A./Abeinsa Engineering SL		(1)	-
UTE Atabal	Málaga (ES)	3.19	53.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Avensaih Guadalete - Barbate	Cádiz (ES)	3.06	31.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Avinyó	Cataluña (ES)	-	40.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE B.Almanzora	Murcia (ES)	2.40	40.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Báscara	Cataluña (ES)	-	40.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Boaco	Nicaragua (NI)	2.21	73.83%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE CAC Arequipa	Arequipa (PE)	3.26	25.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Cáceres	Cáceres (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Campello	Alicante (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Canal de Navarra	Navarra (ES)	3.60	20.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Canal Estremera	Madrid (ES)	6.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Cartuja	Seville (ES)	-	30.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE CCAC Arequipa	Arequipa (PE)	6.66	51.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Centro Morelos	Seville (ES)	-	100.00%	Abener Energía, S.A. / Inabensa, S.A. / Serv. Aux. de Administración, S.A. de C.V.		(1)	-
UTE Chennai O&M	India (IN)	6.00	100.00%	Construcciones y Depuraciones, S.A./ Abengoa Water S.L.		(4)	-
UTE Chennai	India (IN)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
UTE Conquero	Huelva (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Cunene	Angola (AN)	25.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Ute Dead Sea	Seville (ES)	-	100.00%	Abener Energía, S.A/Abeinsa Engineering SL		(1)	-
UTE Denizli	Denizli (TR)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Abener Energía, S.A./ Abengoa Perú S,A.		(1)	-
UTE Depurbaix	Cataluña (ES)	6.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE El Cerrillo	Córdoba (ES)	4.80	80.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Espluga	Cataluña (ES)	-	40.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Fontsanta	Cataluña (ES)	4.80	40.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Fuente Alamo	Murcia (ES)	2.97	33.00%	Construcciones y Depuraciones, S.A		(1)	-
UTE Guadalajara	Guadalajara (ES)	3.31	55.00%	Abengoa Water S.L.		(4)	-
UTE Hassi R'Mel Construction	Seville (ES)	-	70.00%	Abener Energía, S.A./ Abengoa Solar New Technologies, S.A		(1)	-
UTE Hassi R'Mel O&M	Seville (ES)	-	100.00%	Abener Energía, S.A./ Abengoa Solar España, S.A		(1)	C
UTE Hidrosur	Málaga (ES)	2.00	33.33%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Honaine	Algeria (AR)	1.50	50.00%	Abengoa Water S.L.		(4)	-
UTE Honaine	Algeria (AR)	1.50	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Inabensa Teyma Peralta	Seville (ES)	60.00	100.00%	Instalaciones Inabensa, S.A. /Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	B
UTE Inabensa Teyma Eólica del Tala	Seville (ES)	60.00	100.00%	Instalaciones Inabensa, S.A. /Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	B
UTE Inabensa-Eucomsa-Perú	Seville (ES)	6.90	100.00%	Instalaciones Inabensa, S.A./Europea de Construcc. Metálicas, S.A.		(1)	-
Ute Inst. Clima Hospital Costa del Sol	Málaga (ES)	3.00	50.00%	Instalaciones Inabensa, S.A.		(1)	-
UTE Itoiz II	Navarra (ES)	3.50	35.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Júcar Vinalopo	Valencia (ES)	2.00	33.34%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Kurkudi	Vizcaya (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE La Codosera	Cáceres (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Las Bambas	Seville (ES)	6.00	100.00%	Instalaciones Inabensa, S.A. /Abencor Suministros, S.A.		(1)	-
UTE Lubet Cádiz	Cádiz (ES)	-	75.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Mant. Valdeinfierno	Murcia (ES)	2.00	60.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Mantenimiento Presas	Málaga (ES)	2.10	35.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Marismas Construccion	Seville (ES)	12.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Minicentrales	Madrid (ES)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Moraira	Alicante (ES)	2.55	42.50%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Ojén Mijas	Málaga (ES)	-	70.00%	Construcciones y Depuraciones, S.A.		(1)	-

Appendix XIV – Temporary Joint Ventures included in the 2015 Consolidation Perimeter using the proportional integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Qingdao	China (CH)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Ranilla	Seville (ES)	1.80	15.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Retortillo	Seville (ES)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Reus	Cataluña (ES)	3.90	65.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Ribera	Valencia (ES)	3.01	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Riegos Marismas	Seville (ES)	5.94	99.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Rincón Vict	Málaga (ES)	3.01	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Saih Duero	Valladolid (ES)	1.80	30.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Sallent	Cataluña (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE San Juan del Sur	Nicaragua (NI)	2.20	73.31%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Sant Celoni	Cataluña (ES)	6.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Segriá Sud	Cataluña (ES)	3.60	60.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Skikda	Algeria (AR)	2.00	67.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
UTE Skikda O&M	Algeria (AR)	2.01	67.00%	Construcciones y Depuraciones, S.A./ Abengoa Water S.L.		(4)	-
UTE Sta. Amalia	Badajoz (ES)	4.80	80.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Teatinos	Málaga (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Tenés	Algeria (AR)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	B
Ute Tenes O&M	Algeria (AR)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./ Abengoa Water S.L.		(4)	-
UTE Valdeinfierno	Murcia (ES)	2.00	60.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
UTE Valdelentisco	Murcia (ES)	4.80	80.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Vall Baixa	Cataluña (ES)	6.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Vilagarcía	Pontevedra (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Utrera	Seville (ES)	3.01	50.00%	Abengoa Water S.L.		(4)	-
Winterra.-Inaben.Atraque Puerto de Vigo	Compostela (ES)	-	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Winterra-Inabensa Sarriá	Compostela (ES)	2.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Winterra-Inabensa Monterroso	Compostela (ES)	6.00	30.00%	Instalaciones Inabensa, S.A.		(1)	-
Zonas Deportivas La Nucia	Alicante (ES)	4.00	45.00%	Instalaciones Inabensa, S.A.		(1)	-

(*) Companies incorporated or acquired and consolidated for the first time in the year.

(1) Operating segment activities area: Engineering and Construction.
(2) Operating segment activities area: Transmission.
(3) Operating segment activities area: Solar.
(4) Operating segment activities area: Water.
(5) Operating segment activities areae: Cogeneration.
(6) Operating segment activities area: Bioenergy.

A Audited by PricewaterhouseCoopers Auditores.
B Audited by Deloitte.
C Audited by others auditors.

Appendix XV – Companies with Electricity Operations included in the 2015 Consolidation Perimeter

Company name	Registered Address	Activity (*)	Comments
Abengoa Bioenergía Agroindustria, Ltda.	Sao Paulo (BR)	(3)	Operational
Abengoa Bioenergy Biomass of Kansas, LLC.	Kansas (US)	(3)	Operational
Abengoa Cogeneraçao de Energía II, S.A.	Rio de Janeiro (BR)	(9)	Operational
Abengoa Cogeneración Tabasco, S. de R.L. de C.V.	México D.F. (MX)	(3)	Operational
CSP Atacama Uno, S.A.	Santiago de Chile (CL)	(6)	Operational
Abengoa Solar Italia, S.R.L.	Roma (IT)	(5)	Operational
Abengoa Transmisión Norte, S.A.	Lima (PE)	(9)	Operational
Abengoa Transmisión Sur, S.A.	Lima (PE)	(9)	Operational
Abent (3)T, S.A.P.I. de C.V.	México D.F. (MX)	(3)	Operational
ACC (4)T, S.A.P.I. de C.V.	México D.F. (MX)	(3)	Operational
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	(1)	Operational
Arizona Solar One, LLC	Colorado (US)	(6)	Operational
Abengoa Bioenergy Netherland, BV	Rotterdam (NL)	(3)	Operational
ATE VI Campos Novos Transmissora de Energía ,S.A	Rio de Janeiro (BR)	(9)	Operational
ATE VII- Foz do Iguacú Transmissora de Energía, S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE VIII Transmissora de Energía, S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XI, Manaus Transmissora de Energía	Rio de Janeiro (BR)	(9)	Operational
ATE XIII, Norte Brasil Transmissora de Energía S.A	Rio de Janeiro (BR)	(9)	Operational
ATE XVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XVII Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XIX Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XX Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XXI Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XXII Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XXIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XXIV Transmissora de Energia, S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Operational
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	(9)	Operational
ATN (1), S.A.	Lima (PE)	(9)	Operational
ATN (2), S.A.	Lima (PE)	(9)	Operational
ATN (3), S.A.	Lima (PE)	(9)	Operational
Biocarburantes de Castilla y León, S.A.	Salamanca (ES)	(3)	Operational
Bioetanol Galicia, S.A.	A Coruña (ES)	(3)	Operational
Cadonal, S.A.	Montevideo (UY)	(2)	Operational
Captasol Fotovoltaica (1), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (4), S.L.	Seville (ES)	(5)	Operational

Company name	Registered Address	Activity (*)	Comments
Captasol Fotovoltaica (5), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (6), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (7), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (8), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (9), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)0, S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)(1), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)(2), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)(3), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)(4), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)(5), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)(6), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)(7), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)(8), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (1)(9), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)0, S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)(1), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)(2), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)(3), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)(4), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)(5), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)(6), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)(7), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)(8), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (2)(9), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3)0, S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3)(1), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3)(2), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3)(3), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3)(4), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3)(5), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3)(6), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3)(7), S.L.	Seville (ES)	(5)	Operational
Captasol Fotovoltaica (3)(8), S.L.	Seville (ES)	(5)	Operational
Cogeneración Villaricos, S.A.	Seville (ES)	(1)	Operational
Copero Solar Huerta Uno, S.A.	Seville (ES)	(5)	Operational
Copero Solar Huerta Dos, S.A.	Seville (ES)	(5)	Operational
Copero Solar Huerta Tres, S.A	Seville (ES)	(5)	Operational
Copero Solar Huerta Cuatro, S.A.	Seville (ES)	(5)	Operational

Appendix XV – Companies with Electricity Operations included in the 2015 Consolidation Perimeter (continuation)

Company name	Registered Address	Activity (*)	Comments
Copero Solar Huerta Cinco, S.A.	Seville (ES)	(5)	Operational
Copero Solar Huerta Seis, S.A.	Seville (ES)	(5)	Operational
Copero Solar Huerta Siete, S.A.	Seville (ES)	(5)	Operational
Copero Solar Huerta Ocho, S.A.	Seville (ES)	(5)	Operational
Copero Solar Huerta Nueve, S.A.	Seville (ES)	(5)	Operational
Copero Solar Huerta Diez, S.A.	Seville (ES)	(5)	Operational
CSP Atacama Dos, S.A	Santiago de Chile (CL)	(6)	Operational
Cycon Solar, LTD	Nicosia (CY)	(6)	Operational
Ecocarburantes Españoles , S.A.	Murcia (ES)	(3)	Operational
Fotovoltaica Solar Sevilla, S.A.	Seville (ES)	(5)	Operational
Helioenergy Electricidad Uno, S.A.	Seville (ES)	(6)	Operational
Helioenergy Electricidad Dos, S.A.	Seville (ES)	(6)	Operational
Helioenergy Electricidad Tres, S.A.	Seville (ES)	(6)	Operational
Helioenergy Electricidad Cuatro, S.A.	Seville (ES)	(6)	Operational
Helioenergy Electricidad Cinco, S.A.	Seville (ES)	(6)	Operational
Helioenergy Electricidad Once, S.A.	Seville (ES)	(6)	Operational
Helioenergy Electricidad Veintiuno, S.A	Seville (ES)	(6)	Operational
Helioenergy Electricidad Veintidos, S.A	Seville (ES)	(6)	Operational
Helioenergy Electricidad Veintitres, S.A	Seville (ES)	(6)	Operational
Helioenergy Electricidad Veinticuatro, S.A	Seville (ES)	(6)	Operational
Helios I Hyperion Energy Investments, S.L.	Seville (ES)	(6)	Operational
Helios II Hyperion Energy Investments, S.L.	Madrid (ES)	(6)	Operational
Inabensa Fotovoltaica, S.L.	Seville (ES)	(5)	Operational
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	Huesca (ES)	(7)	Operational
Iniciativas Hidroeléctricas, S.A.	Seville (ES)	(7)	Operational
Insolation Sic (6), S.R.L	Roma (IT)	(5)	Operational
Insolation Sic (9), S.R.L	Roma (IT)	(5)	Operational
Insolation (1)(7), S.R.L	Roma (IT)	(5)	Operational
Insolation (1)(8), S.R.L	Roma (IT)	(5)	Operational
Instalaciones Fotovoltaicas Torrecuéllar, (1) S.L.	Seville (ES)	(5)	Operational
Instalaciones Fotovoltaicas Torrecuéllar, (2) S.L.	Seville (ES)	(5)	Operational
Instalaciones Fotovoltaicas Torrecuéllar, (3) S.L.	Seville (ES)	(5)	Operational
Kaxu Solar One (Pty) Ltd.	Gauteng (ZA)	(6)	Operational
Khi Solar One (Pty) Ltd.	Gauteng (ZA)	(6)	Operational
Linares Fotovoltaica, S.L.	Seville (ES)	(5)	Operational
Londrina Transmissora De Energía, S.A.	Rio de Janeiro (BR)	(9)	Operational
Marismas PV A(1), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(2), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(3), S.L.	Seville (ES)	(5)	Operational

Company name	Registered Address	Activity (*)	Comments
Marismas PV A(4), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(5), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(6), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(7), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(8), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(9), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(1)0, S.L.	Seville (ES)	(5)	Operational
Marismas PV A(1)(1), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(1)(2), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(1)(3), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(1)(4), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(1)(5), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(1)(6), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(1)(7), S.L.	Seville (ES)	(5)	Operational
Marismas PV A(1)(8), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(2), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(3), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(4), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(5), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(6), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(7), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(8), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(9), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1)0, S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1)(1), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1)(2), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1)(3), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1)(4), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1)(5), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1)(6), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1)(7), S.L.	Seville (ES)	(5)	Operational
Marismas PV B(1)(8), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(2), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(3), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(4), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(5), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(6), S.L.	Seville (ES)	(5)	Operational

Appendix XV – Companies with Electricity Operations included in the 2015 Consolidation Perimeter (continuation)

Company name	Registered Address	Activity (*)	Comments
Marismas PV C(7), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(8), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(9), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1)0, S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1)(1), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1)(2), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1)(3), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1)(4), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1)(5), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1)(6), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1)(7), S.L.	Seville (ES)	(5)	Operational
Marismas PV C(1)(8), S.L.	Seville (ES)	(5)	Operational
Marismas PV E(1), S.L.	Seville (ES)	(5)	Operational
Marismas PV E(2), S.L.	Seville (ES)	(5)	Operational
Marismas PV E(3), S.L.	Seville (ES)	(5)	Operational
Marudhara Akshay Urja Private Limited	Maharashtra (IN)	(6)	Operational
Marusthal Green Power Private Limited	Maharashtra (IN)	(6)	Operational
Mojave Solar LLC	Colorado (US)	(6)	Operational
Negev Energy - Ashalim Thermo-Solar, Ltd.	Tel Aviv (IL)	(6)	Operational
Palmatir, S.A.	Montevideo (UY)	(2)	Operational
Palmucho, S.A.	Santiago de Chile (CL)	(9)	Operational
Procesos Ecológicos Vilches, S.A.	Seville (ES)	(3)	Operational
Puerto Real Cogeneración, S.A.	Seville (ES)	(3)	Operational
PV Atacama Uno, S.A.	Santiago de Chile (CL)	(5)	Operational
PV Atacama Dos, S.A	Santiago de Chile (CL)	(5)	Operational
Rajasthan Photon Energy Pvt Ltd	Maharashtra (IN)	(6)	Operational
Sanlúcar Solar, S.A.	Seville (ES)	(6)	Operational
Sao Mateus Transmissora de Energía, Ltda.	Rio de Janeiro (BR)	(9)	Operational
Shams Power Company PJSC	Abu-Dhabi (AE)	(6)	Operational
Solaben Electricidad Uno, S.A.	Cáceres (ES)	(6)	Operational
Aguas de Skikda	Argel (DZ)	(7)	Operational
Honaine	Argel (DZ)	(7)	Operational
Solaben Electricidad Dos, S.A.	Cáceres (ES)	(6)	Operational
Solaben Electricidad Tres, S.A.	Cáceres (ES)	(6)	Operational
Solaben Electricidad Seis, S.A.	Badajoz (ES)	(6)	Operational
Solaben Electricidad Diez, S.A.	Cáceres (ES)	(6)	Operational
Solacor Electricidad Uno, S.A.	Seville (ES)	(6)	Operational
Solacor Electricidad Dos, S.A.	Seville (ES)	(6)	Operational
Solar de Receptores de Andalucía, S.A.	Seville (ES)	(5)	Operational

Company name	Registered Address	Activity (*)	Comments
Solar Power Plant One	Argel (DZ)	(5)	Operational
Solar Processes, S.A.	Seville (ES)	(6)	Operational
Solargate Electricidad Tres, S.A.	Seville (ES)	(6)	Operational
Solargate Electricidad Cuatro, S.A.	Seville (ES)	(6)	Operational
Solnova Electricidad, S.A.	Seville (ES)	(6)	Operational
Solnova Electricidad Dos, S.A.	Seville (ES)	(6)	Operational
Solnova Electricidad Tres, S.A.	Seville (ES)	(6)	Operational
Solnova Electricidad Cuatro, S.A.	Seville (ES)	(6)	Operational
Solnova Electricidad Cinco, S.A.	Seville (ES)	(6)	Operational
Solnova Electricidad Seis, S.A.	Seville (ES)	(6)	Operational
Transmisora Baquedano, S.A.	Santiago de Chile (CL)	(9)	Operational
Transmisora Mejillones, S.A.	Santiago de Chile (CL)	(9)	Operational
Xina Solar One (Rf) (Pty), Ltd.	Gauteng (ZA)	(6)	Contruction phase
Abeinsa Juárez Norte III, S.A. de C.V.	Bahía de Santa Barbara (México)	(3)	Contruction phase
Abengoa Generación Chile	Santiago de Chile (CL)	(9)	Contruction phase
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	(9)	Contruction phase
Concesiones Eléctricas Chile SpA	Santiago de Chile (CL)	(9)	Contruction phase
CSP Atacama Uno S.A.	Santiago de Chile (CL)	(6)	Contruction phase
DGEN Transmission Company, Ltd.	New Delhi (IN)	(9)	Contruction phase
Pichirropulli Transmisora de Energía, S.A.	Santiago de Chile (CL)	(9)	Contruction phase
PV Atacama Uno, S.A.	Santiago de Chile (CL)	(5)	Contruction phase
Transportadora Riojana S.A.	Buenos Aires (AR)	(9)	Contruction phase

(*) Electricity operations as described in Note 2.29 in accordance with the provisions of Law 54/1997

(1) Production under Special Regime: Cogeneration. Primary energy type: Fuel
(2) Production under Special Regime: Wind. Primary energy type: Wind
(3) Includes production under Special Regime: Cogeneration. Primary energy type: Natural gas
(4) Production under Special Regime: Cogeneration. Primary energy type: Natural gas
(5) Production under Special Regime: Solar Photovoltaic. Primary energy type: Solar light
(6) Production under Special Regime: Solar Termosolar. Primary energy type: Solar light
(7)Production under Special Regime: Hydraulic. Primary energy type: Water
(8) Production under Special Regime: Other. Primary energy type: Industrial waste (used oils)
(9) Transport.
(10) Electricity production: Based on hydrogen. Primary type of energy: Hydrogen

Appendix XVI – Companies taxed under the Special Regime for Company Groups at 12.31.15

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Abengoa S.A.	Seville (ES)	Sociedad Dominante
A3T Holdco España, S.A	Seville (ES)	Abener Energía, S.A./ Negocios Industriales y Comerciales, S.A. (Nicsa)
Abeima Agua Internacional, S.L.	Seville (ES)	Abeinsa Infraestructuras Medio Ambiente/Construcciones y Depuraciones, S.A.(Codesa)
Abeinsa Asset Management, S.L.	Seville (ES)	Abener Energía, S.A./Negocios Industriales y Comerciales, S.A.
Abeinsa Business Development, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./ Negocios Industriales y Comerciales, S.A.
Abeinsa Engineering S.L.	Seville (ES)	Abener Energía
Abeinsa EPC, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.
Abeinsa Infraestructuras Medio Ambiente, S.A	Seville (ES)	Abeinsa Business Development, S.A. / Negocios Industriales y Comerciales, S.A.
Abeinsa Inversiones Latam, S.L.	Seville (ES)	Asa Iberoamérica, S.L./Abeinsa Ingeniería y Construcción Industrial, S.A.
Abeinsa Noreste Monterrey S.A	Seville (ES)	Abeinsa, Ingeniería y Construcción Industrial, S.A. / Abener Energía, S.A.
Abeinsa Noroeste Sinaloa, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A. / Abener Energía, S.A.
Abeinsa Operation and Maintenance, S.A.	Seville (ES)	Abeinsa Ing. y Const. Industrial, S.A./Negocios Industriales y de Construcción, S.A.
Abeinsa San Isidro Samalayuca, S.L	Seville (ES)	Instalaciones Inabensa, S.A. / Abeinsa, Ing y Const. Ind., S.A.
Abeinsa Topolobampo III, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A. / Abener Energía, S.A.
Abencor Suministros S.A.	Seville (ES)	Nicsa /Abeinsa
Abener Argelia, S.L.	Seville (ES)	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Abener Energía, S.A.	Seville (ES)	Abeinsa, Ing. y Const., S.A./Abeinsa Business Development, S.A./Negocios Ind. y Com., S.A.
Abengoa Bioenergía Biodiesel, S.A.	Seville (ES)	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.
Abengoa Bioenergía Inversiones, S.A.	Seville (ES)	Abengoa Bioenergía, S.A./Abengoa Bioenergía Nuevas Tecnologías, S.A.
Abengoa Bioenergía Nuevas Tecnologías, S.A.	Seville (ES)	Abengoa Bioenergía, S.L./Instalaciones Inabensa, S.A.
Abengoa Bioenergía San Roque, S.A.	Cádiz (ES)	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.
Abengoa Bioenergía, S.A.	Seville (ES)	Abengoa, S.A./Sociedad Inversora Energía y Medio Ambiente, S.A.
Abengoa Biotechnology Research, S.A.	Seville (ES)	Abengoa Bioenergía Nuevas Tecnologías, S.A./Abengoa Research, S.A.
Abengoa Concessions, S.L.	Seville (ES)	Abengoa, S.A./Siema
Abengoa Energy Crops, S.A.	Seville (ES)	Abengoa, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)
Abengoa Finance, S.A.	Seville (ES)	Abengoa, S.A.
Abengoa Greenbridge, S.A.U.	Seville (ES)	Abengoa, S.A.
Abengoa Greenfield S.A.U.	Seville (ES)	Abengoa, S.A.
Abengoa Hidrógeno, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./ Instalaciones Inabensa, S.A.
Abengoa Inversiones Mexico, S.L.	Seville (ES)	Abengoa PW I Investments, S.L.
Abengoa Inversiones Spain, S.L.	Seville (ES)	Abengoa PW I Investments, S.L.
Abengoa Inversiones Sudamérica, S.L.	Seville (ES)	Abengoa Inversiones Sudamerica, S.L.
Abengoa Inversiones Uruguay, S.L.	Seville (ES)	Abengoa PW I Investments, S.L.
Abengoa PW I Investments, S.L.	Seville (ES)	Abeinsa, Ing y Const. Ind., S.A.
Abengoa PW II Investments, S.L	Seville (ES)	Abeinsa, Ing y Const. Ind., S.A.
Abengoa Research, S.L.	Seville (ES)	Abeinsa, Ingeniería y Construcción Industrial, S.A./Instalaciones Inabensa, S.A.
Abengoa SeaPower, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./Instalaciones Inabensa, S.A.
Abengoa Solar España, S.A.	Seville (ES)	Abengoa Solar, S.A./Abengoa Solar New Technologies, S.A.

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Abengoa Solar Extremadura, S.A.	Caceres (ES)	Abengoa Solar España, S.A./Abengoa Solar New Technologies, S.A.
Abengoa Solar Internacional, S.A.	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.
Abengoa Solar International Investments, S.L	Seville (ES)	Abengoa Solar Internacional, S.A. / Abengoa Solar España, S.A.
Abengoa Solar Middle East Holding, S.L	Seville (ES)	Abengoa Solar Internacional, S.A / Abengoa Solar España, S.A
Abengoa Solar New Technologies, S.A.	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.
Abengoa Solar Power, S.A.	Seville (ES)	Abengoa Solar, S.A./Abengoa Solar España, S.A.
Abengoa Solar Research, S.A.	Seville (ES)	Abengoa Solar New Technologies, S.A./ Abengoa Research, S.L.
Abengoa Solar, S.A.	Seville (ES)	Abengoa, S.A./Abengoa Solar España, S.A.
Abengoa Solar Ventures S.A	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.
Abengoa Water Agadir, S.L.U.	Seville (ES)	Abengoa Water, S.L.
Abengoa Water, S.L.	Seville (ES)	Abengoa, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)
Abengoa Water Dalian, S.L.U.	Seville (ES)	Abengoa Water, S.L.
Abengoa Water Internacional, S.L.U.	Seville (ES)	Abengoa Water, S.L.
Abengoa Water Nungua, S.L.U.	Seville (ES)	Abengoa Water, S.L.U.
Abengoa Water Taiwan, S.L.U.	Seville (ES)	Abengoa Water, S.L.
Abentel Telecomunicaciones, S.A.	Seville (ES)	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	Abeinsa Asset Management, S.L.
Asa Iberoamérica, S.L.	Seville (ES)	Soc. Inv. Energía y Medio Ambiente, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Aznalcóllar Solar, S.A.	Seville (ES)	Abengoa Solar España/Abengoa Solar
Befesa Agua Djerba, S.L. (AW Takoradi)	Seville (ES)	Abengoa Water, S.L.
Befesa Agua Tenes S.L.	Seville (ES)	Abengoa Water S.L.
Befesa CTA Qingdao, S.L.U	Madrid (ES)	Abengoa Water, S.L.
Biocarburantes de Castilla y León, S.A.	Salamanca (ES)	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.
Bioetanol Galicia, S.A.	A Coruña (ES)	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.
Captación Solar, S.A.	Seville (ES)	Abeinsa Asset Management, S.L./Abener Energía, S.A.
Captasol Fotovoltaica 1, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 2, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 3, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 4, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 5, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 6, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 7, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 8, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 9, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 10, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 11, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 12, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 13, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 14, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.

Appendix XVI – Companies taxed under the Special Regime for Company Groups at 12.31.15 (continuation)

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Captasol Fotovoltaica 15, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 16, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 17, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 18, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 19, S.L.	Seville (ES)	Abengoa Solar España, S.A./Casaquemada Fotovoltaica, S.L.
Captasol Fotovoltaica 20, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 21, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 22, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 23, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 24, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 25, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 26, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 27, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 28, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 29, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 30, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 31, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 32, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 33, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 34, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 35, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 36, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 37, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 38, S.L.	Seville (ES)	Abengoa Solar España, S.A./Linares Fotovoltaica, S.L.
Captasol Fotovoltaica 52 S.L.	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.
Casaquemada Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Centro Industrial y Logístico Torrecuellar, S.A.	Seville (ES)	Instalaciones Inabensa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Centro Tecnológico Palmas Altas, S.A.	Seville (ES)	Abengoa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Construcciones y Depuraciones, S.A.(Codesa)	Seville (ES)	Abeinsa Asset Management, S.L.
Covisa, Cogeneración Villaricos, S.A.	Seville (ES)	Abeinsa Asset Management, S.L.
Ecoagricola, S.A.	Murcia (ES)	Abengoa Bioenergía Inversiones, S.A./Ecocarburantes, S.A.
Ecocarburantes Españoles , S.A.	Murcia (ES)	Abengoa Bioenergía Inversiones, S.A.
Europea de Construcciones Metálicas, S.A. (Eucomsa)	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Solar, S.A.
Fotovoltaica Solar Sevilla, S.A.	Seville (ES)	Abengoa Solar España, S.A.
Gestión Integral de Recursos Humanos, S.A.	Seville (ES)	Siema Technologies, S.L
Helioenergy Electricidad Tres, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Helioenergy Electricidad Cuatro, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Helioenergy Electricidad Cinco, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Helioenergy Electricidad Once, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Helioenergy Electricidad Trece, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Helioenergy Electricidad Veintiuno, S.A	Seville (ES)	Abengoa Solar España, S.A. /Abengoa Solar New Technologies, S.A.
Helioenergy Electricidad Veintidos, S.A	Seville (ES)	Abengoa Solar España, S.A. /Abengoa Solar New Technologies, S.A.
Helioenergy Electricidad Veintitres, S.A	Seville (ES)	Abengoa Solar España, S.A. /Abengoa Solar New Technologies, S.A.
Helioenergy Electricidad Veinticuatro, S.A	Seville (ES)	Abengoa Solar España, S.A. /Abengoa Solar New Technologies, S.A.
Inabensa Fotovoltaica, S.L.	Seville (ES)	Instalaciones Inabensa, S.A./C.I.L. Torrecuéllar, S.A.
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	Huesca (ES)	Abeinsa Infraestructuras Medio Ambiente, S.A.
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.
Instalaciones Inabensa, S.A.	Seville (ES)	Nicsa/Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.
Japan PV Ventures, S.A.	Seville (ES)	Abengoa Solar S.A. / Abengoa Solar España
Las Cabezas Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Linares Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Marismas PV A1, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A2, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A3, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A4, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A5, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A6, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A7, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A8, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A9, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A10, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A11, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A12, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A13, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A14, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A15, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A16, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A17, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A18, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B1, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B2, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B3, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B4, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B5, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B6, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B7, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.

Appendix XVI – Companies taxed under the Special Regime for Company Groups at 12.31.15 (continuation)

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Marismas PV B8, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B9, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B10, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B11, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B12, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B13, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B14, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B15, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B16, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B17, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV B18, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C1, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C2, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C3, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C4, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C5, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C6, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C7, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C8, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C9, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C10, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C11, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C12, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C13, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C14, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C15, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C16, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C17, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV C18, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV E1, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV E2, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV E3, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
NEA Solar O&M, S.A.	Seville (ES)	Abengoa Solar, S.A /Abengoa Solar España, S.A.
NEA Solar Power, S.A.	Seville (ES)	Abengoa Solar, S.A /Abengoa Solar España, S.A.
Nicsa, Negocios Industr. y Comer. S.A.	Madrid (ES)	Abencor /Abeinsa
Omega Sudamérica, S.L	Seville (ES)	Instalaciones Inabensa, S.A./ASA Iberoamérica S.A.
Power & Railway Solutions, S.L.	Seville (ES)	Instalaciones Inabensa, S.A.
Puerto Real Cogeneración, S.A.	Seville (ES)	Abeinsa Asset Management, S.L.
Simosa, Serv. Integ. Manten y Operac., S.A.	Seville (ES)	Negocios Industriales y Comerciales, S.A./Abengoa, S.A.

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Siema Investment, S.L.U.	Madrid (ES)	Siema Technologies, S.L
Siema Technologies, S.L.	Madrid (ES)	Abengoa, S.A./Siema AG
Simosa I.T., S.A	Seville (ES)	Abengoa, S.A./Simosa, S.A.
Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	Seville (ES)	Abengoa, S.A./Negocios Industriales y Comerciales, S.A.
Sociedad Inversora Lineas de Brasil, S.L. (ETVE)	Seville (ES)	Asa Iberoamérica
Solaben Electricidad Ocho, S.A.	Caceres (ES)	Abengoa Solar España, S.A/Abengoa Solar New Technologies,S.A.
Solaben Electricidad Diez, S.A.	Caceres (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Solargate Electricidad Tres, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Solargate Electricidad Cuatro, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Solargate Electricidad Cinco, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Solnova Electricidad Dos, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Solnova Electricidad Cinco, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Solnova Electricidad Seis, S.A.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.
Solúcar Andalucía FV2, S.A	Seville (ES)	Abengoa Solar España, S.A./ Abengoa Solar New Technologies, S.A.
South Africa PV Investments, S.L.	Seville (ES)	Abengoa Solar Internacional, S.A./Abengoa Solar Ventures, S.A
South Africa Solar Investments, S.L.	Seville (ES)	Abengoa Solar Internacional, S.A./ Abengoa Solar, S.A.
South Africa Solar Ventures, S.L.	Seville (ES)	Abengoa Solar Internacional, S.A./Abengoa Solar Ventures, S.A
Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A.
Zero Emissions Technologies, S.A. (Zeroemissions)	Seville (ES)	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Hidrógeno, S.A.
Zeroemissions Carbon Trust, S.A	Seville (ES)	Zeroemissions Technologies, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.

03. Consolidated management report

Consolidated Management Report as of December 31, 2016

1.- Entity's position

1.1. Organizational structure

Abengoa, S.A. is a technological parent company of a group of companies, which at the end of the year 2016 included the following:

- The holding parent company itself.
- 523 subsidiaries.
- 83 associates and 24 joint ventures; as well as certain companies of the Group being involved in 193 temporary joint ventures. Furthermore, the Group's companies have shareholdings of less than 20% in other entities.

Independent to the legal structure, Abengoa is managed as outlined below.

Abengoa is an international engineering company that applies innovative technology solutions for sustainability in the energy and environment sectors, generating electricity from renewable resources, converting biomass into biofuels and producing drinking water from sea water.

Abengoa's activities are organized into the following two activities:

- Engineering and construction.
- Concession-type infrastructures.

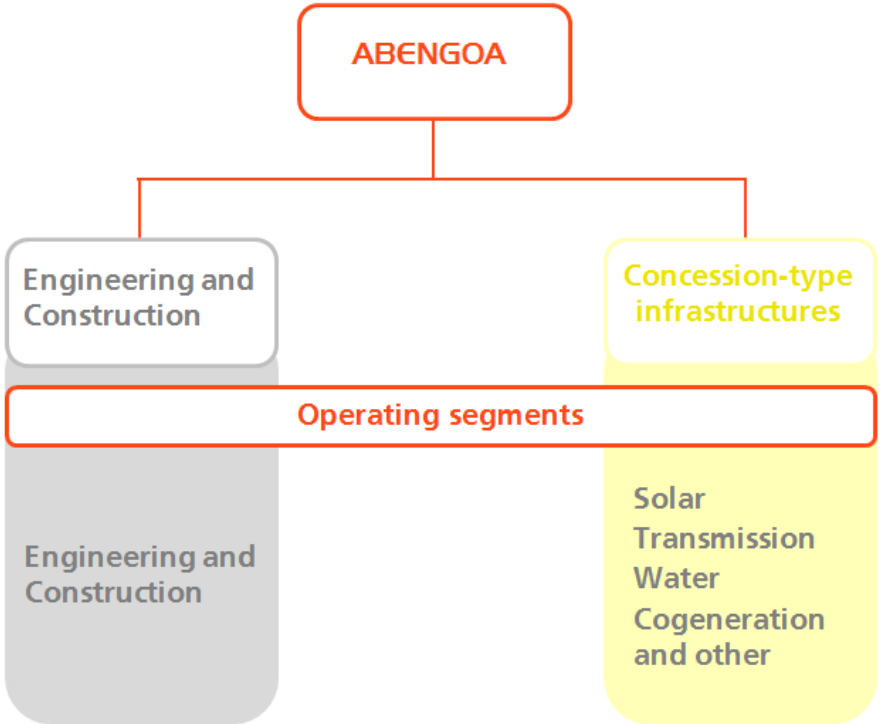
As a consequence of the sale processes opened given the discontinuance of Bioenergy and the transmission lines in Brazil based on the Updated Viability Plan of Abengoa approved by the Board of Directors on August 3, 2016, and due to the significance of their activities developed by Abengoa, their Income Statement and Cash flow statements have been reclassified to discontinued operations in the Consolidated Income Statement and in the Consolidated cash flow statement as of December 31, 2016 and 2015. The classification has been done in accordance with the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations'.

Directors consider that the signature of the Restructuring Agreement will involve the application of measures determined in the Updated Viability Plan. Consequences that would overcome relating to financial information presented by segments are being assessed in accordance with the IFRS 8 "Operating Segments".

Abengoa's Chief Operating Decision Maker ('CODM') assesses the performance and assignment of resources according to the above identified segments. The CODM in Abengoa considers the revenues as a measure of the activity and the EBITDA (Earnings before interest, tax, depreciation and amortization) as measure of the performance of each segment. In order to assess the performance of the business, the CODM receives reports of each reportable segment using revenues and EBITDA. Net interest expense evolution is assessed on a consolidated basis given that the majority of the corporate financing is incurred at the holding level and that most investments in assets are held at project companies which are financed through project debt. Amortization and impairment charges are assessed on a consolidated basis in order to analyze the evolution of net income and to determine the dividend pay-out ratio. These charges are not taken into consideration by CODM for the allocation of resources because they are non-cash charges.

The process to allocate resources by the CODM takes place prior to the award of a new project. Prior to presenting a bid, the company must ensure that the project debt for the new project has been obtained. These efforts are taken on a project by project basis. Once the project has been awarded, its evolution is monitored at a lower level and the CODM receives periodic information (revenues and EBITDA) on each operating segment's performance.

Abengoa structure



1.2. Operation

a) Activities information

Abengoa's activity is grouped under the following 5 operating segments:

- Engineering and construction; includes our traditional engineering business in the energy and water sectors, with more than 70 years of experience in the market. Since the beginning of 2014, this activity comprises one operating segment Engineering and Construction.

  Abengoa specializes in carrying out complex turn-key projects for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuels plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others. In addition, this segment includes activities related to the development of thermo-solar technology, water management technology and innovative technology businesses such as hydrogen energy or the management of energy crops.

- Concession-type infrastructures; groups together the company's proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operating segment of Atlantica Yield (ABY), the operation of electric (solar, cogeneration or wind) energy generation plants, desalination plants and transmission lines. These assets generate low demand risk and we focus on operating them as efficiently as possible.

  The Concession-type infrastructures activity again comprises four operating segment:

  - Solar – Operation and maintenance of solar energy plants, mainly using thermo-solar technology.
  - Water – Operation and maintenance of facilities aimed at generating, transporting, treating and managing water, including desalination and water treatment and purification plants.
  - Transmission – Operation and maintenance of high-voltage transmission power line infrastructures.
  - Cogeneration and other – Operation and maintenance of conventional cogeneration electricity plants.

b) Competitive position

Over the course of our 70-year history, we have developed a unique and integrated business model that applies our accumulated engineering expertise to promoting sustainable development solutions, including delivering new methods for generating power from the sun, developing biofuels, producing potable water from seawater, efficiently transporting electricity, among others.

A cornerstone of our business model has been investment in proprietary technologies, particularly in areas with relatively high barriers to entry. Thanks to it, we have a developed portfolio of businesses focused on EPC and concession project opportunities, many of which are based on customer contracts or long-term concession projects attractive and growing energy and environmental markets.

2.- Evolution and business results

2.1. Financial position

a) Going concern

In accordance with IAS1, which requires the Financial statements to be prepared regarding the going concern principle, unless Directors have the intention or any other real alternative of liquidation or cease of activity, the Consolidated Financial Statements at December 31, 2016 have been prepared applying this principle.

- The following summary shows the facts related during the period of the year 2016 until the preparation of the present Consolidated Financial Statements for the year ended December 31, 2016, in relation with the financial restructuring process realized in Abengoa since the November 25, 2015 after filing the application provided in Article 5 bis of Law 22/2003 by Directors of the Company:

  a) In relation to the proceeding provided by the law 22/2003 (Ley Concursal) and the beginning of the financial restructuring process, it should be noted that;

  - On January 25, 2016, the Company announced that the independent and specialized consulting firm on refinancing process Alvarez&Marsal presented to the Board of Directors of Abengoa the Industrial Viability Plan that defined the structure of the future activity of Abengoa on an operating basis focusing on the activity of engineering and construction either developing its own technology or using technology developed by others.

  - Based on this Initial Viability Plan, that confirmed the viability of Abengoa, the Company began negotiations with its creditors to restructure the debt and the necessary resources and provide Abengoa the optimal capital structure and the sufficient liquidity to continue operating competitively and sustainably in the future.

  - In this sense, and in relation to the negotiations between the Company and a group of creditors comprised of banks and bondholders issued by the Group, as of March 10, 2016, the Company informed that has agreed with the advisers of such creditors the grounds for an agreement to restructure the financial indebtedness and recapitalize the Group. The Company believed that such agreement contained the essential elements to achieve a future Restructuring Agreement that, in any event, would be subject to reaching the accessions percentage required by the Ley Concursal. On March 18, 2016, the Company and a group of creditors comprised of banks and bondholders issued by the Group, subscribed a standstill agreement with the objective of providing the necessary time to keep working and reaching, as soon as possible, a full and complete agreement according to the terms and conditions to restructure the financial indebtedness and recapitalize the Group. In order to reach this purpose, among other obligations assumed by all parties, the arrangement with parties contained expressly the compromise of creditors to abstain from claiming or accepting the payment of any amount owed as current amortization debt or advanced payments of capital or interest, as well as to charge default interests as a consequence of non-performance by the debtor until the effective date of implementation of the Restructuring Agreement.

- With respect to the foregoing, as of March 28, 2016, an application for the judicial approval of the standstill agreement (the "Standstill Agreement") has been filed to the Mercantile Court of Seville nº 2 which obtained the support of 75.04% of financial creditors to which it was addressed, being therefore over the legally required majority (60%). Additionally, on April 6, 2016, the judge of the Mercantile Court of Seville nº2 issued the approval of the Standstill Agreement and extended the maturity of the agreement until October 28, 2016 (included), to the financial liability creditors which have not subscribed it or which showed the disconformity to the agreement. This agreement was impugned by some creditors and, on October 24, 2016, the judge issued a final sentence agreeing to reject almost all impugnation referred to the lack of compliance of percentages and, as a consequence, maintaining the approval agreed. Only the claims of three petitioners were accepted based on the existence of a disproportionate sacrifice revoking, consequently, the effects of the standstill agreement to such petitioners.

- From that moment until now, the Company has continued with the negotiation process with its main financial creditors and potential investors in order to develop the agreed terms of reference. In the context of these negotiations and the circumstances that have been affecting to our projects since the Initial Viability Plan was prepared, an Updated Viability Plan was prepared during the second half of May, which was later approved by the Board of Directors on August 3, 2016 as well as the term sheet of the Restructuring Agreement which was subscribed afterwards by the main creditors and which is mentioned below. Such plan was approved on August 16, 2016.

- Such Updated Viability Plan showed the negotiations and difficulties that Abengoa experienced in certain projects as well as the changes which, as a result, had been made with respect to the Initial Viability Plan, as well as the review of certain hypothesis in the mentioned Plan and the updating of the expected date of reactivation of our operations. Therefore, all of this calls for a significant reduction of Abengoa's cash needs, which were

established identified in this Updated Viability Plan, in approximately €1,200 million, compared to the initially estimated figure of €1,500 - €1,800 million.

- Pursuant to the preparation of the Updated Viability Plan and the ongoing negotiations, on June 30, 2016, Abengoa announced that had reached grounds for an agreement with the Bank Coordination Committee and a group of bondholders and investors on the main terms of the proposed financial restructuring to be signed.

- Afterwards, on August 11, 2016, the term sheet of the Restructuring Agreement was subscribed between Abengoa, S.A. and a group of entities comprising the main financial creditors and potential investors. Moreover, the Company received acceptance letters in order to underwrite the new money financing in an amount which exceeds the liquidity requirement of the Updated Viability Plan. Such agreement was subject to several conditions precedent which are common in this kind of transactions.

- On September 18, 2016, in the framework of the Updated Viability Plan and the terms of the financial restructuration subscribed on August 11, 2016, Abengoa Concessions Investments Limited ("ACIL"), a subsidiary of the Company, entered into a Secured Term Facility Agreement (the "Facility Agreement") with a group of financial entities, pursuant to which ACIL was entitled to borrow up to US$211 million and was required to enter into related security documents.

  The amounts borrowed under the Facility Agreement had the purpose of refinancing all amounts owed under a secured term facility agreement between ACIL and Talos Capital Designated Activity Company on October 22, 2015 for a nominal amount of US$130 million and for general corporate and working capital purposes of the Company and its subsidiaries (the "Group").

- On the other hand, on September 24, 2016 the Restructuring Agreement has been signed, and granted by public deed before the Notary of Madrid, Mr. José Miguel García Lombardía, between the parent company, a group of Subsidiaries which debt was subjected to the restructuring and a group of financial creditors which either were holders of existing debt instruments or were also participated in the new money and new bonding facilities.

  The fundamental principles of such agreement were the following:

  (i) The amount of new money to be lent to the Group amounted to €1,169.6 million (including refinancing of the September and December 2015, March and September 2016 facilities). This financing would rank senior with respect to the preexisting debt and would be divided into different tranches:

  - Tranche I: amounts to €945.1 million, with a maximum maturity of 47 months and secured by, among other things, certain assets that include the A3T project in Mexico and the shares of Atlantica Yield held by the Company. Creditors would be entitled to 30% of Abengoa's new share capital post restructuring.

  - Tranche II: amounts to €194.5 million, with a maximum maturity of 48 months and secured by, among other things, certain assets in the engineering business. Creditors would be entitled to 15% of Abengoa's new share capital post restructuring.

  - Tranche III: contingent credit facility of up to €30 million, with a maximum maturity of 48 months secured by, among other things, certain assets that include the A3T project in Mexico and the shares of Atlantica Yield held by the Company and with the sole purpose of providing guaranteed additional funding for the completion of the A3T project. Creditors would be entitled to receive 5% of Abengoa's new share capital post restructuring.

  (ii) New bonding facilities will amount to €307 million .Financing entities would be entitled to 5% of Abengoa's new share capital post restructuring.

  (iii) The restructuring proposal for the preexisting debt (Standard Restructuring Terms) will involve a 97% reduction of its nominal value, while keeping the remaining 3% with a ten year maturity, with no annual coupon or option for capitalization.

  (iv) Creditors who adhere to the agreement can choose either the conditions laid out in section (iii), or alternative conditions (Alternative Restructuring Terms) which consist of the following:

  - Capitalization of 70% of preexisting debt in exchange for 40% of Abengoa's new share capital post restructuring.

  - The remaining 30% of the nominal value of the preexisting debt will be refinanced through new debt instruments, replacing the preexisting ones, which will rank as senior or junior depending on whether or not such creditor participates in the new money facilities or new bonding facilities. Such instruments will have maturities of 66 and 72 months respectively, with the possibility of an extension of up to 24 months, accruing annual interest of 1.50% (0.25% cash payment and 1.25% Pay If You Can). The junior instrument could be subject to additional reductions (provided that total reduction does not exceed 80% of the nominal value prior to the capitalization) if the aggregate amount of refinanced preexisting debt (after the 70% aforementioned capitalization) exceeds €2,700 million due to the crystallization of contingencies.

(v) At the end of the restructuring process, the current shareholders of the Company will hold around 5 % of the share capital. Eventually, through the issuance of warrants, they could increase such stake in a percentage to be agreed that will not exceed an additional 5%, if, within 96 months, the group has paid in full all outstanding amounts under the new financing to be provided in the framework of the restructuring and under the existing indebtedness (as this indebtedness may have been restructured), including its financial costs. Furthermore, the company intended to submit a proposal to merge the two types of existing shares into one sole class of shares for approval by a General Shareholders Meeting, although this was not considered a prerequisite of the Restructuring Agreement.

› In this sense, the Board of Directors of Abengoa, at its meeting held on October 10 and 17, 2016, unanimously resolved to call an Extraordinary General Shareholders' Meeting of the Company to be held at its registered address, Campus Palmas Altas, in Seville, on November 21, 2016, at 11:00 a.m., on first call, and if the required quorum is not met, on second call, the next day, November 22, 2016, at the same time and place, in order to approve resolutions to comply with the terms and conditions of the Restructuring Agreement dated 24 September 2016 (see Note 18 of the Notes to the Consolidated Financial Statements).

› Once the Restructuring Agreement was signed on September 24, 2016, an accession process to the rest of financial creditors began, period that ended on October 28, 2016, with the support of 86.0% of the financial creditors to which it was addressed, being therefore over the legally required majority (75 per cent) and allowing on October 28, 2016 the filing with the Mercantile Courts of Seville of the application for approval of the Restructuring Agreement. The Mercantile Court nº 2 of Seville had issued on October 31, 2016 the ruling by which allow the processing of the application due to its compliance with the needed formal requirements which consisted in filing the agreement to which the approval was expected and the auditor´s certification that confirmed the adoption by more than the 75% liability financial creditors.

› Once filed the homologation request, the following procedures in the United States and the United Kingdom were initiated:

- A Company Voluntary Arrangement ("CVA") in England and Wales at the request of Abengoa Concessions Investments Limited in accordance with Part I of the English Insolvency Act 1986; and

- Various procedures under Chapter 11 ("Chapter 11") of the U.S. Bankruptcy Code at the request of various subsidiaries incorporated in the United States.

Both the CVA and the Chapter 11 procedures have the objective of extending the Standard Restructuring Terms described previously to the liabilities of the companies promoting such procedures for those creditors that have not acceded to the Restructuring Agreement.

› On November 8, 2016 the Judge of the Mercantile Court of Seville No. 2 issued a resolution declaring the judicial approval of the Restructuring Agreement and extending the effects of the Standard Restructuring Terms set out in the Restructuring Agreement to those creditors of financial liabilities who have not signed the agreement or have otherwise expressed their disagreement with it. This agreement has been claimed by several creditors, although so far, the Court has not resolved yet such claims.

› As mentioned before, on November 9, 2016, in accordance with Clause 7.1.1(b) of the Restructuring Agreement, ACIL initiated a company voluntary arrangement pursuant to Part I of the Insolvency Act 1986 (the "CVA") to compromise its obligations as a guarantor of the Loans and the Notes (each term as defined below) owed to Guarantee Creditors, who have not adhered to the Restructuring Agreement prior to the end of the Supplemental Accession Period, through a write-off of 97 per cent of such guarantee obligations to reflect the compromise of the principal obligations under the Loans and Notes owed to such Guarantee Creditors. In such dates, the Nominees delivered to ACIL's creditors copies of the CVA Documents which included (i) the Notice of Meeting regarding the Creditors' Meeting, which would be held on 24 November 2016 at 10.00 a.m. (London time) at Linklaters LLP, 1 Silk Street, London EC2Y 8HQ, United Kingdom; (ii) the CVA Proposal; and (iii) the Statement of Affairs (together, the "CVA Documents"). The Creditors´ Meeting took place on November 24, 2016 and aproved the CVA agaisnts which, no claims were presented.

› The Extraordinary General Shareholders' Meeting of the Company held on second call on 22 November 2016, approved all the resolutions submitted for their approval and included in the agenda of the meeting that was submitted to this Commission by way of a material fact on 21 October 2016 (official register number 243836), except for the proposal to collapse the current dual-class share structure into a single-class share structure included under point 5 of the agenda, which was not brought to a vote as the required minimum quorum was not met. The Company informs that the non-approval collapse of the current dual-class share structure into a single-class share structure does not affect the implementation of the Restructuring Agreement.

- On 17 January 2017, Global Loan Agency Services Limited, as Restructuring Agent, notified the parties to the Restructuring Agreement in writing and in accordance with the Restructuring Agreement that it had received all of the documents or evidence listed in Schedule 5 of the Restructuring Agreement, in form and substance satisfactory to the Restructuring Committee and the NM1 Committee, thereby making January 17, 2017 the restructuring effective date (the "Restructuring Effective Date"). Following the occurrence of the Restructuring Effective Date on 17 January 2017, the Company provided a supplemental restructuring accession and securities crediting notice, dated 18 January 2017 (the "Supplemental Restructuring Accession and Securities Crediting Notice"), to its Existing Creditors in connection with the Restructuring Agreement. During such period, those Existing Creditors which had not adhered to the Restructuring Agreement during the initial accession period, had the opportunity to do it. Additionally, the Company required to all creditors that had not adhered to the Restructuring Agreement to provide the information required in order to receive the financial instruments (equity and debt) to which they had right as a consequence of its accession to the Restructuring Agreement. On February 3, 2017, the company announced that, after the end of the additional accession period, the Restructuring Agreement had been supported by the 93.97%.

- Finally, on 14 February 2017, the Company informed that, in light of the situation in Mexico andin order to accelerate the completion of the Restructuring and begin implementing the Viability Plan as soon as possible, Abengoa, together with some of its principal creditors and investors, has developed a proposal for the adjustment of the drawdown mechanism of new money financing (the "Drawdown Proposal") set out in the Term Sheet and the Restructuring Steps Plan to the Restructuring Agreement, maintaining the initial structure of the transaction.

  Such Drawdown Proposalwill require certain amendments to the Term Sheet, the Restructuring Steps Plan, the Restructuring Agreement and the New Money Financing Commitment Letter.

  In light of the fact that the consent of the Majority Participating Creditors is required to approve such amendments, the Company further informs that the Restructuring Agent will be providing an amendment request document, dated February 14, 2017 (the "Amendment Request Document"), to all Participating Creditors, which details the amendment request in connection with the Drawdown Proposal(the "Amendment Request") and in response to which all Participating Creditors should vote to approve or not approvethe proposed amendments set out therein. Abengoa hereby requested that all Participating Creditors perform the following actions as soon as possible and in any case before 5:00 pm (London Time) on February 28, 2017(the "Response Deadline"):

  (A) carefully review the proposed amendments set out in the Amendment Request Document (the "Amendments"); and

  (B) vote "Yes" (to approve the Amendments) or "No" (to not approve the Amendments) through (i) submission of Electronic Instructions, in the case of Existing Noteholders, or (ii) a response to the Restructuring Agent, in the case of Existing Non-Noteholders, in both cases as will be described in the documentation that accompanies such Amendment Request Document.

b) <u>On the other hand, in relation with the proceedings in Brazil, on the occasion of the mentioned situation of Abengoa, it should be known that;</u>

- On January 29, 2016, Abengoa filed the recuperação judicial applications in Brazil about the companies Abengoa Concessões Brasil Holding S.A., Abengoa Construção Brasil Ltda and Abengoa Greenfield Brasil Holding S.A, which were admitted on February 22, 2016. This measure was undertaken provided that the Company incurred in a "Crise econômico scenario", which is contemplated in Brazilian Law 11,101/05. "Recuperação judicial" consists in a proceeding provided by the Brazilian Law which allows corporations to restructure their debt in an orderly manner and continue as a going concern once the financial difficulties are overcome.

- In relation to the aforementioned, on April 20, 2016, Abengoa Brazil presented the Viability Plan (plano de Recuperaçao) in which the main premises are based on the divestment of certain concessional transmission line assets in operation, as well as the divestment of lines which currently are under construction. It is expected that these divestments will allow a favorable agreement to repay the debt already restructured in companies under recuperação judicial (negotiations are in progress with creditors) as well as the possible preservation of the construction activity in Brazil. As explained in Note 7 of these explanatory notes, both asset batches have been classified as non-current assets held for sale and discontinued operations due to the compliance, at December 31, 2016, of the IFRS 5´s requirements. In relation with lines in operation, on June 24, 2016, Abengoa has received an offer by which the asset fair value estimation have been made. This offer, will serve as starting price in the judicial auction process provided to this kind of insolvency proceedings in Brazil.

› On the other hand, and regardless of the mentioned negotiation process, on June 28, 2016, ANEEL´s Board of Director decided to authorize the Electricity Inspection Service Office "SFE" and the Superintendent of Economy and Financial Inspection "SFF" for the issuance of a communication to the owner companies of construction in progress (ATEs), informing about the contract breach, which may lead to a declaration of revocation of the concessions. On July 21, 2016 the owner companies of the assets under construction (ATEs) received the formal communication of breach that generated administrative processes, in which ATEs required a solution with ANEEL in order to try to compensate the execution of guarantees and penalties to be required as compensation for reversible assets. These processes are awaiting the pronouncement of ANEEL. According to Director´s opinion, it is expected to reach an amicable solution and therefore a non-significant impact is estimated.

Additionally, in relation to the legal possibility of transfer of those assets under construction, the "Senado Federal" (legislative authority of Brazilian Government to federal legislation issues), on October 19, 2016 approved the Conversion Project in Medida Provisoria law ("MP") n. 735/2016. This allows the tender to transfer the control of contributions in capital share in concessional companies, in which the contract of concession were signed until December 2015, 31 hypothes that applies to ATEs under construction. Next step to the conversion to law of this MP is the possibility to cancel by the President of the Republic, which has a term of 15 days since November 3, 2016, date in which the legislative process was received. The Temporary Measure was cancelled on 18 November 2016 A ruling was issued in the Judicial Recovery process on 2 December 2016 in which it was decided: i) to include these expiration proceedings in the Judicial Recovery process; ii) to suspend the proceedings and the execution of warranties to preserve the assets of holding companies in Judicial Recovery. A special hearing was scheduled for December 31, 2016 at which the Ministry of Mines and Energy, the ANEEL representative and the judicial administrator are called to appear. La Asamblea de Acreedores queda fijada para el 31 de marzo de 2017. The creditor´s meeting is scheduled on March 31, 2017.

c) Additionally, in relation to the proceedings in United States, on occasion as well of the mentioned situation of Abengoa, indicate that,

› On February 1, 2016 and February 10, 2016, certain creditors initiated involuntary bankruptcy petitions to the Missouri Bankruptcy Court against the American affiliates Abengoa Bioenergy Nebraska, L.L.C. and Abengoa Bioenergy Company, L.L.C. respectively. After responding to the petitions, on February 24, 2016, both companies mentioned above along with Abengoa Bioenergy Outsourcing, LLC, Abengoa Bioenergy Engineering and Construction, LLC, Abengoa Bioenergy Trading US, LLC, and Abengoa Bioenergy Holding US, LLC opted to file for voluntary creditors´ protection under Chapter 11 provided by the USA Law. These petitions have been filed in order to allow the Company to continue as a going concern and, consequently, they included the authorization request for the payment of taxes, salaries and insurance premiums and other first day motions. Additionally, a request for the approval of a debtor-in-possession financing arrangement amounting to US$41 million was also filed. The hearing for these initial motions took place on March 2, 2016 and, during them, such companies were authorized to borrow an initial amount of US$8 million (which were additionally complemented with US$1.5 million authorized on March 29, 2016).

› Moreover, on March 23, 2016, certain creditors filed an involuntary insolvency proceeding against Abengoa Bioenergy Biomass of Kansas, LLC (ABBK) at the Kansas court.

› Also on March 29, the following American affiliates Abeinsa Holding Inc.; Abencor USA, LLC; Teyma Construction USA, LLC; Abeinsa EPC, LLC; Inabensa USA, LLC; Nicsa Industrial Supplies, LLC; Abener Construction Services, LLC; Abener North America Construction, LP; Abengoa Solar, LLC; Teyma USA & Abener Engineering and Construction Services General Partnership; Abeinsa Abener Teyma General Partnership; Abener Teyma Mojave General Partnership; and Abener Teyma Inabensa JV filed, under the "United States Bankruptcy Code" and the Delaware court, the named Chapter 11 in order to allow the companies to comply with their obligations and minimize the loss of value of their businesses. Such companies have requested authorization for the payment of taxes, salaries and insurances as well as other first day motions.

› In relation to all the above, on March 28 and 29, 2016, and in accordance with the clause 5.2 of the Standstill agreement mentioned before, Abengoa, S.A. and several of its Spanish affiliates (the "Chapter 15 Debtors") commenced cases under Chapter 15 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware ("Delaware Bankruptcy Court"). In these cases, the Chapter 15 Debtors seek recognition by the Delaware Bankruptcy Court of the proceeding commenced in the Spanish Court to obtain judicial approval (homologación judicial) of the Standstill Agreement (the "Spanish Proceeding") and application of the Standstill Agreement within the territorial jurisdiction of the United States. In the initial hearings held on March 31, 2016, the Delaware Bankruptcy Court granted the Chapter 11 Debtors' requests relief and the Initial Chapter 15 Debtors' requested provisional relief to stay creditor actions against them. Both hearings were uncontested and all motions were granted.

- Additionally, on April 6 and 7, 2016 Abengoa US Holding, LLC and seven other affiliated U.S. debtors (collectively, the "Additional Chapter 11 Debtors") each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the Delaware Bankruptcy Court (together with the Chapter 11 cases filed on March 29, 2016, the "Chapter 11 Proceedings"). All of the cases filed by the Additional Chapter 11 Debtors are being jointly administered with the lead Chapter 11 Proceeding filed on March 29, 2016 in the Delaware Bankruptcy Court. The Additional Chapter 11 Debtors are comprised of the following legal entities: Abener Teyma Hugoton General Partnership, Abengoa Bioenergy Biomass of Kansas, LLC, Abengoa Bioenergy Hybrid of Kansas, LLC, Abengoa Bioenergy New Technologies, LLC, Abengoa Bioenergy Technology Holding, LLC, Abengoa US Holding, LLC, Abengoa US Operations, LLC and Abengoa US, LLC.

- The Company further informs that at the initial hearing held on April 27, 2016 on the Chapter 11 petitions filed on April 6 and 7, 2016 by the additional Chapter 11 Debtors, the Delaware Bankruptcy Court granted the first-day relief requested by all but one of those debtors. With respect to ABBK's Delaware case, it was noted that on April 25, 2016 the U.S. Bankruptcy Court for the District of Kansas (the "Kansas Bankruptcy Court") had issued an order denying ABBK's request to transfer to the Delaware Bankruptcy Court an involuntary Chapter 11 case commenced against it on March 23, 2016 in the Kansas Bankruptcy Court. Referring to the Kansas Bankruptcy Court's ruling and the Delaware Bankruptcy Court stated that it would honor that decision, ordered a stay of ABBK's Chapter 11 case in Delaware, and directed ABBK to show why its Delaware case should not be dismissed. On May 2, 2016, ABBK moved to certify the Kansas Bankruptcy Court's ruling for direct appeal to the U.S. Court of Appeals for the Tenth Circuit and requested a stay of the Kansas bankruptcy case order pending the outcome of that appeal.

- The Company further informs that on April 26, 2016 its subsidiary Abengoa Solar LLC ("Abengoa Solar"), one of the Initial Chapter 11 Debtors, filed a motion requesting the Delaware Bankruptcy Court's authorization to consummate the sale of interests that two of Abengoa Solar's non-debtor subsidiaries hold in project entities responsible for the financing, design, construction, operation, maintenance, and transfer to the State of Israel of a concentrated solar energy thermal power station plant currently under construction there (the "Ashalim Project"). At the hearing on the motion held on May 3, 2016, the Delaware Bankruptcy Court authorized Abengoa Solar to make this transaction.

- On June 12, 2016, the American affiliate companies Abengoa Bioenergy Meramec Renewable, LLC, Abengoa Bioenergy Funding, LLC, Abengoa Bioenergy Maple, LLC, Abengoa Bioenergy of Indiana, LLC, Abengoa Bioenergy of Illinois, LLC y Abengoa Bioenergy Operations, LLC, commenced a voluntary Chapter 11 case in the Missouri Bankruptcy Court. In the framework of these proceedings and the already initiated Chapter 11 proceeding by Abengoa Bioenergy US Holding, LLC, this and the affiliate companies mentioned have filed motions in the East Missouri Bankruptcy Court in relation with the sale proceeding of the two Maple plants located on Indiana and Illinois, the plant of Ravenna and the plant of York. Additionally, to facilitate the sale of the Maple plant, the current creditors of such plants have agreed to concede additional financing for an amount of US$10 million (debtor-in-.possession financing).

- Continuing with the sale proceeding commented above, on August 22, 2016 as approved by the United States Bankruptcy Court for the Eastern District of Missouri (the "Bankruptcy Court"), an auction over certain assets of Abengoa Bioenergy US Holding, LLC (the Company.) has been conducted following the process previously agreed among certain debtors and debtors in possession (the "Debtors") and such Company, on June 12, 2016, Abengoa Bioenergy US Holding, LLC and certain Debtors filed a motion (the "Motion") with the Bankruptcy Court seeking, among other things, entry of an order (the "Bidding Procedures Order"); (a) approving certain auction and bidding procedures (the "Bidding Procedures") in connection with the sale of the Debtors' bioenergy plants in Ravenna, Nebraska, York, Nebraska, Mt. Vernon, Indiana, Madison, Illinois and Colwich, Nebraska (collectively, the "Purchased Assets"), (b) authorizing the Debtors to enter into stalking horse purchase agreements with KAAPA Ethanol Holdings, LLC for the Ravenna Assets, Green Plains, Inc. for the Mt. Vernon and Madison Assets (the "Maple Assets") and Biourja Trading, LLC for the York Assets, (c) approving procedures relating to the assumption and assignment of executory contracts and unexpired leases, and (d) scheduling an auction (the "Auction") and sale approval hearing (the "Sale Hearing").

- On June 15, 2016, the Bankruptcy Court entered the Bidding Procedures Order, and subsequently, the Debtors' investment banker, Carl Marks, engaged in an extensive marketing process for all of the Purchased Assets. Pursuant to the Bidding Procedures Order, certain competing bids were submitted, and on the aforementioned date (August 22, 2016), the Debtors conducted the Auction, the results of which were that: (i) KAAPA Ethanol Holdings, LLC was the successful bidder for the Ravenna Assets at US$115 million, (ii) Green Plains, Inc. was the successful bidder for the Maple Assets at US$200 million, (iii) Green Plains, Inc. was the successful bidder for the York Assets at US$37 million, and (iv) ICM, Inc. was the successful bidder for the Colwich Assets at US$3.15 million.

- The Bankruptcy Court scheduled to conduct a hearing on August 29, 2016, where the sale of the plants of Ravenna, Maple and York were approved at the same prices of the mentioned before. Such sales were realized at September 30, 2016, date in which the debtor-in-possession financing were liquidated simultaneously in relation with the asset of these companies. The net sale proceeds will then be distributed pursuant to a plan of liquidation already approved by the Bankruptcy Court last October 31, 2016 and is awaiting the creditors committee.

- Additionally, on July 18, 2016, and in the Chapter 11 proceeding framework, already initiated by ABBK, the investment bank Ocean Park Advisors was hired to seek a strategic partner interested in buying the bioethanol plant and the co-generation plant located in Hugoton, Kansas.

- On June 12, 2016, the companies Abengoa Bioenergy Holdco, Inc. and Abengoa Bioenergy Meramec Holding, Inc., have initiated voluntary proceedings of Chapter 11 in the Delaware Bankruptcy Court, where other Chapter 11 resolutions of other American affiliates exist, as well as the Chapter 15 proceeding of Abengoa mentioned before.

- Additionally, last October 28, 2016, Abengoa Bioenergy New Technologies LLC, in the bankruptcy proceeding framework at the Delaware Bankruptcy Court, has applied for authorization to sell the pilot plant and the warehouse (excluding any land in which a construction exists) to Green Plains Inc. (or any of its affiliates) and/or Green Plains York LLC amounted to US$1,250,000. Such authorization was provided by the Court on December 6, 2016.

- On the other hand, on October 31, 2016, the Courts of Delaware approved the application of Abengoa to the creditors committee which propose an only plan which contains other four different plans itself: (i) EPC Restructuration Plan, which consist in the restructuring of the following companies: Abener Teyma Mojave General Partnership; Abener North America Construction LP; Abeinsa Abener Teyma General Partnership; Teyma Construction USA LLC; Teyma USA & Abener Engineering and Construction Services partnership; Abeinsa EPC LLC; Abeinsa Holding Inc.; Abener Teyma Hugoton General Partnership; Abengoa Bioenergy New Technologies LLC; Abener Construction Services LLC; Abengoa US Holding LLC; Abengoa US LLC; and Abengoa US Operations LLC; (ii) Solar Restructuring Plan which propose the restructuring of Abengoa Solar LLC; (iii) EPC liquidation Plan which propose the liquidation of de Abencor USA LLC; Abener Teyma Inabensa Mount Signal Joint Venture; Inabensa USA LLC; and Nicsa Industrial Supplies LLC, and (iv) Bioenergy and Maple Liquidation plan which propose the liquidation of Abengoa Bionergy Hybrid of Kansas LLC; Abengoa Bioenergy Technology Holding LLC; Abengoa Bioenergy Meramec Holding Inc.; and Abengoa Bioenergy Holdco Inc. In relation with the Chapter 11 proceedings performed in Delaware, last December 15, 2016, the Reorganization Plan in some cases, and the Liquidation in others, were confirmed by the Courts after reaching the majority support of creditors and having rejected the Courts the petitios presented by some of them. In relation with the Bioenergy companies proceeding in Missouri State, it is expected the votation to approve the corresponding Plan at the end of April 2017. As of the date of these Consolidated FInancial Statements, management is not aware of any significant impacts that could arise from the liquidation plans other than the ones already discussed.

- Finally, on 15 December 2016, the United States Bankruptcy Court where the Chapter 11 proceedings referred to in the Restructuring Agreement signed on 24 September 2016 were being dealt with, has entered an order confirming the Debtors' Modified First Amended Plans of Reorganization and Liquidation(the "Chapter 11 Plan").

- Additionally to all the mentioned before, last November 16, 2016, and in accordance to what is stated in the Restructuring Agreement clause 7, Abengoa Concessions Investment Limited ("ACIL") initiated the proceeding provided by the Chapter 15 of the United States Bankruptcy Code in the Delaware Courts to recognize the restructuring proceeding initiated in the British Courts (Company Voluntary Arrangement –CVA-) in the United Stated jurisdiction. The Delaware Courts conceded to ACIL, with no exception, such recognition on December 8, 2016.

d) <u>In relation to the bankruptcy declaration by the Court of Rotterdam of Abengoa Bioenergy Netherlands, B.V. on May 11, 2016 were appointed both a liquidator and supervising judges, it should be noted that:</u>

- After such bankruptcy declaration and appointment of a liquidator, the liquidation process of the company started and therefore, since that moment, the loss of control was effective.

- In the framework of such bankruptcy proceeding, on May 11, 2016, the company Alcogroup communicated an agreement to acquire the plant has been signed. The acquisition was approved by the competent Court last September 22, 2016, and according to the information received at the same date from the Administrator, the price established was €50 million, which would be addressed to the payment of suppliers and creditors according to a plan defined and approved by the competent Court.

e) Regarding the declaration of bankruptcy of Abengoa México, S.A. de C.V..

- On December 20, 2016 the Company informed that it had come to its knowledge that the Sixth Court in Civil Affairs of Mexico City has issued an appealable resolution declaring the bankruptcy (concurso mercantil) of Abengoa Mexico, S.A. de C.V. ("Abengoa Mexico") despite the report of the court appointed expert (Visitador) which spoke against it. Despite the declaration, the control of the company remains with the current management.

- In pursuit of reaching an agreement with its creditors, Abengoa Mexico has suggested a lock-up agreement aiming to subscribe the bankruptcy of the company and provide it to creditors and file it to the Courts according to the following terms:

  (i) In relation with common debts, Abengoa México has proposed the following treatment:

  a) proposal to capitalize the ordinary interests to be paid, being therefore part of the principal;

  b) the principal will be paid quarterly since March 2018;

  c) the principal to be paid will generate new interests, varying the period depending on the date of the resolution of approval of the agreement;

  d) the annual interest rate is fixed to 7% with an increase of 50 basis points per semester until the total payment;

  e) default interests due at the date of declaration of bankruptcy will be rejected by creditors. However, the default in payment of the amounts agreed will suppose the generation of default interests with a 14% rate during the period of default;

  (ii) in relation with credits against the bankruptcy estate and secured credits, it will be paid in accordance with the contracts and documents related;

  (iii) in relation with tax credits, Abengoa Mexico will propose to pay them in accordance with the applicable tax jurisdiction;

  (iv) finally, the treatment of subordinated credits will mean the inability to pay to subordinated creditors until the common credits are paid.

- Once the Restructuring Agreement is completed and the recapitalization of the Group described in Note 2.1.1.a), the company will develop the agreed Updated Viability Plan with creditors and investors, which is focused on the traditional business of Engineering and Construction, where the company accumulates more than 75 years of experience. Specifically, this Updated Viability Plan focusses the activity in the energy and environmental industry. This business will be combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has a competitive advantage, mainly of technological kind, which allows a bigger added value projects. Regarding the mentioned Updated Viability Plan, will allow sustainable growing of Abengoa, based on the following five principles:

  1) A multidisciplinary team and a culture and ability of multifunctional work.

  2) Experience in engineering and construction and specially the outstanding strength in business development of high potential growing such as energy and water.

  3) Technology abilities in our target markets, mainly in solar and water energy.

  4) A more efficient organization with more competitive general expenses.

  5) A financial approach adjusted to the current reality in which financial discipline and a rigorous evaluation of financial risks are key milestones.

- Based on the foregoing, and in prevision of the fulfillment of the agreement with financial creditors of the Company which assure the financial stability of Abengoa and the ability to generate resources from its operations as stated in the Updated Viability Plan, Abengoa´s Directors have deemed it appropriate to present the Consolidated Financial Statements for the year ended December 31, 2016 on a going concern.

  Based on the application of the going concern basis, Abengoa´s Directors have prepared these Consolidated Financial Statements applying the International Financial Reporting Standards ('IFRS') consistently with Consolidated condensed interim financial statements and Consolidated Financial Statements filed in prior periods. For that purpose, and according to the aforementioned accounting framework, Abengoa´s Directors have made their best estimates and assumptions (see Note 3 of the Notes to the Consolidated Financial Statements) in order to record the assets, liabilities, revenues and expenses as of December 31, 2016 in accordance with the existing information by the time of formulating these Consolidated Financial Statements.

- The current situation of the Group, which continues to be affected by a strong limitation of financial resources for more than a year and a half now, has significantly influenced the evolution of the business not only in terms of a generalised slowdown and deterioration of the group's operations but also as a result of numerous insolvency or bankruptcy proceedings involving companies not included in the Company's Updated Viability Plan.

  In this situation, on the basis of management's best estimates according to International Financial Reporting Standards ('IFRS'), the directors have quantified and accounted for the negative impact derived from this situation in the Consolidated Income Statement at 31 December 2016.

  The impact of a generalised slowdown in the Group's business activity primarily comes from a slowdown in the projects performed, which has resulted in 1) a sharp increase in the estimated cost of reactivating the business (and therefore quantification of the impact of the estimated provision to cover the increase in construction costs due to the reactivation of the project compared to the previously estimated costs; 2) a decrease in the asset recovery value or fair value (and therefore quantification of the impact of the estimated impairment of the value of the asset under construction; and 3) possible failure to meet contractual deadlines (and therefore quantification of the impact comes primarily from the amount of the guarantee that has been seized or is pending seizure). In this sense, the Group has deteriorated all those projects which development is not feasible in this moment given the lack of financing in the mid term in accordance with the Updated Viability Plan.

  As far as the impact of the numerous insolvency or judicial bankruptcy proceedings involving companies not included in the company's Updated Viability Plan, the impacts arise primarily from a decrease in the recovery value or fair value of the assets associated with the companies (and therefore the quantification of the impact requires estimating the impairment of the value of the assets themselves) and the possible contingencies that could arise during the insolvency or bankruptcy proceedings themselves (and therefore the quantification of the impact requires estimating the provision for such contingencies).

- In this sense, the most significant negative impacts recorded in results as of December 31, 2016, which have reached €-6,772 million, are mainly related to provisions of construction projects costs, to the results coming from the sale of certain assets and the impairment of certain project assets and tax credits as well as financial expenses due to default interests and the execution of bank guarantees or with a high probability of execution given the situation of the company.

  The following table shows the detail of such impacts (in million euros):

Item	Total
Project Construction costs provision (see Note 5.1.a of the Notes to the Consolidated Financial Statements)	(245)
Sale of assets (see Note 6.2.b of the Notes to the Consolidated Financial Statements)	58
Impairment of assets (see Note 5.1.b of the Notes to the Consolidated Financial Statements)	(6,036)
Default interests, guarantees and other financial expenses (see Notes 28 and 30 of the Notes to the Consolidated Financial Statements)	(521)
Others	(28)
	(6,772)

- Due to all the above, the parent company, Abengoa, S.A., has incurred in losses since 2015 which has supposed a significant decrease in Equity and, as a consequence, at December 31, 2016 presents a negative net equity. In accordance with the Article 363 of the Spanish Corporation Law, a Company will be in dissolution situation when losses lead Net Equity to an amount lower than half shared capital, unless an increase or decrease in capital share were enough.

  In the parent company Abengoa Director´s opinion, the expected measures in the effective application of the signed Restructuring Agreement will allow to gain a financial stability once there is a positive impact recognized in the income statement derived from debt write-offs, capital increases expected and, in addition to provide the Group with the necessary financial resources to reactivate the activity. On the other hand, Directors are confident on generating future resources from operations given such financial resources and the application of the Updated Viability Plan, which will allow to rise the market confidence, the provision of liquidity to the Company and the continuance of its activity to operate in a competitive and sustainable manner in the future.

- From an accounting perspective, the Restructuring Agreement is subject to IFRIC 19 "Cancellation of financial liabilities with equity instruments", derecognising a portion of the debt to be cancelled at book value, registering the equity instrument to be handed over at fair value and recognising the difference between both amounts in the Income statement. With the portion of debt to be refinanced, and given that the conditions of the debt to be refinanced have been substantially modified, IAS 39 "Financial instruments, recognition and measurement" will be applied, derecognising the portion of the debt to be refinanced at book value, registering the equity instrument to be handed over at fair value and recognising the difference between both amounts in the Income statement. Regarding the cancellation of the liabilities subject to the standard conditions of the agreement (amounts payable to creditors who have not signed the agreement), since there is no obligation to deliver capital instruments in order to cancel 97% of the liabilities, the terms of IAS 39 apply to both the derecognition of the percentage of the

liability mentioned above and the recognition of a new liability equal to 3% of the original liability which will initially be recorded at fair value and later at amortised cost.

Abengoa management estimates that the positive impact on the group's income and equity could be between €6,000-6,500 million. The final amount will depend on a series of factors which will be concreted by the time the agreement is implemented. On the other hand, Abengoa management estimates that during the month of March all of the conditions precedent established in the Reorganization Agreement, common in these types of contracts, will be fulfilled and therefore the accounting impacts mentioned above will be recognized.

b) Application of new accounting standards

a) Standards, interpretations and amendments effective from January 1, 2016, applied by the Group:

- Improvements to IFRSs 2012-2014 cycles. These improvements are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IAS 1 (Amendment) 'Presentation of Financial statements'. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IAS 16 (Amendment) 'Property, Plant and Equipment' and IAS 38 'Intangible Assets', regarding to acceptable methods of amortization and depreciation. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IFRS 10 (Amendment) 'Consolidated Financial statements', IFRS12 ' Disclosure of Interests in Other Entities' and IAS28 'Investments in Associates and Joint Ventures' relating to investment entities: clarification of the exception to consolidate. These amendments are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU, and have already been endorsed by the EU.
- IAS 27 (Amendment) 'Separate Financial statements' regarding the reinstatement of the equity method as an accounting option in separate Financial statements. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IFRS 11 (Amendment) 'Joint Arrangements' regarding acquisition of an interest in a joint operation. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- IAS 16 (Amendment) 'Property, Plants and Equipment' and IAS 41 (Amendment) 'Biological assets'. These amendments are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU

Abengoa's Directors believe that the applications of these amendments have not had any material impact.

b) Standards, interpretations and amendments published that will be effective for periods after December 31, 2016:

- IFRS 9 'Financial Instruments'. This Standard will be effective from January 1, 2018 under IFRS-IASB published in the official bulletin of the EU on November 29, 2016.
- IFRS 15 'Revenues from contracts with Customers'. IFRS 15 is applicable for periods beginning on or after 1 January 2018 under IFRS-EU, earlier application is permitted, that has already been adopted by the EU on September 22, 2016 and published in the official bulletin of the EU on October 29, 2016.
- Introduction of IFRS 16 "Leases" which supersedes IAS 17. Lessees will recognize most leases in the balance sheet as financed purchases. This standard will apply to periods beginning after January 1, 2019.
- IAS 7 (Amendment) "Statement of cash flow" related to disclosures. This standard will apply to annual periods beginning after January 1, 2017. Not already endorsed by the EU.
- IAS 12 (Amendment) "Income taxes" related to the recognition of not realized deferred taxes. This standard will apply to annual periods beginning after January 1, 2017 under IFRS-IASB, earlier application is permitted.
- Annual Improvements to IFRSs 2014-2016 (published on December 8, 2016). These improvements are mandatory for periods beginning on or after January 1, 2018 under IFRS-EU and have not been adopted by the EU yet.
- IFRIC 22 Foreign Currency Transaction and advance consideration which establish the transaction date to determine the exchange rate applicable to transactions with advances in foreign currency. This interpretation is mandatory for periods beginning on or after January 1, 2018 under IFRS-EU and has not yet been adopted by the EU.
- IFRS 10 (Amendment) "Consolidated Financial Statements" and IAS 28 "investments in associates and joint ventures" in relation with the treatment of the sale or the contribution of assets between an investor and its associate or joint venture. The application of this standard has been delayed without definite date of application.

The Group is currently in the process of evaluating the impact on the Consolidated condensed interim financial statements derived from the application of the new standards and amendments that will be effective for periods beginning after December 31, 2016.

c) Changes in the composition of the Group

- In 2016 a total of 7 subsidiaries (44 in 2015), 4 associates (4 in 2015) and zero joint ventures (5 in 2015), were included in the consolidation group, which are identified in Appendices I, II, III, XII, XIII and XIV to these Consolidated Financial Statements.

  These changes did not have a significant impact on the overall consolidated amounts in 2016 and 2015.

  In addition, during 2016, 1 joint ventures were included in the Consolidation perimeter (UTE), (5 in 2015), with partners which do not being to the Group, have commenced their activity or have started to undertake a significant level of activity during 2016.

- During the year ended December 31, 2016 a total of 57 subsidiaries were no longer included in the consolidation perimeter (17 in 2015), 3 associates (no associates in 2015) and 8 joint ventures (2 in 2015), which are identified in Appendix IV, V and VI and which did not have any material impact in the Consolidated Income Statement, except for disposals mentioned in Note 6.3b).

  During 2016, 19 UTE, (38 in 2015), which do not belong to the Group, were excluded from the consolidated group because they had ceased their activities or had become insignificant in relation to overall group activity levels. The proportional consolidated revenues of these UTE in 2016 have been €0 (were null in 2015).

  Within the companies which have left the consolidation perimeter at the 2016 year-end , is Abengoa Bioenergy Netherlands, B.V. given that, as a consequence of the declaration of bankruptcy by the Court of Rotterdam of such company on May 11, 2016, the appointment of a Liquidator and the consequent loss of control (see Note 2.1 and 8.2 of the Notes to the Consolidated Financial Statements) recognizing in the Consolidated Income Statements for 2016 an impairment expense of €545 million. Additionally, and also within the companies which have left the consolidation perimeter at the 2016 year-end is Abengoa Bioenergía San Roque, S.A., as a consequence of the declaration of bankruptcy by the Court of Rotterdam on November 2, 2016, the appointment of a Liquidator and the consequent loss of control (see Note 2.1 and 8.2 of the Notes to the Consolidated Financial Statements) recognizing in the Consolidated Income Statements for 2016 an impairment expense of €10 million.

- Additionally, the mainly changes in the consolidation method are related to Abengoa Vista Ridge (see Note 6.2 of the Notes to the Consolidated Financial Statements) which, given the sale of the 80% interest, is now consolidated through the equity method and the company Khi Solar One, Ltc. whose assets and liabilities are classified as assets and liabilities held for sale (see Note 7 of the Notes to the Consolidated Financial Statements) and were integrated in the Consolidated Financial Statements of 2015 trough the equity method, are currently consolidated through the global integration method once obtained the control of the company.

d) Main acquisitions and disposals

- There were no significant acquisitions during the years 2016 and 2015.
- During 2016, the most significant disposals were as follows:
  - At the end of January 2016, the sale of the interest in Abengoa Solar Emirates Investment Company B.V. (TASEIC), parent company of Shams Power Company (owner company of a 100MW thermo-solar plant developed by Abengoa in Abu Dhabi) was concluded. As a consequence of this sale Abengoa received an amount of US$30 million and has had a positive impact of €1 million in the Consolidated Income Statement.
  - On March 31, 2016, the sale of the interest in the company Nicefield (owner company of a 70MW wind farm developed by Abengoa in Uruguay) was concluded. This sale concluded with an amount of US$0.4 million, releasing the company´s obligations of US$38 million of debt and its related guarantees, and has a positive impact in the Consolidated Income Statement of €3 million.
  - At the beginning of April 2016, an agreement between Abengoa and Vela Energy, S.L. was closed for the sale of four photovoltaic plants located in the province of Seville and Jaen. The agreement, included in the divestment plan announced by the Company, has contributed with a debt reduction of €50 million, as well as a net cash inflow of €12 million and a negative impact in the Consolidated Income Statements for an amount of €4 million.
  - On April 16, 2016 an agreement between Abengoa and a group of investors (Estudios y Explotaciones de Recursos, S.A.U. Ingeniería de Manutención Asturiana, S.A., Noy Negev Energy, Limited Partnership and Shikun & Binui - Solel Boneh Infrastructure Ltd.) was signed for the transaction of all the Abengoa´s interest until that moment in the Project of Ashalim, consisting on the construction and operation of a 110MW thermo-solar plant located in Ashalim (Israel). The total amount of the transaction has been €64 million and was subjected to a number of conditions including the approval by creditors of the financing terms and the corresponding authorities of the State of Israel. In 2016, all of the conditions have been accomplished and therefore its collection. Such sale transaction has contributed with a negative impact in the Consolidated Income Statement of €17 million (see Note 7 of the Notes to the Consolidated Financial Statements).

- On May 30, 2016, an agreement between Abengoa and Layar Castilla, S.A.U. has been signed for the transaction of all Abengoa´s interest in Explotaciones Varias, S.L. which aims the organization and operation of activities and businesses in relation to the acquisition of agricultural plot and its operation in agricultural, hunting and farming businesses directly, on partnership or by lease, the planting of crops, irrigation works and sanitation. This sale was completed for an amount of €16 million and has contributed with a positive impact in the Consolidated Income Statement of €1 million.

- At the beginning of June 2016, the agreement between Abengoa and the Company Garney has been closed for the transaction of the 80% Abengoa Vista Ridge LLC´s interest as owner Company of the assets associated to a water and conduction plant in United States. The agreement has contributed to a debt reduction of €105 million and no cash generation. As a consequence, the control over the assets has been transferred. Thus, and according to IFRS 10 – Consolidated Financial Statements, the loss of control over the company has supposed the disposal of all the assets and liabilities associated to the Company at book value on the date in which the loss of control was effective, as well as all minority interest of the Company and the valuation of the 20% interest at fair value at the date of loss of control. Due to all the above, it has been recorded a positive impact in the Consolidated Income Statement of €74 million (see Note 30.3 of the Notes to the Consolidated Financial Statements).

- On July 5, 2016, an agreement between Abengoa and Excellance Field Factory, S.L.U. (affiliate company of Ericsson) was signed for the sale of the deployment and maintenance of communication networks and subscriber loop business, currently operated by Abentel, to such company expressly created by Ericsson. The agreement, subjected to the compliance of certain conditions, involve the collection of €5 million as established and has not had a significant impact in the Consolidated Income Statement of Abengoa.

- On August 3, 2016, the company completed the transaction of the 80% interest that held in the company Fotovoltaica Solar Sevilla, S.A. that corresponds with a photovoltaic solar plantof 1MW of capacity. The total price obtained from the sale reached €3million approximately and has not any significant impact in the Consolidated Income Statement of Abengoa.

- Within the 1G plants sale process in United States (Indiana, Illinois, Nebraska and York) in the Chapter 11 proceeding initiated (see Note 2.1.1 of the Notes to the Consolidated Financial Statements), at the end of September the sale of such plants has been closed at the price established by the Court. Such sale has supposed a cash inflow of €128 million without impact in the Consolidated Income Statement given the previous impairment recognized at fair value due to its reclassification as asset held for sale (see Note 7 of the Notes to the Consolidated Financial Statements). The net cash received will be distributed according to the liquidation plan to be presented.

- In addition, within the 2G plants sale process in United States (Hugoton) in the Chapter 11 proceeding initiated (see Note 2.1.1 of the Notes to the Consolidated Financial Statements), at the end of November the sale of such plant has been closed at the price established by the Court. Such sale has supposed a cash inflow of €46 million without impact in the Consolidated Income Statement given the previous impairment recognized at fair value due to its reclassification as asset held for sale (see Note 7 of the Notes to the Consolidated Financial Statements). The net cash received will be distributed according to the liquidation plan to be presented.

- Finally, and following the agreement reached with the infrastructure fund EIG Global Energy Partners ('EIG') on April 7, to establish the Joint Venture (JV) Abengoa Projects Warehouse I, LLP (APW-1) which structure consist of 55% invested by EIG and a remaining non-controlling interest of 45% by Abengoa, it should be note that, at the end of the year, the two asset transfer contributions to such JV were made by Abengoa (one corresponds to the 100% interest on CSP Atacama 1 and PV Atacama 1, solar plant project companies located in the Atacama Desert, Chile, and another second corresponds to a minority interest contribution of the power transmission line assets in Brazil).

- After the 2015 year-end close, considering the Company's situation and the fact that this situation was preventing the company from fulfilling certain contractual obligations assumed under the contract signed with EIG for the creation of the APW – 1 joint venture in March 2016, the company began negotiations with the partner to try and reach a new agreement to regulate the relationship between the parties regarding the shares transferred to date, considering the global agreement initially reached for the construction of APW-1. The conclusion of these negotiations was a pre-requisite for the effectiveness of the Restructuring Agreement signed in September 2016. As a result of these negotiations, a new agreement was reached with EIG in the month of October 2016.

- As a consequence of that agreement, Abengoa will waive its rights to APW-1 in terms of its participation and the credits to which it was entitled, recognising an impairment expense of 375 million euros in the Consolidated Income Statement as a result. Moreover, the acquisition rights of a minority stakeholding held by APW-1 to certain transmissions lines in Brazil will be transferred to Abengoa in exchange for monetary compensation of 450 million dollars by Abengoa. This monetary compensation is subject to the Restructuring Agreement to which EIG has adhered. As a result, this monetary compensation will be subject to the alternative restructuring conditions which call for 70% to be settled by transferring certain Abengoa shares to EIG and the remaining 30% to be refinanced under the terms of the agreement. In keeping with IAS 39, Abengoa has estimated that the fair value is 128 million euros. Therefore, a financial expense in this amount was recognised in the income statement (see Note 20.5 of the Notes to the Consolidated Financial Statements).

- Regarding EIG's minority holding in the Brazilian transmission lines, it should be noted that as of 30 June 2016 the shares were owned by APW – I, which means that the transaction was completed in a timely manner. However, under the agreements reached with EIG in October 2016 and in line with what has been previously discussed, the partners of APW-I have committed to take steps needed for the shares to be returned to Abengoa once the debt is recognised by Abengoa as compensation for the breach of contract.

- The best estimate as of the present date is that Abengoa will not have to recognise any additional commitments above and beyond those already recognised in relation to APW – 1. This is due to the fact that under the October 2016 agreement with EIG all contracts signed with the partner are terminated and cancelled in their entirety, including the Investment and Contribution Agreement, EIG Commitment Letter, Abengoa Rofo, Brazil Shareholders' Agreement and Abengoa Guarantee. The following contracts are also cancelled: Support Services Agreement and the Transition Agreement.

- Finally, regarding Note 33.2 on related party transactions, APW-1 has signed contracts with CSP Atacama I and PV Atacama I for solar power plant construction. On this subject, the October 2016 agreement includes an addendum to the original (EPC) solar power plant construction agreement. In addition, it was agreed that Abengoa would find a back-up EPC contractor to participate in the remaining phases of the construction. The documents and materials related to the Abengoa's intellectual property have been deposited into an escrow account. With this information, the back-up contractor would be able to complete the work in the event of an eventual breach by Abengoa as the principal contractor.

e) Main figures

Financial data

- Revenues of €1,510 million, a 59% lower to the same period of 2015.
- EBITDA of €-241 million, a decrease of 170% compared to the same period the previous year.

	Balance as of 31.12.16	Balance as of 31.12.15 (1)	Var (%)
Income Statement			
Revenue	1,510	3,647	(58.59)
EBITDA	(241)	343	(170.17)
EBITDA Margin	(16%)	9%	(269.47)
Net Income	(7,629)	(1,213)	528.7
Balance Sheet			
Total Assets	9,914	16,628	(40.38)
Equity	(6,780)	453	(1,596.69)
Corporate Net Debt	5,986	4,480	33.6
Share Information			
Last price (€ per B share)	0.19	0.19	-
Capitalization (A+B share) (€ million)	195	202	(3.47)
Daily trading volume (€ million)	5	35	(85.71)

(1) Restated figures in the Income Statement due to the discontinuance of the activity in transmission lines in Brazil and the operating segment of Bioenergy.

- The corporate finance amounted to €7,665 million in comparison to the €6,568 million at December 31, 2015.
- The project finance amounted to €2,016 million in comparison to the €3,070 million at December 31, 2015. Within the project finance, it is included €1,844 million of bridge loans with corporate guarantee (€2,049 million at December 31, 2015). Such bridge financing, does not include the bridge financing amounted to €539 million (€399 million at December 31, 2015) which have been classified as assets and liabilities held for sale, nor bridge financing related to Atacama I in Chile amounted to €267 million (€238 million at December 31, 2015) being consolidated through the equity method

Operating figures

- The international activity represents 86% of the consolidated revenues.
- The main operating figures of the years 2016 and 2015 are the following.

Key operational	2016	2015
Transmission lines (km)	3,532	3,532
Water Desalination (Cap. ML/day)	475	475
Cogeneration (GWh)	257	393
Solar Power Assets (MW)	200	162
Biofuels Production (ML/year)	1,030	3,270

Corporate debt conciliation

The following table set out the conciliation of the Net Corporate Debt with the information included in the Consolidated Financial Statements at December 31, 2016 and 2015 (in million euros).

Item	Balance as of 12.31.16	Balance as of 12.31.15
Bank debt and current/non-curr. bond	2,843	2,328
Obligat. under curr./non-curr. financial lease	3,550	3,301
Current financial investments	21	37
Financial investments	(150)	(519)
Cash and cash equivalents	(278)	(681)
Treasury stock + financial investment and Treasury in project companies.	-	15
Total net debt (cash) / Total Ebitda	**5,986**	**4,480**

f) Consolidated income statement

	Balance as of 12.31.16	Balance as of 12.31.15	Var (%)
Revenues	1,510	3,647	(58.6)
Operating expenses	(1,751)	(3,303)	(47.0)
EBITDA	(241)	343	(170.2)
Depreciation and amortization	(1,901)	(373)	409.9
I. Net Operating Profit	(2,142)	(29)	7,192.7
II. Finance Cost, net	(663.9)	(636)	4.4
Financial incomes / expenses	(497.9)	(101)	394.2
Net Exchange rates differences and other financial incomes/expenses	(1,162)	(737)	57.7
III. Share of (loss)/(profit) of associates	(587)	(8)	6,966.3
IV. Profit Before Income Tax	(3,891)	(775)	402.3
V. Income tax expense	(372)	(88)	320.7
VI. Profit for the year from continuing operations	(4,263)	(863)	394.0
Profit (loss) from discontinued operations, net of tax	(3,352)	(480)	598.8
Profit for the year	(7,615)	(1,343)	467.1
VII. Non-controlling interests	(14)	129	(110.8)
Net income attributable to the parent company	(7,629)	(1,213)	528.7

(1) Restated figures in the Income Statement due to the discontinuance of the activity in transmission lines in Brazil and the operating segment of Bioenergy.

Revenues

Revenue decreased by 58.6% to €1,510 million, which is a decrease of €2137 from €3,647 million in the year 2015. The decrease in consolidated revenues is mainly due to current situation of the Company given the strong limitations of financial resources in which the Company is subjected during the last months, which has affected significantly to the evolution of the business after the general deceleration of the business. In addition, there is a decrease in revenues as a consequence of the negative impact that the finalization of several projects in 2015 has caused and the sale to Atlantica Yield of concessional-type plants under the ROFO agreements and the loss of control of Rioglass at the end of 2015.

EBITDA

EBITDA has decreased in a 170.2% reaching €-241 million, which suppose a decrease of €584 million compared to the €343 million of the same period of the previous year. The decrease in EBITDA is mainly attributable to the already mentioned situation of the Group in last paragraph, which has supposed the general deceleration in business in every activity, and consequently in the EBITDA obtained in each one of them. Additionally, there is a decrease in EBITDA due to the negative impacts as a consequence of the finalization of several projects in 2015 and the sale to Atlantica Yield of concessional-type plants under the ROFO agreements and the loss of control of Rioglass ant the end of 2015.

Operating profit

Operating profit has decreased in 7,192.7%, from losses of €29 million in 2015 to losses of €2,142 million in 2016. This decrease in the operating profit is mainly attributable to all the mentioned in the EBITDA paragraph. Additionally, losses have increased mainly due to the impairment expenses registered in certain assets (intangible and fixed assets) pertaining to the Engineering and Construction segment due to their doubtful recovery given the problems arisen during the period to keep developing the activity in an appropriate manner, as well as, the impairment losses recognized when registering at fair value the assets related to solar plants in Chile and the generating plants in Mexico. All the mentioned has been partially offset by lower amortization expenses due to the impact of the sale to Atlántica Yield of certain owner companies of concessional-type plants in 2015 under the ROFO agreement.

Net Financial Expense

Net Finance expenses have reached a loss of €1,162 million, which is an increase of the 57.0% in comparison to a loss of €737 million in the same period of 2015. The increase in expenses is mainly due to the impairment registered in Xfera Moviles, S.A., the financial expense of the cancellation of the convertible derivative bond of Befesa and the updating of preferred shares of ACBH with Atlantica Yield, the higher financial expenses derived from executed guarantees with high probability of resource outflows, as well as bank fees and default interests given the current situation of the Company mentioned before. All this has been partially offset by the profit generated by the transaction of the 80% Abengoa Vista Ridge, LLC´s interest and lower financial expenses registers after the sale to Atlantica Yield of certain owner companies of concessional-type plants during 2015 under the ROFO agreement.

Share of profit (loss) of associates carried under the equity method

The result of associates decreased from a loss of €8 million in 2015 to a loss of €587 million in 2016. This decrease is mainly attributable to the impairment recognized on the investment of the associates Rioglass Solar, Ashalim and APW-1.

Corporate Income Tax

Corporate income tax decreased from a profit a net loss of €88 million in 2015 to a net loss of €-372 million in 2016. This decrease in mainly attributable to the non-recognition of revenues derived from the tax credits capitalization of losses during 2016 given the mentioned current situation of the Group, pending to have greater visibility about the realization of the Viability Plan presented by the Company.

Profit for the year from continuing operations

Due to the aforementioned changes, results from continuing operations of Abengoa decreased from losses of €863 million in 2015 to a loss of €4,263 million in the same period of 2016.

Profit/(Loss) from discontinued operations, net of tax

The result from discontinued operations, net of tax decreased from a loss of €480 million in 2015 to a loss of €3,352 million in the year 2016. This decrease is mainly attributable to the integration of results of the transmission lines in Brazil and the operative segment of Bioenergy after its consideration as discontinued operation including an impairment given its recognition as fair value. Additionally, there is a decrease caused by the use of the equity method with Atlantica Yield and its affiliates at 2015 closing once loss its control and leaving the global integration method (classified until that date as discontinued operation).

Profit attributable to the parent company

Profit attributable to the parent company decreased from a loss of €1,213 million in 2015 to a loss of €7,629 million in 2016 as a consequence of the changes described in previous sections.

g) Results by activities

Abengoa Business sales, EBITDA and margin related to different business activities has been as follows:

	Revenue			Ebitda			Margin	
Concepto	2016	2015 (1)	Var (%)	2016	2015	Var (%)	2016	2015
Engineering and construction								
Engineering and construction	1,368	3,381	-59.5%	(326) (2)	169	-292.9%	-24%	5.0%
Total	1,368	3,381	-59.5%	(326)	169	-292.9%	6%	17.9%
Concession-type infraestructure								
Solar	37	167	-77.8%	21	115	-81.7%	57%	68.9%
Water	59	53	11.3%	41	42	-2.4%	69%	79.2%
Transmission lines	1	2	-50.0%	-	(1)	-100.0%	0%	-50.0%
Cogeneration and others	45	44	2.3%	23	18	27.8%	51%	40.9%
Total	142	266	-46.6%	85	174	-51.1%	60%	65.4%
Total	1,510	3,647	-58.6%	(241)	343	-170.3%	-16%	9.4%

(1) Restated figures in the Income Statement due to the discontinuance of the activity in transmission lines in Brazil and the operating segment of Bioenergy.

(2) Includes provisions of project construction arisen from the situation of the Company amounted to €-245 million (see Note 2.1.1 of this Management Report).

Engineering & Construction

Revenues in the Engineering & Construction segment has decreased by 59.5% to €1,368 million, which is a decrease of €2,013 million compared to the €3,381 million of the same period last year. This decrease in revenues is mainly attributable to the current situation of the Group given the strong limitation of financial resources in which the Company is subjected in the last months and which has significantly affected the evolution of the business after the general deceleration of the Engineering & Construction activity. The main projects under construction affected by the entire above situation correspond to the combined cycle plants in Mexico (AT3 and AT4), to thermo-solar and photovoltaic plants in Chile (Atacama solar plant), thermos-solar plants in South Africa and to transmission lines in Brazil. In addition to the above, there has been a decrease in revenues due to the negative impacts as a consequence of the finalization of the construction in 2015 of certain transmission line projects in Peru and Poland.

Engineering & Construction EBITDA has decreased by 292.9% to €-326 million, which is a decrease of €495 million, compared to the €169 million in the same period in the last year. This decrease is mainly attributable to the current situation of the Group, mentioned in the previous section, which has caused the deceleration in the projects under construction mentioned before and consequently the EBITDA obtained in each of them. Additionally the decrease in EBITDA is due to the negative impacts as a consequence of the finalization in the construction of certain projects of transmission lines during 2015 in Peru and Poland mentioned before.

Concession-type Infrastructures

Revenues in concession-type infrastructures have decreased by 46.6% to €142 million, which is a decrease of €124 million compared to the €266 million of the same period last year. This decrease in revenues is mainly attributable to the negative impacts as a consequence of the sale to Atlantica Yield of certain owner companies of concession-type plants during 2015 under the ROFO agreement and correspond to desalination plants in Algeria (Skikda and Honanine), to a transmission line in Peru (ATN2), to thermo-solar plants in Spain (Helioenergy 1 and 2, Helios 1 and 2, Solnova 1, 3 and 4, Solaben 1 and 6) and a thermo-solar plant in South Africa (Kaxu Solar One).

Concession-type infrastructure EBITDA has decreased by 51.1% to €85 million, which is a decrease of €89 million compared to the €174 million on the same period last year. This decrease in EBITDA is also mainly attributed to what has been mentioned in the previous section related to the negative impacts as a consequence of the sale to Atlantica Yield of certain owner companies of concession-type plants during 2015 under the ROFO agreements mentioned before.

h) Consolidated statement of financial position

Consolidated balance sheet

A summary of Abengoa's consolidated balance sheet for 2016 and 2015 is given below, with main variations:

	Balance as of 31.12.16	Balance as of 31.12.15	Var (%)
Intangible assets and fixed assets	254	2,600	(90.2)
Fixed assets in projects	398	3,360	(88.2)
Associates under the equity method	823	1,198	(31.3)
Financial investments	65	1,114	(94.2)
Deferred tax assets	615	1,585	(61.2)
Non-current assets	**2,155**	**9,857**	**(78.1)**
Inventories	100	311	(67.8)
Clients and other receivable accounts	1,327	2,004	(33.8)
Financial investments	150	519	(71.1)
Cash and cash equivalents	278	681	(59.2)
Assets held for sale	5,904	3,256	81.3
Current assets	**7,759**	**6,771**	**14.6**
Total assets	**9,914**	**16,628**	**(40.4)**

- Non-current assets have decreased by 78.1 % to €2,155 million, which is a decrease of €7,702 million compared to the 9,857 million at December 31, 2015. This decrease in non-current assets is mainly attributable to the classification as assets held for sale of the property, plant and equipment of the operative segment of Bioenergy and assets of certain transmission lines in Brazil, the sale of the investment in Yoigo and convertible notes of Befesa and the impairment over the investment in Rioglass Solar after its dilution of shares and the receivable with APW-1, after the agreement reached with EIG.

- Current assets have increased by 14.6% to €7,759 million, which is an increase in €988 million compared to the €6,771 million at December 31, 2015. This increase in assets is mainly attributable to new non-current assets classified as assets held for sale mentioned before. The mentioned has been partially offset by the lower financial investments and cash and cash equivalents due to the maturities of collateralized non-recourse confirming liabilities, netted by the cash obtained in the new liquidity lines in March and September, 2016.

A summary of Abengoa's consolidated liabilities as of December 31, 2016 and December 31, 2015 is given below, with main variations:

	Balance as of 31.12.16	Balance as of 31.12.15	Var (%)
Capital and reserves	(7,335)	62	(11,930.6)
Non-controlling interest	555	391	41.9
Total Equity	**(6,780)**	**453**	**(1,596.7)**
Project debt	13	504	(97.4)
Corporate financing	267	372	(28.1)
Grants and other liabilities	66	234	(71.8)
Provisions and Contingencies	51	63	(19.0)
Derivative financial instruments	6	38	(84.2)
Deferred tax liabilities and Personnel liabilities	176	322	(45.3)
Total non-current liabilities	**579**	**1,532**	**(62.2)**
Project debt	2,003	2,567	(22.0)
Corporate financing	7,398	6,197	19.4
Trade payables and other current liabilities	2,654	4,379	(39.4)
Current tax liabilities	146	195	(25.1)
Derivative financial instruments	12	108	(88.9)
Provisions for other liabilities and expenses	17	6	183.3
Liabilities held for sale	3,885	1,191	226.2
Total current liabilities	**16,115**	**14,643**	**10.1**
Total Shareholders' Equity and Liabilities	**9,914**	**16,628**	**(40.4)**

- Equity has decreased by 1,596.7% to €-6.780 million, which is a decrease of €7,262 million compared to €453 million at December 31, 2015. This decrease in equity is mainly attributable to the negative outcome as a consequence of the current situation of the Group which has been described before in the Consolidated Income Statement section. This has been partially offset by the net positive evolution of conversion differences of the appreciation of the Brazilian real and the US Dollar.

- Non-current liabilities has decreased by 62.2% to €579 million, which is a decrease of €953 million compared to the €1,532 million of 2015. This decrease is mainly due to the reclassification as liabilities held for sale of liabilities pertaining to the Bioenergy segment and transmission lines segment in Brazil, partially offset with the debt recognized from the agreements with EIG and Atantica Yield.

- Current liabilities have increased by 10.1% to €16,115 million, which is an increase of €1,472 million compared to the €14,643 million at December 31, 2015. This increase in current liabilities is mainly attributable to non-current liabilities classified as held for sale mentioned before, as well as by the increase in corporate financing due to the new liquidity lines provided at the end of March and September 2016. All the mentioned has been partially offset by the decrease in the trade payables and other current liabilities section due to maturities during the period of non-recourse confirming which had cash collateral or equivalent to cash collateral as guaranty of its pay.

i) Consolidated cash flow statements

A summary of the Consolidated Cash Flow Statements of Abengoa for the periods ended December 31, 2016 and 2015 with the main variations per item are given below:

	2016	2015	Var (%)
Profit for the year from continuing operations	(4.263)	(824)	417,5
Non-monetary adjustments	4.009,2	654,8	512,3
Variations in working capital and discontinued operations	(65,4)	(869,1)	(92,5)
Interest received/paid	(66,8)	(810,6)	(91,8)
Discontinued operations	58,1	376,3	(84,6)
A. Net Cash Flows from operating activities	(328)	(1.472)	(77,7)
Intangible assets and property, plant & equipment	(240,8)	(2.181,4)	(89,0)
Divestments related to the sale of assets to Abengoa Yield (ROFO 2 & 4)	-	367,7	n/a
Other investments/disposals	558,5	109,3	411,1
Discontinued operations	(312,4)	751,6	(141,6)
B. Net Cash Flows from investing activities	5	(953)	(100,6)
Initial Public Offering of subsidiaries	-	331,9	n/a
Share capital increase with non-controlling interest by Abengoa Yield to fund the sale of assets (ROFO 3)	-	301,9	n/a
Other disposals and repayments	(8,5)	1.510,5	(100,6)
Discontinued operations	223,6	(158,2)	(241,3)
C. Net Cash Flows from financing activities	215	1.986	(89,2)
Net increase/(decrease) of cash and equivalent	(107)	(439)	(75,6)
Cash at beginning of year	680,9	1.810,8	(62,4)
Translation differences cash or equivalent	5,2	(61,1)	(108,5)
Discontinued operations	(301,2)	(629,6)	(52,2)
Cash and cash equivalent at end of year	278	681	(59,2)

(1) Restated figures in the Income Statement due to the discontinuance of the activity in transmission lines in Brazil and the operating segment of Bioenergy.

- As of December 31, 2016, cash outflows from operating activities amounts to €328 million compared to €1,472 million in 2015, due to the lower cash generated from the profit of the year, the decrease in working capital and the tax and interests credit receipts and payments, mainly derived from the current situation of the Group given by the strong limitation of financial resources in which the Company is subjected in the last months and which has significantly affected the evolution of the business after the general deceleration of all activities.

- In terms of net cash flows from investment activities, there is a net cash inflow of €5 million as of December 31, 2016, compared with net cash outflow of €953 million in the same period 2015. The lower cash outflows from investment activities are mainly caused by the current situation of the Group mentioned previously. The main investments were mainly because of transmission lines in Brazil and cogeneration projects in Mexico, partially netted by the cash inflow due to the sale of the interest in Sham of Abengoa, Explotaciones Varias, for the sale of four photovoltaic plants located in the province of Seville and Jaén and for the sale of the convertible loan into shares of Befesa Medio Ambiente, S.L.U. and the sale of the interests that Abengoa owned in Xfera Moviles, S.A.

- Net cash flow from financing activities was €215 million as of December, 31 2016 compared to €1,986 million in the same period 2015. The lower cash inflows from financing activities are mainly caused by the current situation of the Group previously mentioned. Net cash generation mainly comes from a new liquidity line given at the end of March and September 2016.

2.2. Financial and non-financial key indicators

The main operational and financial indicators for the years ended December 31, 2016 and 2015 are as follows:

Item	2016	2015	Var (%)
Consolidate EBITDA (millions))	(241)	343	-170%
EBITDA margin (EBITDA/revenues)	-15.97%	9.42%	-270%
Operating margin (Operating profit/revenue)	-143.77%	-0.81%	17750%
Profit margin	-507.00%	-33.00%	1424%
Basic earnings per share	-7.40	-1.35	448%
Diluted earnings per share	-7.40	-1.35	448%
Market capitalization (million)	195	202	-3%

The key performance indicators for each activity are detailed below for the years 2016 and 2015:

	2016	2015
Engineering and Construction		
Backlog (€ in millions)	2,698	7,700
Concession-Type Infrastructure		
Solar		
MW under development	300	300
MW under construction	380	750
MW in operation	200	162
Total MW	880	1,212
Transmisión		
Km of transmission under development	188	188
Km of transmission under construction	6,707	6,253
Km of transmission in operation	3,532	3,532
Total Km	10,427	9,973
Water		
Capacity of desalination in operation (m3/day)	475	475
Industrial Production		
Capacity Biofuels production (ML/Yr)	1,030	3,270

2.3. Matters relating to the environment and human resources

a) Environment

The necessary evolution of the company to a sustainable growth constitutes to Abengoa a commitment and an opportunity for the proper development and continuance of its business.

The environment sustainability is key in the strategy of Abengoa, which performs all its activity and process according to a sustainable development model, focused to grant the commitments to protect the environment and going further than legal compliance and considering at the same time the stakeholders expectations and good environmental practices.

Consequently, by year-end 2016, Companies ahve Environment Management Systems certified according to the ISO 14001 Standard.

This international standard allows us to grant all the legal, contractual and good practices requirements in environmental management which are identified and controlled properly. The unfulfillment risk management is the base of our management and the base for decision manking process.

b) Human resources

Abengoa's workforce is formed by 15,983 people at December 31, 2016, which is a decrease of 27% compared to the previous year (21,932 people).

Geographical distribution of the workforce

The 24% people are located in Spain while the remaining 76% are abroad. The total number of employees at the end of 2016 by geographical area and its share over the total is:

Distribution by professional groups

The number of employees by categories during 2016 and 2015 was:

	Average number of employees in 2016		% Total	Average number of employees in 2015		% Total
Categories	Female	Male		Female	Male	
Board of Directors	1	6	0.1	2	10	0.1
Directors	42	326	2.3	56	464	2.4
Management	266	945	7.6	393	1,379	8.1
Engineers	753	1,742	15.6	1,188	2,649	17.5
Assistants and professionals	629	1,414	12.8	960	1,742	12.3
Operators	605	9,174	61.2	748	12,032	58.2
Interns	42	44	0.5	124	185	1.4
Total	2,338	13,651	100	3,471	18,461	100

3.- Liquidity and capital resources

a) Liquidity risk

During the last year Abengoa's liquidity and financing policy during the last years has had intended to ensure that the company could have sufficient funds available to meet its financial obligations as they fall due. Abengoa has been using two main sources of financing:

- Project debt (Non-recourse project financing), which is typically used to aimed to finance any investment on project asset (see Notes 2.5 and 19 of the Notes to the Consolidated Financial Statements).
- Corporate Financing, used to finance the activities of the remaining companies which are not financed under the aforementioned financing model. This means of financing is managed through Abengoa S.A., which pools cash held by the rest of the companies so as to be able to re-distribute funds in accordance with the needs of the Group (see Notes 2.18 and 20 of the Notes to the Consolidated Financial Statements) and has carried out the obtention of the resources needed from the bank and capital markets.

To manage the working capital, Abengoa usually uses non-recourse confirming with various financial entities to outsource the trade payables payments, and non-recourse factoring. In addition, Abengoa has short term financing lines including commercial paper.

As said in Note 2.1.1, the Company has subscribed a financial Restructuring Contract, which in Directors´opinion, once signed and with the achievement of the Viability Plan associated to the Group´s ability to generate cash from operations which will allow the financial restitution of the parent company Abengoa, S.A., and to provide to Abengoa the optimal capital structure and the liquidity enough to continue its activity and operate in a competitive and sustainable manner in the future.

b) Capital risk

During the last year the Group has managed capital risk aimed to be able to ensure the continuity of the activities of its subsidiaries from an equity standpoint by maximizing the return for the shareholders and optimizing the structure of equity and debt in the respective companies or projects.

Since the admission of its shares to trade on the stock market, the company has grown in the following ways:

- cash flows generated by conventional businesses;
- financing of new investments through project debt (project finance and bridge loan), which also generates business for conventional businesses;
- corporate financing, either through banks or capital markets;
- issuance of new shares of subsidiaries through organized markets;
- asset rotation;

The leverage objective of the activities of the company has not generally measured based on the level of debt on its own resources, but on the nature of the activities:

- for activities financed through project debt, each project is assigned a leverage objective based on the cash and cash flow generating capacity, generally, of contracts that provide these projects with highly recurrent and predictable levels of cash flow generation;
- for activities financed with Corporate Financing, the objective is to maintain reasonable leverage, depending on their optimal capital structure.

As indicated in note 2.1.1, the Company has signed a financial Restructuring Agreement . In the directors' opinion, once that reorganisation agreement is implemented and with the achievement of the Viability Plan associated by means of the Group´s ability to generate cash from operations which will allow the financial restitution of the parent company Abengoa, S.A., and to provide to Abengoa the optimal capital structure and the liquidity enough to continue its activity and operate in a competitive and sustainable manner in the future.

c) Contractual obligations and off-balance sheet

The following table shows the breakdown of the third-party commitments and contractual obligations as of December 31, 2016 and 2015 (in thousands of euros):

2015	Total	Up to one year	Between one and three years	Between three and five years	Subsequent
Loans with credit institutions	4,858,342	3,547,607	1,111,866	146,719	52,150
Notes and bonds	3,550,269	3,550,269	-	-	-
Liabilities due to financial leases	21,102	13,088	3,188	1,687	3,139
Other loans and borrowings	1,251,151	998,168	148,773	103,109	1,101
Obligations under operating Leases	3,956	3,925	21	10	-
Purchase commitments	835,556	458,831	222,913	145,224	8,588
Accrued interest estimate during the useful life of loans	1,133,020	582,059	151,252	98,080	301,629

2014	Total	Up to one year	Between one and three years	Between three and five years	Subsequent
Loans with credit institutions	5,398,326	4,888,251	84,193	81,352	344,530
Notes and bonds	3,300,825	3,300,825	-	-	-
Liabilities due to financial leases	36,542	17,020	6,874	1,629	11,019
Other loans and borrowings	659,414	557,047	42,393	54,181	5,793
Obligations under operating Leases	10,450	2,487	2,814	2,457	2,692
Purchase commitments	2,836,092	2,498,391	318,156	2,815	16,730
Accrued interest estimate during the useful life of loans	1,644,957	491,474	646,296	271,111	236,076

d) Investment plan

The Abengoa´s investment plan during the following years mainly focuses on the completion of projects currently under construction which include, among others, the following:

Project	Business unit	Capacity	Country
Xina	Solar	100 MW	Sudáfrica
Atacama 1 (CSP + PV)	Solar	210 MW	Chile
Acueducto Zapotillo	Agua	3,8 m3/seg	México
Boot Dgen Torrent Power LTD	Transmisión	115 km	India
Centro Penitenciario	Cogeneración y Otros	-	Uruguay
A3T4	Cogeneración y Otros	840 MW	México
Norte III	Cogeneración y Otros	924 MW	México
Agadir	Agua	100,000 m3/día	Marocco
ATN 3	Transmisión	355 km	Perú

4.- Principal risks and uncertainties

4.1. Operational risks

4.1.1. Risks related to Abengoa´s financial situation

The Restructuring is a complex transaction that will have a significant impact on the Group's reported financial situation; the impact on reported results may differ from that assessed by Group management

In discharge of the obligations assumed by the Company in the context of the process for the restructuring of the financial indebtedness and recapitalization of the Group, conducted throughout 2016 and early 2017 (the "Restructuring") and formalized through the agreement entered into on September 24, 2016 by the Company, a group of investors and a group of its creditors comprised of banks and bondholders issued by entities belonging to the Group (the "Restructuring Agreement"). The General Shareholders´ Meeting held on November 22, 2016 approved the issuance of new shares and warrants which will be executed afterwards by the Board of Directors.

The Restructuring is a complex transaction which, as a consequence of its implementation resulted in changes to the corporate and debt structures of the Group.

Although the management of the Group has made assessments of the consequences of the Restructuring, factors unknown to Group management may have an impact on the assessments made.

Therefore, the consequences of the Restructuring on the Group's financial position and results reported in the Consolidated Financial Statements following the date of completion of the Restructuring may be different from those assessed by Group's management.

Risks arising from Abengoa's negative net equity

As of December 31, 2016 the Company had approximately -6,357.1 million euros of individual negative net equity and it had incurred in losses for an amount of approximately 7,054.4 million euros. Furthermore the consolidated net equity amounted approximately to -6,780.0million euros, and the losses that the Group had incurred were approximate for the amount of 7,629.1 million euros.

According to Spanish law if a company's net equity is reduced as a result of losses to less than half of the share capital, that company shall be under a cause of dissolution unless its share capital is increased or decreased with the sufficient amount and as long it is not appropriate to request its insolvency. For this purpose, and pursuant to Article 36 of the Commercial Code, adjustments for changes of value arising from outstanding cash flow hedging transactions charged to the profit and loss account shall not be considered as equity.

Applying the above mentioned rules and settings, computable net equity of Abengoa on December 31, 2016 was -6,330.6 million euros, in other words, -6,331.5 million euros below the threshold of compulsory settlement established in Spanish law (in the case of Abengoa, 0.9 million euros, equivalent to half of its share capital at that date). Therefore, on the above mentioned date, Abengoa was involved in the case of the above mentioned dissolution scenario.

In any case, the terms of the restructuring of the financial indebtedness agreed between Abengoa and its financial lenders and other creditors, allowed for the restructuring and strengthening of Abengoa and its recapitalization through the Share Capital Increase.

As a result of the implementation of the aforementioned financial restructuring, Abengoa's management estimates a positive impact in the consolidated profit and loss and the consolidated equity of Abengoa of €6,000 – €6,500 thousand.

Risks relating to the indebtedness of Abengoa after the restructuring of its debt

a) High volume of financial indebtedness of Abengoa

Abengoa has traditionally required an important level of investment to ensure the development of its projects and the growth of its business, through the engineering, procurement and construction projects, solar plants, and other projects. In order to finance these investments Abengoa has resorted, amongst other financing sources, to syndicated facilities, guaranteed loans and others bank credits, having increased the financial indebtedness of the Group in the last years, to reach the amount of 9,680.7 million euros on December 31, 2016 and 9,638.2 million euros on December 31, 2015. At this high level of debt, there is a risk that, if market or business operating conditions does not recover or they further deteriorate or the restructuring of the financial debt of the Company does not finally take place in the agreed terms, the business of the Company may be unable to generate enough cash flows in order to deal with its current debt maturities.

Moreover, and even after the restructuring of the financial debt, Abengoa keeps a financial indebtedness, even after the adjustments made due to the restructuring process..

In any case, the ability of Abengoa to repay or refinance its debt, deal with the requirements of working capital and attend their investment commitments, or take advantage of business opportunities that may arise in the future, will depend on future operating results and the ability of their business to generate cash flows recursively. This will be conditioned, to some extent, and among many other factors, by the economic, financial, market and competitive situation, some of which are outside of the scope of control of the Company. The high indebtedness of Abengoa could have additional consequences in its business and financial situation, such as:

- that the Company may be obliged to devote a significant portion of its cash flows to operations regarding repayment debt, avoiding, therefore, that such flows can be used for other purposes;
- to increase the vulnerability of the Group to adverse economic conditions and/or specific conditions of the sectors where the Company operates, limiting its flexibility to react to changes in the business or the industry in which it operates;
- the ability of the Company to make strategic acquisitions or undertake other corporate operations may be limited;
- that the Company is in a situation of competitive disadvantage against competitors who have greater funds availability, a lower level of debt or less strict covenants with its financial lenders; or
- that the Company deals with a limitation on its ability to borrow additional funds or deal with an increase of the cost of these funds (which eventually also could affect the ability of the Group to refinance its debt in the future).

b) Ratios and covenants imposed by the refinancing under the Restructuring Agreement

On December 31, 2015 Abengoa did not attend the ratios referred to in different facilities, loans and notes to which he was part of, either as borrower or as guarantor. However, the agreements entered in the context of the financial restructuring, and by which it is imposed the obligation that Abengoa shall keep or improve, according to the case, certain financial ratios, including a ratio of a maximum total leverage.

Additionally, the above mentioned agreements entered into in the context of the financial restructuring included certain clauses and covenants that limit the ability of Abengoa to participate in certain types of operations or perform certain situations as, for example, to incur on additional indebtedness, to pay dividends or to make certain investments.

The capacity of Abengoa to deal with these terms or covenants, including the ratios, may be affected by factors and circumstances out of its control. As a result, Abengoa cannot ensure that it may be forced in the future to request again exemptions or waivers to the ratios or covenants provided for in the agreements entered in the context of financial restructuring, neither that will be granted at the expected terms.

Risks relating to the impossibility of completing the plan for disinvestment in assets throughout 2016 and 2017 financial years

A key element of the Company's Viability Plan published on August 16, 2016 to reduce the corporate debt, improve the liquidity position, and stabilize operations and relationships with Abengoa commercial partners is the implementation of the Company's asset disposal plan. In accordance with this program, it is expected that approximately €421 million will be obtained by the end of the 2017 financial year through the partial or complete sale of certain non-core assets. As of December 31, 2016 we have closed the sales of various assets totaling €200 million.

Abengoa's ability to obtain at least approximately €421 million through the implementation of the enhanced plan for disinvestment in assets before the end of the 2017 financial year is subject to a number of risks and uncertainties, including, amongst others, the following:

- Adverse market and macroeconomic conditions that might have a negative effect on investors' interest in purchasing these assets;
- The non-existence of purchasers who wish to acquire the assets at the prices and under the terms that Abengoa considers appropriate to obtain the desired profitability and meet the liquidity requirements;
- Interested buyers might not have financing under terms that are favorable for them or might not have any financing to buy Abengoa's assets;
- The government authorities that granted the concessions or other partner organizations in the relevant contracts might not give their consent to the transfer of the concession or of the long-term power purchase agreement in time or under terms that are acceptable to Abengoa or the buyer of the asset;
- The lenders of the project financing associated with the assets for sale might not give their consent to the sale of the assets in question in time or under terms that are acceptable for Abengoa;
- Abengoa's equity partners in the project companies associated with the assets for sale might not give their consent to the sale of the assets in question in time or under terms that are acceptable for Abengoa; and

If Abengoa does not manage to implement the asset rotation plan in our Viability Plan published on August 16, 2016, Abengoa might not be able to repay the corporate financing and project financing and might have to restructure again or refinance these obligations. Abengoa could also be unable to stabilize its operations and its relationships with commercial partners and might have to delay or reduce its investments in fixed assets (capex) or reject business opportunities. Furthermore, Abengoa's inability to complete the sales during 2017 of the assets that are identified as assets available for sale, although such sale is considered to be highly probable by Abengoa, would prevent Abengoa from continuing to classify any asset and related liability that has not been sold as available for sale and would entail the reclassification of the asset and related liability, including the debt, in the Consolidated Financial Statements, which would have the effect of increasing the levels of corporate financing and project financing.

Risk of a shortfall of the Viability Plan developed by the Company and eventual deficit of its cash flows

The terms and conditions of the restructuring of the debt of Abengoa are based on a Viability Plan developed by the Company to normalize its operational situation and attend the schedule of the debt service, allowing the maintenance of its positive liquidity. This Viability Plan considers some factors that may deviate from the analyzed scenarios, including, for instance those regarding prices and volumes of sales, margins, normalization of the conditions of the working capital, etc. In this regard, the Viability Plan considers the disposal for the following years in certain assets. In case the scenarios, on which the Viability Plan is based on, will not be addressed, or in case any of its parameters change, Abengoa may face difficulties to generate the expected cash flows and, consequently, to attend its debt service. The result would have a negative impact on the business and financial status.

Likewise, in case the cash flows of Abengoa may not be enough to attend its expenses and attend its investments commitments and/or obligations of debt service, Abengoa may be obliged to obtain additional funds or to reduce costs, through any of the following methods:

(i) Increase, as far as possible, the loaned amounts under the amended credits and loans in the context of its finance restructuring;

(ii) Fall into an additional financial indebtedness authorized under the terms of the Restructuring Agreements;

(iii) Restructure or refinance again its financial indebtedness before its maturity date under its own terms;

(iv) Delay or decrease the investments in order to maintain its operations and react to the market conditions and the increasing competence;

(v) Reduce the number of its employees or the cost of each one; and/or

(vi) Delay the execution of its strategic plans.

Risks arising from the guarantees granted by the Company as collateral of the new financing arrangements subscribed in the context of the Restructuring

In consideration of creditors for voluntarily acceding to the Restructuring Agreement and opting for Alternative Restructuring Terms therein, the Company assumed before those creditors, amongst others, the obligation to implement a corporate restructuring of the Group under which a major part of the Company's assets have been contributed to a series of holding companies, whose shares would be devoted to serve as the underlying assets of the guarantees to be granted by the Company as collateral of the new financing agreements entered into by the Company and the new money financing providers.

Therefore, if Abengoa breaches any of the debt servicing obligations or breaches any related financial or operational limitation under any of those financing agreements, the creditors could declare the total value of the debt immediately due and payable and could foreclose on any asset pledged as collateral, which may result in the Company losing control over, or being deprived of, the underlying assets. Furthermore, some of the financing agreements contain cross default clauses, meaning that breach of one specific financing agreement will automatically count as a breach of other financing agreements, accentuating the effect of an individual breach. Consequently, a breach relating to debt could entail a substantial loss for Abengoa and could have a significant adverse effect on the ability of Abengoa and its subsidiaries to meet their respective obligations regarding said debt and eventually lead the Company into a cause of dissolution or insolvency.

Risks arising from Company's dividend policy

The terms and conditions included in the financial agreements include a prohibition on the distribution of dividends until all of the New Money financing and Old Money financing is repaid in full. Therefore, we expect that no dividend payments will be made until, at least, 2023, date in which the last Old Money financing is expected to be repaid.

The prohibition on dividends also applies to AbeNewco 1 and AbeNewco 2 and any subsidiary of Abengoa in which AbeNewco 1 or AbeNewco 2 is a shareholder, [except for distributions required to attend scheduled debt service payments].

Risks relating to possible judicial actions filed in the context of the Restructuring

On July 25, 2016, "Banco Base S.A., Institución de Banca Múltiple" ("Banco Base"), in its condition as creditor of Abengoa's Mexican subsidiary "Abengoa México, S.A. de C.V." ("Abengoa México"), filed a judicial petition for the declaration of the commercial insolvency of Abengoa México. Said procedure was filed before the Sixth Court in Civil Affairs of Mexico City, which, despite two separate reports from the expert appointed by the Court (visitador) to the contrary, by judgement dated December 16, 2016, ruled on the declaration of Abengoa México´s commercial insolvency. Despite the declaration, the control of Abengoa México remains with the current management.

Abengoa México, the visitador and, despite the fact that the Court resolved in its favor, Banco Base as well, filed an appeal against said judgment.

Currently, the process is at conciliatory state with a legal duration of 185 calendar days, term that can be extended by the court, after which, as per Mexican applicable law, the reorganization agreement that is to be reached by the debtor and the majority of its recognized creditors must be executed and filed before the Court.

Although the Company expects that the conciliatory state will result in the signing of such reorganization agreement, in case that no agreement is reached amongst Abengoa México and its creditors as per applicable Mexican Law the company will be considered bankrupt.

Abengoa operates with high levels of debt and could take on additional borrowing

Abengoa's operations are capital intensive and the Company therefore operates with a high level of indebtedness.

The consolidated gross financial debt at December 31, 2016 was €9,638 million, and at December 31, 2016 was €9,681 million. Of the consolidated gross debt at December 31, 2015, €6,568 million correspond to corporate financing and €3,070 million to project debt. Of the consolidated gross debt at December 31, 2016, €7,665 million correspond to corporate financing and €2.016 million to project debt. Project debt is generally understood to be financing that does not have recourse to the parent company or controlling shareholder or another Abengoa company, but whose repayment is instead guaranteed by the flows and assets of the projects financed under this method, as well as by the shares of the project companies.

Of the €3,070 million in project debt at December 31, 2015, approximately €2,049 million correspond to bridge loans, and of the €1,969 million in project debt at December 31, 2016, approximately €1,844 correspond to bridge loans, in which Abengoa and/or its subsidiaries (distinct from the project subsidiaries) guarantee bonds for the purpose of acting as sponsors during the period prior to the period in which the project companies guarantee the financing of the project in the long term (typically periods

of under 2-3 years). In the case of failure to comply with these obligations, the creditors would have recourse against Abengoa and any other subsidiary that might have guaranteed these bonds. If it has not been possible to assign the bridge financing to projects under construction, this financing will be classified in the consolidated statement of financial position as corporate financing, depending on the nature of the loan.

Abengoa's high level of debt could, amongst others, have the following consequences:

- Impede the successful refinancing of future maturities;
- Impede compliance with obligations relating to pending debt;
- Make future borrowing more expensive;
- Increase vulnerability to general adverse economic and industrial conditions;
- Inability to fulfill short-term payment obligations;
- The need to dedicate a substantial volume of operational cash flows to payments relating to the debt, thus reducing the availability of the cash flows to finance the working capital, investment in fixed assets (capex), R&D&i investment, and other business aims;
- Restrict the ability to make dividend payments and that the subsidiaries make dividend payments to Abengoa in view of the payment limitations and restrictions set out in the financing agreements;
- Limit flexibility in planning or in reaction to changes in the business and markets in which Abengoa operates;
- Put Abengoa at a competitive disadvantage compared to competitors with lower levels of debt;
- Limit the ability to borrow additional funds; and
- Compromise the viability of the Company.

If the operational cash flows and other resources are insufficient to repay the obligations when they mature or to finance liquidity requirements, Abengoa might be obliged to carry out one or more of the following actions:

- Delay or reduce investment in fixed assets (capex);
- Forego business opportunities, including acquisitions; or
- Again, restructure or refinance all, or part, of the debt when it matures or before then.

If Abengoa breaches any of the debt servicing obligations or breaches any related financial or operational limitation, the creditors could declare the total value of the debt immediately due and payable and could foreclose on any asset pledged as collateral. Furthermore, some of the financing agreements contain cross default clauses, meaning that breach of one specific financing agreement will automatically count as a breach of other financing agreements. Some of the financing agreements also contain cross default clauses relating to financing agreements of other sponsors that are not related with Abengoa. These cross default clauses could accentuate the effect of an individual breach. Consequently, a breach relating to debt could entail a substantial loss for Abengoa and could have a significant adverse effect on the ability of Abengoa and its subsidiaries to meet their respective obligations regarding said debt.

Despite the significant current leverage, the terms of the agreements relating to debt allow Abengoa and its subsidiaries, joint ventures, and associates to incur extra debt in the future, including secured debt. Furthermore, the terms of the debt do not limit the value of the project financing that can be incurred, including project financing in the form of bridge loans secured by Abengoa and/or its subsidiaries. If Abengoa incurs additional debt, the current risks might intensify.

Finally, under the terms of the debt issuances, the Company is obliged to offer the repurchase of the bonds if there is a change in control of the Company.

In the case of a change of control, Abengoa might be unable to obtain sufficient funds to be able to repay all of the outstanding debt under the finance agreements or to repurchase the bonds.

Risks derived from the need to make significant levels of investment in fixed assets (CAPEX)

In order to carry out its operations the Company requires a certain level of investment in fixed assets (capex), principally in the area of Concession-Type Infrastructure activity, as well as Engineering and Construction, investment that is expected to increase significantly over the next few years. This level has traditionally been high but the Company expects to switch to a lower intensive capex model. In accordance with the updated Viability Plan presented on August 16, 2016 and its new corporate strategy, Abengoa has decided to minimize cash contribution into existing projects, taking the decision to sell or hibernate the most cash-consuming projects. Abengoa also intends not to contribute cash in new concessional (Integrated Product) projects until the first quarter for 2018. From 2018 through 2020, Abengoa has plans to limit its equity investment in future projects at a total of €535 million approximately. This limit includes the assumption of limiting the equity participation to 33% of the total equity needs of the individual projects, and a total leverage of 70%.

Return on investment, especially made in concessions, will occur in the medium to long term and there is a risk that some of the Company's projects will not deliver a return on investment because of operational problems attributable to the Company or for reasons external to it. In this regard, as has happened in the past (e.g. projects in Brazil, Chile, and Mexico), it is possible that Abengoa's investments in fixed assets (capex) will be greater than initially envisaged.

Furthermore, there is the risk that new financial conditions will be imposed, as the Brazilian government did in the first half of 2015 by reducing the permitted leverage in relation to power transmission line projects in that country and increasing the value of the capital that must be invested.

The investment needs imply a reliance on access to capital markets and bank financing both to finance new projects and to meet the general corporate finance requirements. The problems accessing financing, motivated amongst other reasons by the existing high level of debt, might increase the cost of obtaining financing, or it might even not be possible to obtain it, with a subsequent reduction in the internal rate of profit of the projects that partially depend on the Company's degree of leverage.

If these difficulties in accessing financing persist, it might not be feasible to close on the financing, something that might require additional investment by Abengoa or might result in not accomplishing the projects.

The cost of this financing, and ultimately its very availability, might mean that the Company cannot invest in these projects and must sell them, with the subsequent loss of the development costs incurred and the expected future profitability.

Risks arising from the need to generate positive cash flows

As a result of the investments made in Abengoa's different activities in fixed assets (capex) during the years 2013, 2014 and 2015, Abengoa has generated negative net cash flows from operating and investment activities amounting to a total of €651.9 million, €2,481.1 million and €2,799 million, respectively.

The high level of debt requires the dedication of a substantial part of the operational cash flow to interest on debt payment, thus reducing Abengoa's ability to make payments, refinance the debt and finance investments in fixed assets (capex) and in R&D&i initiatives. Furthermore, a substantial part of the "project" financing of the project companies is fully amortized during the term of this financing and Abengoa is confident in the generation of cash flows by these project companies to meet these payment obligations. Abengoa's cash flows are, to a great degree, subject to economic, financial, competition, legislative, regulatory and other factors that are outside the Company's control. However, Abengoa cannot guarantee that the business will generate sufficient cash flows from operations; that the ongoing cost savings and operational improvements will be made in the anticipated timescale; that Abengoa will be able to maintain the expected terms regarding receipts and payments and therefore maintain the negative working capital balance; or that future provisions of financing agreements will be sufficient to cover the debt, finance other liquidity requirements or make it possible to continue with the business plan. Abengoa may have to refinance all or part of the debt on the debt it matures or before then. Abengoa cannot guarantee that it will be able to refinance this debt under commercially reasonable terms.

Risks deriving from the terms and conditions of the new financing instruments envisaged in the Restructuring Agreement could adversely affect the Group's business

The terms and conditions of the new financing instruments entered by the Company pursuant to the implementation of the Restructuring Agreement contain covenants that could adversely affect the Group's business because:

- They significantly limit or impair the Group's ability in the future to obtain financing, refinance indebtedness, sell assets or raise equity.
- They restrict Abengoa's ability to make distributions with respect to its shares and the ability of the Group's subsidiaries to make certain distributions.
- They reduce the Group's flexibility to respond to changing business and economic conditions to take advantage of business opportunities that may arise.
- They could make the Group more vulnerable to downturns in general economic or industry conditions in its business.

In the event of a breach of any of the covenants under the new financing instruments, an event of default under the relevant financing instrument may be declared and, consequently, the principal and all accrued and unpaid interest under the relevant financing instrument would be declared due and payable. In addition, if an event of default was declared, securities guaranteeing the obligations under the relevant financing instrument, if any, may also be enforceable. As a result, a breach of a covenant under the new financing instruments may adversely affect the Group's business, results of operations and financial condition.

4.1.2. Regulatory risk

Risks derived from reductions in government budgets, subsidies and adverse changes in the law that could affect the Company's business and development of its current and future projects

The reduction in public spending on infrastructure has an impact on Abengoa's results, since a large part of the projects developed by Abengoa are promoted by public bodies, which provide the Company with a volume of income that is difficult to match with private investment, especially in the current economic environment as they are very capital-intensive projects that require a large initial investment and whose economic returns begin to be profitable in the very long term.

It should be mentioned that while Abengoa's business focuses increasingly outside of Spain and has gradually spread to other countries, a significant part of that activity is still concentrated in Spain. In recent years, Spain has experienced an economic situation that has resulted in a decline in the tax revenues collected by the various government agencies, as well as increased public deficit and a sharp increase in the cost of sovereign debt.

Risks derived from compliance with strict environmental regulations

Abengoa's business is subject to significant environmental regulations which, among others, require the Company to carry out environmental impact studies in future projects or project changes, obtain regulatory licenses, permits and other authorizations, and meet the requirements of such licenses, permits and authorizations.

A breach of these regulations may lead to significant liability, including fines, damages, fees and expenses and the closure of facilities.

Risk derived from a reliance on favorable regulation of the renewable energy business and bioethanol production

Renewable energy is rapidly maturing but its cost of generating electricity is still significantly higher than conventional energy production (nuclear, coal, gas, hydroelectric). Governments have established support mechanisms to make renewable generation projects economically viable, in the form of subsidized tariffs (mainly in Spain), supplemented in specific cases with direct support for investment (mainly in the USA).

The subsidized tariffs vary depending on the technology (wind, photovoltaic –"PV"–), STE, biomass) since they are at different stages of maturity and the regulator wants to promote the development of each type by giving developers sufficient economic incentive in the form of a reasonable return on their investment. Without this support, any renewable energy project would currently be unfeasible, although as the technology matures, the need for this support will diminish or even completely disappear over the long term.

Subsidy schemes for renewable energy generation have been the subject of legal proceedings in the past in various jurisdictions (including claims that such schemes constitute state aid that is forbidden in the European Union).

If all or part of the subsidy schemes and incentives for renewable energy generation in any jurisdiction in which Abengoa operates are determined to be illegal and, therefore, are eliminated or reduced, Abengoa might not be able to compete effectively with other forms of renewable and conventional energy and could even be unable to complete some projects that are currently underway.

Risk derived from changes in national and international politics of support to renewable energy that affects to Aberngoa Projects

Recently, some countries have approved politics of support to renewable energies. Even when the support to the renewable energies by the governments where Abengoa operates has been historically strong, some politics currently in force could finish, suspend or not renew. Consequently, it is not possible to grant the total or partial support of governments.

If governments and regulatory bodies in jurisdictions where Abengoa operates decreased or cancel the support of development of solar energy, due to, for instance, to other priorities of financing, politic considerations or a desire to favor other energy sources, the solar plants which Abengoa plans to develop in the future could be less profitable or no longer be viable.

4.1.3. Operational risk

Risks arising from delays or cost overruns in the Engineering and Construction activity due to the technical difficulty of projects and the long term nature of their implementation

In the Engineering and Construction activity, it is important to note that –with few exceptions– all of the agreements that Abengoa has entered into are 'turnkey' construction agreements (also known as "EPC agreements"). Under the terms of these agreements the client receives a completed facility in exchange for a fixed price. These projects are subject to very long construction periods of between one and three years. This type of agreement involves a certain amount of risk that the costs will be higher than those expected and the profitability of the project will be diminished since the price offered prior to beginning the project is based on cost estimates that can change over the course of the construction period, which can make certain projects unprofitable or even cause significant losses. Delays can result in cost overruns, deadlines being missed or penalty payments to the client, depending on what has been negotiated. Furthermore, in most EPC contracts Abengoa is responsible for every aspect of the project, from the engineering through to the construction, including the commissioning of the project.

Likewise, Abengoa must ensure that at all times it respects the minimum levels of subcontracting permitted by regulations applicable in the construction sector and registers with the Register of Accredited Companies (a register which aims to prove that companies operating in the construction sector meet the requirements of capacity and quality in the prevention of occupational hazard), as well as monitoring that the subcontractors are duly registered. Otherwise, Abengoa could be jointly and severally liable for wages and social security. These circumstances should be taken into account especially in "turnkey" contracts.

The nature of the Engineering and Construction business exposes the Company to potential liability claims

The Engineering and Construction business carries out operations in which flaws in the design, construction or systems can involve substantial damages to third parties. Moreover, the nature of the

Engineering and Construction business means that customers, subcontractors and suppliers occasionally file claims against Abengoa to recover the costs they have incurred in excess of their provisions, or for those for which they do not consider themselves to be contractually liable. Abengoa has been and will be in the future a respondent in legal proceedings in which the parties claim damages and compensation in connection with Abengoa projects or other matters. These claims and lawsuits arise in the normal activity of the Company. In those cases in which it is concluded that Abengoa is liable, Abengoa may not be covered by its insurance or, should it be covered, the amount of these liabilities could exceed the limits of Abengoa's policies.

Backlog risk: cancellation of pending projects in Engineering and Construction

It is important to note that the term "backlog" usually refers to projects, operations and services for which we have signed contracts and in respect of which we have received non-binding commitments from customers or other operations within the Group, where the related revenues are not eliminated upon consolidation. Commitments may be in the form of written contracts for specific projects, purchase orders, or indications of the amount of time and materials we need to make available for customers' anticipated projects. Some of the projects are conditional upon other factors, usually the process of obtaining third party financing. Similarly, all the projects in the backlog are exposed to unexpected adjustments and cancellations, as well as early termination, variations or non-payment, since the projects may remain in the portfolio for an extended period of time. The Engineering and Construction contracts that Abengoa signs in the framework of the development of its projects are often executed over a period that may exceed two years to complete construction. This circumstance increases the chances that any of such contracts could be terminated early, while respecting the corresponding notice periods. These cancellation processes are legally or contractually regulated, with compensation procedures having been established. However, if any breach or default exists on the part of Abengoa, the Company may not be entitled to receive the compensation stemming from the early termination.

Abengoa cannot guarantee that the expected revenues from its "backlog" will materialize or, even if they do materialize, that they will lead to a profit. Due to the possible termination of projects, suspensions and changes in the schedule and scope of the project, it is not possible to predict with certainty when the backlog may be updated or whether it should be updated. Nor can Abengoa guarantee that additional cancellations will not occur and, even if a project progresses as planned, it is possible that the customer may become insolvent and not pay the amounts due to Abengoa. Material delays, cancellations and payment defaults could significantly affect Abengoa's business, financial position and the results of its operations.

The term "backlog" may not reflect the definition used by other companies with similar activities to those of Abengoa. Therefore, the determination of the backlog may not be comparable to other companies using a different definition.

In accordance with the transition of Abengoa to an "asset light" business plan, Abengoa is focusing its Engineering and Construction business into "turn key" projects and concession-type projects which require a limited investment of capital and no investment by Abengoa. In this respect, the "turn key" and concession- type project backlog in the last years has significantly grown.

The results of the Engineering and Construction ("E&C") activity depend to some extent on the growth of the Company's Concession-type Infrastructures

The Engineering and Construction business is Abengoa's most important activity in terms of revenues. A significant part of this business has depended on the construction of new assets for the Concession-type Infrastructures activity, especially power plants, transmission lines and water infrastructures.

If Abengoa is unsuccessful in winning new contracts in its Concession-type Infrastructures activity, the revenues and profitability of the Engineering and Construction activity might suffer.

Risks associated with concession-type infrastructure projects that operate under regulated tariffs or very long term concession agreements

Revenues obtained from concession-type infrastructure projects are highly dependent on regulated tariffs or, if applicable, long term price agreements over a period of between 25 and 30 years, depending on the asset. Abengoa has very little flexibility with regards to amending these tariffs or prices (being subject to increases indexed to the CPI and to possible requests for the economic rebalancing of the concession) when faced with adverse operating situations, such as fluctuations in commodity prices, exchange rates, and labor and subcontractor costs, during the construction and operating phases of these projects. Higher than expected operating costs, especially after many years in operation, in most cases cannot be passed on to the rate or price and would therefore diminish the operating margin and, consequently, the profitability of the project would be reduced. These projects are normally calculated with tariffs or prices that are higher than the operating and maintenance cost.

Similarly, government agencies (in some jurisdictions) or customers (where applicable) are entitled to sanction poor provision of the services under the operational activity, with a lowering of the rate structure or by postponing its update. In the area of renewable energies in particular, there is a risk that the government could reduce or eliminate the rates currently in force at any time during the life of the concession.

Risks derived from the existence of termination and/or renewal clauses of the concession agreements managed by Abengoa

Projects involving the operation of concessions are governed by the provisions of public contracts, where the competent government agency has certain prerogatives, such as monitoring the effective enforcement of contracts through the requirement for submission of technical, administrative or financial reporting, or

the unilateral modification (subject to certain limits) of the established commitments. In any case, these contracts are subject to revocation or termination or non-renewal clauses which may be applicable in cases of inadequate compliance with the commitments (on investment, compliance with efficiency and safety standards, etc.) established in those contracts.

The products and services of the renewable energy sector are part of a market that is subject to strict competition rules

To ensure continuity in the long term, Abengoa must be able to compete with conventional energy sources and other sources of renewable energy without public aid. Current levels of government support for renewable energy are intended to support the industry while it develops the technology needed to reduce costs and improve processes. Consequently, as the costs of generation or production decrease, this level of government support is likely to be gradually reduced for many critical projects in the future. In the medium and long term, a gradual but significant reduction in tariffs, premiums and incentives for renewable energy cannot be ruled out. If this reduction occurs, market participants, including Abengoa, must reduce prices to remain competitive with other alternatives. If cost reductions and product innovation do not take place or take place more slowly than necessary to achieve a reduction in prices, this may have a significant negative effect on Abengoa's business, financial position and the results of its operations.

The Company also faces significant competition from other suppliers of renewable energy. Regarding the solar energy industry, Abengoa estimates that competition will continue to increase as a result of the entry of new market participants and/or the substitution of renewable energy sources due to the increasing growing demand for the latter. Other factors that may contribute to this are the lower barriers to entry in these markets due to the standardization of the technologies, improved financing opportunities and increased government support. Although Abengoa strives to remain competitive, Abengoa cannot guarantee success over the competition. Should Abengoa fail to compete successfully, this could adversely affect the ability to grow the business and income generation, which could have a significant adverse effect on Abengoa's business, financial position and the results of its operations.

Internationalization and country risk

Abengoa has projects on 5 continents, some of them in emerging countries, including locations as diverse as Africa, Australia, China, India, Middle East, North and South America (including Brazil), and it is expected to expand operations to new locations in the future. Abengoa's various operations and investments may be affected by different types of risk related to the economic, political and social conditions of the various countries in which the Company operates, particularly in countries with a higher degree of instability in the various factors cited and often referred to jointly as "country risk", which include:

- the effects of inflation and/or the possible devaluation of local currencies;
- possible restrictions on capital movements;
- regulation and possible unanticipated changes that could have adverse retroactive effects for Abengoa;
- the exchange/interest rate;
- the possibility that governments could expropriate or nationalize assets or increase their involvement in the economy and management of companies, as well as not granting or revoking previously granted licenses;
- the possible imposition of new and higher taxes or tariffs;
- the possibility of economic crises, political instability or civil disturbances.

For example, some of the contracts of Abengoa in Peru and Mexico are payable in local currency at the exchange rate on the payment date. In the event of a rapid devaluation or the establishment of exchange controls, Abengoa might not be able to convert to the local currency the amount agreed in dollars, which could affect the liquidity position of Abengoa.

In addition, in recent years, we have experienced episodes of political and social instability, with regime changes and armed conflicts in certain countries in the Middle East and Africa, including Egypt, Iraq, Syria, Libya and Tunisia. These events have increased the political instability and economic uncertainty in some of the countries in the Middle East and Africa where Abengoa operates.

Although activities in emerging countries are not concentrated in any specific country (except Brazil), the occurrence of one or more of these risks in a country or region in which Abengoa operates could have a significantly adverse effect on Abengoa's business, financial position and the results of its operations.

Abengoa's policy is to hedge the country risk through country risk insurance policies (covering cases such as political violence, expropriation, nationalization, confiscation, regulatory risk, failure to pay amounts related to the investment, dividends, amortization of credits, contractual breaches by the authorities of the host country regarding the insured investment and revolution or war) and the transfer of risk to financial institutions through the corresponding financing agreements or other mechanisms. However, it is not possible to guarantee that these mechanisms will ensure full coverage of possible contingencies or the full recovery of damages in all cases.

Risks derived from turnover in the senior management team and among key employees or from an inability to hire highly qualified personnel

Abengoa's future success heavily relies on the participation of the entire senior management team and key employees, who have valuable experience in every business area. Abengoa's capacity to retain and

motivate senior executives and key employees and to attract highly skilled employees will significantly affect Abengoa's ability to develop the business successfully and expand operations in the future. Abengoa's restructuring process has caused the leave of some skilled employees of the Company. If Abengoa loses one or more of its senior executives or valuable local managers with significant experience in the markets in which it operates, Abengoa could find it difficult to appoint replacements.

Risks derived from associations with third parties when executing certain projects

Abengoa undertakes large projects (both in terms of the resources allocated and the income derived therefrom), which are becoming increasingly more technically complex and are characterized by the award of the entire project to a single contractor. Given the complexity of the projects (usually designed ad hoc) they require the involvement of third parties specializing in the processes necessary to carry out certain activities related to such projects.

In this regard, it should be noted that Abengoa has made investments in certain projects with third parties where such third parties provide technical expertise to the project. In certain cases, such collaborations are developed through uniones temporales de empresas or "UTEs" (a type of temporary joint venture under Spanish law) or joint ventures over which Abengoa has only partial control or joint control.

The delivery of products and the provision of services to clients, and compliance with the obligations assumed with these clients, can all be affected by problems related to third-parties and suppliers

Some Abengoa contracts require services, equipment or software that are outsourced to third parties, as well as material that is obtained from third party suppliers. The delivery of products or services that do not meet the contractual requirements or the late delivery of products and services may involve a breach in the contracts entered into with customers. Insofar as Abengoa is not able to transfer all the risk or obtain compensation from such third parties, Abengoa will be exposed to customer claims as a result of problems caused by such third party.

Projects developed through UTE or joint venture agreements are subject to the risk that the Company’s partner may block decisions that may be crucial to the success of the project or investment in the project, and it runs the risk that these third parties may in some way implement strategies that are contrary to Abengoa's economic interests, resulting in a lower return. Furthermore, the success of these partnerships depends on the satisfactory compliance by partners with their obligations. If third parties cannot satisfactorily meet their obligations due to financial or other difficulties, the said partnership may fail to perform or comply with its obligations towards a customer. In these circumstances, Abengoa could be required to make additional investments or provide additional services to ensure the provision of services, or take responsibility for breaches vis-à-vis the customer, or assume additional financial or operational obligations that could eventually lead to lower profits or losses.

Despite its low supplier concentration, Abengoa's reliance on suppliers to secure industrial materials, parts, components and subsystems used in its activity may expose Abengoa to volatility in the prices and availability of these materials. A disruption in deliveries from Abengoa's suppliers, supplier capacity constraints, supplier production disruptions, closing or bankruptcy of Abengoa's suppliers, price increases or decreased availability of raw materials or commodities could have a material adverse effect on Abengoa's ability to meet its customer commitments or result in an increase in Abengoa's operating costs if Abengoa is not able to transfer the increased costs on to the customer.

Abengoa's business depends to a low degree on long-standing relationships with certain key customers.

Risks relating to changes in technology, prices, industry standards, and other factors

The markets in which Abengoa's activities operate change quickly owing to technological innovations and to changes in the prices, industry standards, client requirements, and the economic environment. New technology or changes in the industry and in clients' requirements might mean that existing products and services become obsolete, excessively expensive, or not easily marketable. Consequently, Abengoa must improve the efficiency and reliability of existing technologies and pursue the development of new technologies to remain at the forefront of industry standards and the requirements of clients. Some of Abengoa's competitors might have substantially greater financial resources than Abengoa. If the Company is unable to introduce and integrate new technologies into its products and services in a timely and cost effective manner or does not obtain the necessary financing to carry out appropriate R&D&i activities, Abengoa's competitive position and growth prospects might deteriorate, resulting in an adverse material impact on Abengoa's business, financial situation, and operating results.

Insurance policies taken out by Abengoa may be insufficient to cover the risks arising from projects and the cost of insurance premiums may rise

Abengoa's projects are exposed to various types of risk that require appropriate coverage in order to mitigate their potential effects. Despite Abengoa's attempts to obtain the correct coverage for the main risks associated with each project, it is impossible to guarantee that it is sufficient for every type of potential loss.

Abengoa's projects are insured with policies that comply with sector standards in relation to various types of risk, such as risks caused by nature; incidents during assembly, construction or transport; and loss of earnings associated with such events. All of the insurance policies taken out by Abengoa comply with the requirements demanded by the institutions that finance the Company’s projects and the coverage is verified by independent experts for each project.

Furthermore the insurance policies taken out are reviewed by the insurance companies. If insurance premiums increase in the future and cannot be passed on to the client, these additional costs could have a negative impact for Abengoa.

Risks arising from the difficult conditions in the global economy and in global capital markets and their impact on reducing the demand for goods and services and difficulties in achieving the funding levels necessary for the development of existing and future projects and debt refinancing

The evolution of Abengoa's business has been traditionally affected not only by factors intrinsic to the Company but also by external factors such as economic cycles and their impact on the regions and areas where the Company operates. Typically, in situations of economic growth, the demand for the services offered by the Company increases and, conversely, in situations of economic instability or recession, demand suffers.

Since early 2008, the impact of the global financial crisis, which has particularly affected the global capital and credit markets, has been very notable. Concerns over geopolitical issues, inflation, energy costs, lack of credit fluidity, the high cost of debt, the sovereign debt crisis and the instability of the euro, among other factors, have led to a significant drop in expectations for the economy in general and, more strongly, in the capital markets. These factors –combined with the volatility of oil prices, the loss of consumer and business confidence and rising unemployment– have contributed to worsening the economic situation of many regions where Abengoa operates.

The crisis has had a global impact, and has affected both the emerging and developed economies in which Abengoa conducts a significant part of its operations (i.e. Brazil, the United States and Spain). Economic growth and recovery, both globally and in the European Union, have returned since that time but they remain fragile and subject to limitations on financing in the private sector, concerns about future increases in interest rates and continued uncertainty surrounding the resolution of the euro zone crisis. Consequently, uncertainty and economic instability may have an adverse material impact on operators' decisions to invest in the products sold by Abengoa.

Abengoa is a Spanish company and its capital is denominated in euros. The effects on the global and European economy of the exit of one or more member states from the euro zone, such as Greece's possible exit from the European Union, the secession movement by Catalonia in Spain, the dissolution of the euro, and the possible redenomination of the share capital, financial instruments and other contractual obligations from the euro into another currency or the perception that any of these events may be imminent, are difficult to predict and may result in operational disruptions or other risks of contagion to the Company's business and may have an adverse material effect on the business, financial position and operating results of the Company. Moreover, despite the Company's low volume of business in Europe, to the extent that the uncertainty surrounding the economic recovery in Europe continues to adversely affect the state or regional budgets or the demand for environmental services, the Company's business and operating results may be adversely affected. In this regard, a large number of the Company's customers are implementing measures aimed at cost savings. These and other factors could, therefore, entail that the Company's customers will reduce their spending budgets for Abengoa's products and services.

As noted earlier, global capital and credit markets have experienced periods of extreme volatility and disruption since the latter half of 2008. Continued uncertainty and volatility in these markets could limit access to this route of funding for the capital required to operate and develop the business, including access to project finance which the Company uses to finance many of its projects.

The perception of the market in relation to the instability of the euro, a potential return to national currencies in the Eurozone or the complete disappearance of the euro could affect the Company's business

As a result of the credit crisis in Europe, in particular in Greece, Italy, Ireland, Portugal, and Spain, the European Commission created the European Financial Stability Fund ("EFSF") and the European Financial Stability Mechanism ("EFSM") to provide finance to Eurozone countries in financial difficulties that requested this help. Throughout 2012 certain Eurozone countries announced austerity programs and other cost reduction initiatives, and the EFSF was permitted to expand its powers to provide direct finance to certain financial bodies in the Eurozone, including certain Spanish bodies. Furthermore, the European Central Bank ("ECB") has indicated its willingness to take additional measures to support the euro if necessary. In January 2015, the ECB revealed quantitative easing measures to be performed until September 2016, aimed at boosting the economy of the Eurozone and at avoiding deflationary situations. These measures and guidelines have helped, or it is hoped that they will help, to stabilize the euro between 2012 and 2015. There is no certainty that recent disruptions in Europe regarding sovereign debt will not reoccur or that the aid packages will be available again or, even if they were, that they would be sufficient to stabilize the countries and markets affected in Europe or in other areas.

This uncertainty persists in relation to the debt of certain Eurozone countries and regional governments and the solvency of particular European financial entities and their ability to face up to their future financial obligations. The prolonged adverse market conditions have created doubts about the overall stability of the euro and about the suitability of the euro as a single currency given the diverse political and economic circumstances of the member states. These and other concerns could lead to the reintroduction of individual currencies in one or more member states or, in more extreme circumstances, the dissolution of the euro. If the euro were to be dissolved, the legal and contractual consequences for the bearers of obligations denominated in euros would be decided by the laws in place at that time. The transformation of these potential events or the market's perceptions of these questions and others related ones could have a significant adverse effect on the Company's business and financial situation, as a significant amount of the Company's debt is denominated in euros.

Risks derived from a shift in public opinion about Abengoa's activities

There are certain individuals, associations or groups that may oppose the projects carried out by Abengoa, such as the installation of renewable energy plants, due to reasons such as the misuse of water resources, landscape degradation, land use, and damage to the environment.

Although carrying out these infrastructures, engineering and building projects generally requires an environmental impact study and a public consultation process prior to granting the corresponding administrative authorizations, the Company cannot guarantee that a specific project will be accepted by the local population. Moreover, in those areas in which facilities are located next to residential areas, opposition from local residents could lead to the adoption of restrictive rules or measures regarding the facilities.

If part of the population or a particular competing company decides to oppose the construction of a project or takes legal action, this could make it difficult to obtain the corresponding administrative authorizations. In addition, legal action may request the adoption of precautionary measures that force construction to stop, which could cause problems for commissioning the project within the planned time frame causing the non-compliance with Abengoa's business objectives.

Adverse publicity relating to the restructuring or the financial condition of the Group or of other participants in the market(s) in which it operates may have a material adverse effect on the Group's customer and supplier relationships (including with financial and insurance institutions) and/or market perception of its business. Existing suppliers may choose not to do business with the Group, may demand quicker payment terms and/or may not extend normal trade credit. The Group may find it difficult to obtain new or alternative suppliers. Ongoing negative publicity may have a long-term negative effect on the brand names owned or used in the Group.

Risks derived from lawsuits and other legal proceedings

Abengoa is subject to the risk of claims and lawsuits and disciplinary sanctions in the regulatory environment during the ordinary course of its business. The results of the legal and regulatory proceedings are not predictable with certainty. Abengoa is a party to several lawsuits, proceedings, actions and investigations, including in relation to possible anti-competitive practices.

In particular, Abengoa has been sued in certain disputes brought before the United States District Court for the Southern District of New York and the Commercial Court in Seville, on behalf of certain investors of Abengoa, alleging infringement of the securities regulations in the United States and Spain. In addition Abengoa faces a risk of claims and litigation around the restructuring process due to its implementation in several jurisdictions.

Additionally, Abengoa faces a risk of claims and litigations related the restructuring process due to its implementation in several jurisdictions.

The corresponding provisions that Abengoa has been or could be required to register in the Financial statements could be insufficient. Total provisions corresponding to pending legal proceedings up to date amounts €27 million.

In the event that Abengoa were required to pay penalties, fines or damages to a third-party as a result of these legal proceedings, and such penalties, fines or damages were not be covered by the provisions in the accounts, they could, individually or in the aggregate, have a material adverse effect on Dominion's business, financial condition and results of operations. For a detailed description of Abengoa's current legal proceedings.

Risks derived from the exposure of power generation revenues to electricity market prices

In addition to the incentives provided, the income of some of the Abengoa projects partially depends on market prices of electricity sales. Market prices of electricity can be volatile and are affected by several factors, including the cost of raw materials, user demand and, if applicable, the price of greenhouse gas emission allowances.

In some of the jurisdictions in which Abengoa operates, the Company is exposed to compensation schemes involving components based on market prices and regulated incentives. In such jurisdictions, the regulated incentives component may not compensate for fluctuations in the market price component and, consequently, the total compensation could be volatile.

There is no assurance that the market prices shall remain at the levels that allow Abengoa to maintain profit margins and the desired rates of return on investment.

The analysis of whether the IFRIC 12 ruling applies to certain contracts and activities, and determination of the appropriate accounting treatment in the event that it is applicable, involves various complex factors and is influenced by diverse legal and accounting interpretations

Abengoa records certain assets of the concession-type infrastructure business as service concession contracts in accordance with IFRIC 12. The infrastructure that Abengoa records as service concessions according to IFRIC 12 are primarily related to the power transmission lines business, desalination plants and solar thermal power generation plants outside and inside Spain.

The analysis regarding whether or not IFRIC 12 applies to certain contracts and activities includes several complex factors and is significantly affected by legal interpretations of certain contractual arrangements or other terms and conditions with public sector bodies. In particular, the application of IFRIC 12 requires that the party that awards the concession should determine what services the operator using the infrastructure must provide, to whom and at what price, and that it also control any residual interest in the infrastructure at the end of the concession period. When the operator of the infrastructure is also responsible for engineering, procurement and construction of the asset, IFRIC 12 requires separate accounting for revenues and margins associated with the construction activities, which are not eliminated on consolidation even between companies within the same consolidated group, as well as for the consequent operation and maintenance of the infrastructure. In these cases, investment in the infrastructure used in the concession agreement may not be classified as property, plant and equipment

of the operator, but rather should be classified as an intangible asset or financial assets, depending on the nature of the receivables established in the contract.

Therefore, the application of IFRIC 12 requires significant judgment in relation to, among other factors, (i) the identification of certain infrastructures and contracts within the scope of application of IFRIC 12; (ii) an understanding of the nature of the payments in order to determine the classification of the infrastructure as a financial asset or as an intangible asset; and (iii) the time scale and the recognition of revenues from the construction and concessionary business.

Changes in one or more of the factors described above could significantly affect the conclusions of Abengoa on the application of IFRIC 12 and, therefore, the results of its operations and financial position. Consequently, if it is determined that such assets do not fall within the scope of IFRIC 12, the associated revenues and margins obtained by Abengoa during the construction phase of the affected assets might not be recognized in accordance with IFRIC 12 and eliminated on consolidation, leading to a decrease in revenues and profits in the Consolidated Financial Statements of the period, and a reclassification of intangible assets to property, plant and equipment in the consolidated balance sheet. Therefore, if it is determined that these assets no longer fall within the scope of application of IFRIC 12, this would affect the comparability of the operating results of Abengoa and its financial position in the periods in which such determination was made.

The recovery of tax losses depends on obtaining profits in the future, which in turn depends on uncertain estimates

Abengoa assesses the recovery of deferred tax assets on the basis of future taxable profit estimates. These estimates stem from the projections included in the 5-year and 10-year strategic plan prepared by Abengoa and drafted yearly and reviewed twice a year to ensure the accuracy of the assumptions used in their preparation. Based on current estimates, Abengoa expects to generate sufficient taxable income to recover the tax credits. Nevertheless, income may be affected by adverse circumstances that arise during the ordinary course of its business, as well as due to non-recurring extraordinary circumstances. A modification to estimates and assumptions by management may result in the non-recognition of the recoverability of deferred tax assets in the balance sheet of the Company, if indeed it is considered unlikely that no taxable profits against which to offset the deductible temporary differences will be recorded, which will result in the recognition of the tax expense in the Consolidated income statement, although there would be no impact on cash flows.

In relation to the tax loss carryforwards and deductions pending set-off recorded as deferred tax assets, the Company, based on the assessment made, expects to recover these through the projected taxable profit and the tax planning strategy, taking into account in the said assessment the possible reversions of deferred tax liabilities, as well as any limitation established by the tax regulations in force in each tax jurisdiction.

4.1.4 Concentración de clientes

During the last years there is no client that contributes more than 10% of revenue

4.2. Financial risk management

4.2.1. Market risk

Market risk arises when group activities are exposed fundamentally to financial risk derived from changes in foreign exchange rates, interest rates and changes in the fair values of certain raw materials.

To hedge such exposure, Abengoa uses currency forward contracts, options and interest rate swaps as well as future contracts for commodities. The Group does not generally use derivatives for speculative purposes.

- Foreign exchange rate risk: the international activity of the Group generates exposure to foreign exchange rate risk. Foreign exchange rate risk arises when future commercial transactions and assets and liabilities recognized are not denominated in the functional currency of the group company that undertakes the transaction or records the asset or liability. The main exchange rate exposure for the Group relates to the US Dollar against the Euro.

  To control foreign exchange risk, the Group purchases forward exchange contracts. Such contracts are designated as fair-value or cash-flow hedges, as appropriate.

  In the event that the exchange rate of the US Dollar had risen by 10% against the euroas of December 31, 2016, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been a loss of €24,707 thousand (loss of €27,185 thousand on 2015) mainly due to the US Dollar net asset position of the Group in companies with euro as functional currency and an increase of €25 thousand (decrease of €1,649 thousand in 2015) in other reserves as a result of the cash flow hedging effects on highly probable future transactions.

  Details of the financial hedging instruments and foreign currency payments as of December 31, 2016 and 2015 are included in Note 14 to these Consolidated Financial Statements.

- Interest rate risk: arises mainly from financial liabilities at variable interest rates.

  Abengoa actively manages its risks exposure to variations in interest rates associated with its variable interest debt.

  In project debt (see Note 19 of the Notes to the Consolidated Financial Statements), as a general rule, the Company enters into hedging arrangements for at least 80% of the amount and the timeframe of the relevant financing.

In corporate financing (see Note 20 of the Notes to the Consolidated Financial Statements), as a general rule, 80% of the debt is covered throughout the term of the debt. Additionally, Abengoa has issued notes at a fixed interest rate in the last years.

The main interest rate exposure for the Group relates to the variable interest rate with reference to the Euribor.

To control the interest rate risk, the Group primarily uses interest rate swaps and interest rate options (caps and collars), which, in exchange for a fee, offer protection against an increase in interest rates.

In the event that Euribor had risen by 25 basic points as of December 31, 2016, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been a profit of €1,515 thousand (€7,316 thousand in 2015) mainly due to the increase in time value of hedge interest rate options (caps and collars) and an increase of €2,331 (€28,379 thousand in 2015) in other reserves mainly due to the increase in value of hedging interest derivatives (swaps, caps and collars).

A breakdown of the interest rate derivatives as of December 31, 2016 and 2015 is provided in Note 14 of these Notes to the Consolidated Financial Statements.

› Risk of change in commodities prices: arises both through the sale of the Group's products and the purchase of commodities for production processes. The main risk of change in commodities prices for the Group is related to the price of gas and steel (until classified in the Bioenergy operating segment as a discontinued operation, the price of grain, ethanol and sugar constituted a significant risk for the Company).

Aiming to control the risk of change in commodities prices, the Group uses futures and options listed on organized markets, as well as OTC (over-the-counter) contracts with financial institutions, to mitigate the risk of market price fluctuations.

At December 31, 2016 there is not any commodity derivative instrument, therefore, there would not have existed variations in equity or the Consolidated Income Statement as a consequence of changes in prices.

In the event that the grain price had risen by 10% as of December 31, 2015, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been null and a decrease iin other reserves amounted to €1,349 thousand.

A breakdown of the commodity derivative instruments as of December 31, 2016 ad 2015 is included in Note 14 to these Consolidated Financial Statements.

4.2.2. Credit risk

The main financial assets exposed to credit risk derived from the failure of the counterparty to meet its obligations are trade and other receivables, current financial investments and cash.

a) Clients and other receivables (see Note 15 of the Notes to the Consolidated Financial Statements).

b) Current financial investments and cash (see Notes 13, 14, 15 and 17 of the Notes to the Consolidated Financial Statements).

› Clients and other receivables: Most receivables relate to clients operating in a range of industries and countries with contracts that require ongoing payments as the project advances; the service is rendered or upon delivery of the product. It is a common practice for the company to reserve the right to cancel the work in the event of a material breach, especially non-payment.

In general, and to mitigate the credit risk, prior to any commercial contract or business agreement, the company policy is that the company holds a firm commitment from a leading financial institution to purchase the receivables through a non-recourse factoring arrangement. Under these agreements, the company pays the bank for assuming the credit risk and also pays interest for the discounted amounts. The Company always assumes the responsibility that the receivables are valid.

Abengoa derecognizes the factored receivables from the Consolidated Statement of Financial Position when all the conditions of IAS 39 for derecognition of assets are met. In other words, an analysis is made to determine whether all risks and rewards of the financial assets have been transferred, comparing the company's exposure, before and after the transfer, to the variability in the amounts and the calendar of net cash flows from the transferred asset. Once the company's exposure to this variability has been eliminated or substantially reduced, the financial asset is transferred.

In general, Abengoa considers that the most significant risk to its operations posed by these assets is the risk of non-collection, since: a) trade receivables may be quantitatively significant during the progress of work performed for a project or service rendered; b) it is not under the company's control. However, the risk of delays in payment is considered negligible in these contracts and generally associated with technical problems, i.e., associated with the technical risks of the service rendered and therefore under the company's control.

In any event, in order to cover those contracts in which there could, theoretically, be a risk of late payment by the client associated with the financial asset, Abengoa has determined that not only must the *de jure* risk of insolvency be covered (bankruptcy, etc.) but the *de facto* risk as well (which arises due to the client's own cash management, without a generalised debt moratorium).

Consequently, if as a result of the individualised assessment of each contract it is concluded that the relevant risk associated with these contracts has been conveyed to the financial institution, the

accounts receivable balance on the consolidated financial statement is derecognised once the rights are assigned to the financial institution in accordance with IAS 39.20.

For further information about the risk of the counterparty of 'Clients and other receivable accounts', in Note 15 there is a disclosure of their credit quality and the ageing of their maturity, as well as the evolution on provisions for receivables for the years ended December 31, 2016 and 2015.

- Financial investments: to control credit risk in financial investments, the Group has established corporate criteria which require that counterparties are always highly rated financial entities and government debt, as well as establishing investing limits with periodic reviews.

Given the above and considering the aging of the main financial assets with exposure to such risk, it is considered that, at the end of the year 2016, no significant amounts in arrears are susceptible to be disclosed in addition to the information required by IFRS 7.

4.2.3. Liquidity and central risk

See Section 3. Liquidity and capital resources.

4.3. Risk management and internal control

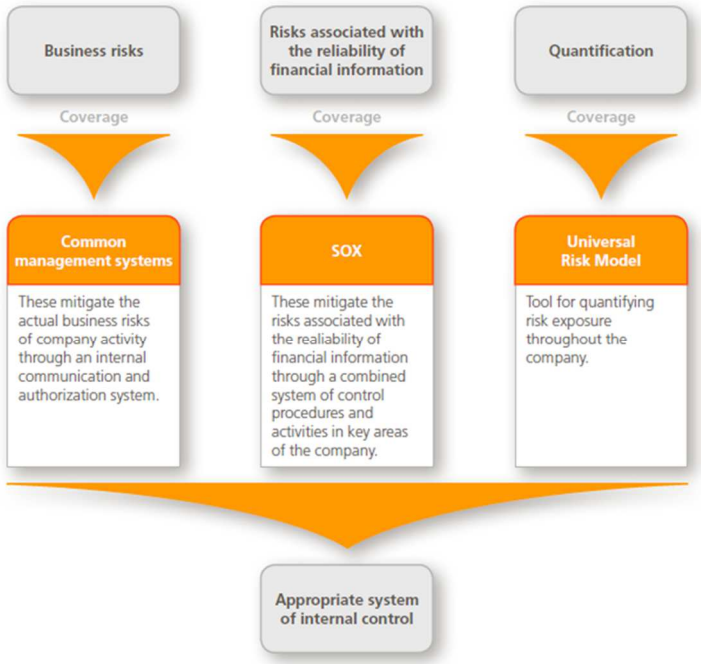
Abengoa is aware of the importance of managing its risks in order to carry out appropriate strategic planning and attain the defined business objectives. To do this, it applies a philosophy formed by a set of shared beliefs and attitudes, which define how risk is considered, starting with the development and implementation of the strategy and ending with the day-to-day activities.

The process of risk management in Abengoa is a continuous cycle based on five key phases:

- Identify
- Evaluate
- Respond
- Monitor
- Report

In each phase, regular and consistent communication is necessary in order to achieve good results. Since it is a continuous cycle, permanent feedback is necessary in order to achieve a constant improvement in the risk management system. These processes are addressed to all the company's risks.

Abengoa's risk management model comprises three core elements:



Those elements are combined to form an integrated system that enables the company to manage risks and controls suitably throughout all levels of the organization.

a) Common management systems

The common management systems are the internal rules for Abengoa and its business groups and are used to assess and control risk. They represent a common culture for managing Abengoa's businesses, sharing the accumulated knowledge while defining specific criteria and guidelines.

The common management systems include specific procedures for any type of action that could give rise to a risk for the organization, whether financial or non-financial. Furthermore, they are available to all employees in electronic format regardless of their geographical location or role.

The functional heads of each division must verify and certify compliance with these procedures. This annual certification is issued by the Audit Commission in January of the following year.

The systems cover the whole organization at three levels:

- All the business lines and areas of activity.
- All levels of responsibility.
- All kinds of operations.

Common management systems represent a common culture for Abengoa's different businesses and are composed of eleven rules defining how each of the potential risks included in Abengoa's risk model should be managed. Through these systems, the risks and the appropriate way of hedging against them are identified and the control mechanisms defined.

Over recent years, the common management systems have evolved to adapt to the new situations and environments in which Abengoa operates, with the overriding aim of reinforcing risk identification, covering risks and establishing control activities.

b) Compulsory procedures (COSO)

The compulsory procedures are used to mitigate risks relating to the reliability of the financial information, employing a combined system of procedures and control activities in key areas of the company.

The internal control system of the Group is compulsory assessed annually since 2014, to an independent process performed by external auditors according to the document issued by the CNMV "Internal control over financial information in listed companies" (SCIIF).

The company has implemented an appropriate internal control system that relies on three tools:

- A description of the company's relevant processes that could impact the financial information to be prepared. In this regard, 55 management processes have been defined and grouped into corporate cycles and common cycles used throughout all the business groups.
- A series of flow charts that provide a visual description of the processes.
- An inventory of the control activities in each process to ensure attainment of the control objectives.

At Abengoa, we have viewed the internal control as an opportunity for improvement and, far from being satisfied with the rules included in the Act, we have tried to develop and improve our own internal control structures, control procedures and the evaluation procedures in place.

This initiative arose in response to the swift expansion experienced by the group in recent years and projected future growth, the aim for us to continue preparing accurate, timely and complete financial reports for our investors.

In order to meet the requirements of COSO, Abengoa's internal control structure has been redefined following a 'Top-Down' approach based on risk analysis.

This risk analysis encompasses a preliminary identification of significant risk areas and an assessment of the company's controls over them, starting with top-level executives - corporate and supervisory controls – then dropping to the operational controls present in each process.

c) The universal risk model

The universal risk model is the company's chosen methodology for quantifying the risks that compose the risk management system. The objective is to obtain a comprehensive view of them designing an efficient response system aligned with the business objective of the Company.

Abengoa's universal risk model is made up of 20 categories and a total of 56 principal risks for the business. Each category is agrupated in four big areas (financial risks, strategic risks, compliance risks and operations risks).

All model risks are aserred according with two criteria:

- Probability of occurrence: Degree of frequency which is possible to ensure that a particular cause will result an event with negative impact on Abengoa.
- Impact on the Company: Set of negative effects on Abengoa´s strategic objectives.

5.- Anticipated future trends of the group

To estimate the outlook for the Group, it is important to take into account the current temporary situation of the Companyin restructuring process.

- Once the Restructuring Agreement is completed and the recapitalization of the Group described in Note 2.1.1.a) of the Notes to the Consolidated Financial Statements , the company will develop the agreed Updated Viability Plan with creditors and investors, which is focused on the traditional business of Engineering and Construction, where the company accumulates more than 75 years of experience. Specifically, this Updated Viability Plan focusses the activity in the energy and environmental industry. This business will be combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has a competitive advantage, mainly of technological kind, which allows a bigger added value projects. Regarding the mentioned Updated Viability Plan, will allow sustainable growing of Abengoa, based on the following five principles:

  1) A multidisciplinary team and a culture and ability of multifunctional work.

  2) Experience in engineering and construction and specially the outstanding strength in business development of high potential growing such as energy and water.

  3) Technology abilities in our target markets, mainly in solar and water energy.

  4) A more efficient organization with more competitive general expenses.

  5) A financial approach adjusted to the current reality in which financial discipline and a rigorous evaluation of financial risks are key milestones.

6.- Information on research and development (R&D) activities

Given the situation of Abengoa in restructuring process during 2016 the efforts in R&D+I has been €10 million, a very low amount of investment in technology that has been investing in the last years related to different areas of business in which operates (solar technology, biotechnology, desalination, water treatment and reuse, hydrogen, energy storage and new renewable energies).

7.- Adquisition and disposal of treasury shares

7.1. Abengoa, S.A. and its subsidiaries have complied with all legal requirements regarding companies and treasury stock (see Note 8 to this Consolidated Management Report).

7.2. The parent company has not pledged its shares in any type of mercantile transaction or legal business, nor are any Abengoa, S.A. shares held by third parties who could act on its behalf or on behalf of group companies.

7.3. Finally, it should be noted that potential reciprocal shareholdings established with Group companies are temporary and comply with the requirements of the consolidated text of the Spanish Capital Companies Act.

7.4. As of December 31, 2016 treasury stock amounted to 5,662,480 shares (5,662,480 shares in 2015), of which 5,662,480 are class A shares and any are class B shares.

Regarding the operations carried out during the year, the number of treasury stock purchased amounted to zero class A shares and zero class B shares and treasury stock transferred amounted to zero class A shares and zero class B share.

8.- Corporate governance

8.1. Shareholding structure of the company

Significant shareholdings

The share capital of Abengoa, S.A. is represented by book entries, managed by Iberclear (Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S. A.) at December 31, 2016 totals €1,834.252,65 represented by 941,805,965 shares fully subscribed and paid up, with two separate classes:

- 83,125,831 class A shares with a nominal value of €0.02 each, all in the same class and series, each of which grants the holder a total of 100 voting rights ('Class A Shares').

- 858, 680,134 class B shares with a nominal value of €0.0002 each, all in the same class and series, each of which grants One (1) voting right and which afford its holder economic rights identical to the

economic rights of Class A shares set out in article 8 of Abengoa's bylows ('Class B Shares' and, together with class A shares, 'Shares with Voting Rights').

The shares are represented by book entries and governed by the Stock Market Act and other applicable provisions.

Abengoa's Class A and B shares are officially listed for trading on the Madrid and Barcelona Stock Exchanges and on the Spanish Stock Exchange Interconnection System (Continuous Market). Class A shares have been listed since November 29, 1996 and Class B shares since October 25, 2012. The company files mandatory financial information on a quarterly and half-yearly basis.

The Company announced the voluntary delisting of its Class B shares and American Depositary Shares (ADSs) from the NASDAQ Stock Market and to exclude its class B shares from "Securities and Exchange Commission" (SEC). The ADRs, which correspond to the class B shares, have been quoted in NASDAQ since October 2013. This process is part of the financial restructuring and recapitalization plan of the Company and was completed on April 28, 2016.

In accordance with notifications received by the company and in compliance with reporting requirements to communicate shareholding percentages (voting rights) and the information received from relevant parties, shareholders with a significant holding as of December 31, 2016 are as follows:

Shareholders	Share %
Inversión Corporativa IC, S.A. (*)	44.71
Finarpisa, S.A. (*)	5.96

(*) Inversión Corporativa Group

On September 30, 2012 the General Shareholders' Meeting approved a capital increase of 430,450,152 Class B shares with a nominal value of €0.01 each reducing its unrestricted reserves, which would be delivered to all shareholders on a proportion of four Class B shares for each owned Class A or B share. Such General Shareholders' Meeting approved a voluntary conversion right to change Class A shares of one euro nominal value (€0.002 nominal value as of December 31, 2015) to Class B shares of €0.01 nominal value (€0.0002 nominal value as of December 31, 2015) during certain pre-established periods until December 31, 2017. After exercising this right and after a capital reduction by means of the nominal value of all the class A shares at 0.98 each at that moment and all Class B shares at 0.0098 each at that moment, agreed by the Extraordinary Shareholders' Meeting of the company in October 10, 2015, a capital reduction by means of the nominal value of the converted shares at the value of €0.0198 per share, with unrestricted reserves credit

With respect to the foregoing, after closing the 16th conversion period dated January 15, 2016, the Company carried out on January 22, 2016, a reduction of capital share by the amount of €898.74 by means of the conversion of 45,391 Class A shares into new Class b shares.

Additionally, after closing the 17th conversion period dated April 15, 2016, the Company carried out on April 19, 2016, a reduction of capital share by the amount of €1,323.91 by means of the conversion of 66,864 Class A shares into new Class b shares.

On the other hand, after closing the 18th conversion period dated July 15, 2016, the Company carried out on July 27, 2016, a reduction of capital share by the amount of €3,314.12 by means of the conversion of 167,380 Class A shares into new Class b shares.

After closing the 19th conversion period dated October 15, 2016, the Company carried out on October 27, 2016, a reduction of capital share by the amount of €1,219.98 by means of the conversion of 61,615 Class A shares into new Class B shares.

Finally, after closing the 20th conversion period dated January 15, 2016, the Company carried out onJanuary 23, 2016, a reduction of capital share by the amount of €1,507.89 by means of the conversion of 76,156 Class A shares into new Class B shares.

On January 4, 2016 a capital increase take place, without preferential subscription right, with the issue of 34,013 Class B shares with a nominal value of €6.80 for the purpose of meeting the conversion requests related to the Convertible Bond €400,000,000 at an interest rate of 6.25% maturing in 2019, issued by the Company on January 2013.

On the other hand, on July 19, 2016, the Company carried out a capital increase, without preferential subscription right as well, for an amount of 40.82 euros of nominal value by means the issuance of 204,081 new Class B shares aiming to attend the conversion applications received in relation to the 400,000,000 euros convertible bond at 6.25% interest rate and maturing on 2019 issued by the Company in January 2013.

Additionally, on October 24, 2016, the Company has carried out a capital increase, without preferential subscription right as well, for an amount of 6.80 euros of nominal value by means the issuance of 34,013 new Class B shares aiming to attend the conversion applications received in relation to the 400,000,000 euros convertible bond at an interest rate of 6.25% interest rate and maturing on 2019 issued by the Company in January 2013.

As a consequence of the mentioned operations, the share capital of Abengoa at the date of February 27, 2017, amounts € 1,832,744.76 represented by 941,805,965 shares fully subscribed and paid, pertaining to two different classes: : 83,049,675 Class A shares and 858,756,290 Class B shares.

The proposed distribution of 2015 of the parent company approved by the General Shareholders 'Meeting in September 30, 2016 has been charged to retained earnings.

With regard to shareholder agreements, Inversión Corporativa IC and Finarpisa, as shareholders of Abengoa, signed an agreement on October 10, 2011, which governs the exercising of their respective rights to vote in Abengoa's general meetings in relation with the proposal, appointment, ratification, reelection or substitution of a director to represent First Reserve Corporation.

Under the terms of this agreement, Inversión Corporativa I.C., S.A. and Finarpisa, S.A. jointly and severally agree to:

(i) vote in favor of the following, through their respective shareholder directors on Abengoa's Board of Directors:

  (a) to appoint as a member of the Board, the candidate proposed to be the investor's nominee pursuant to the co-optation procedure established under the Spanish Capital Companies Act; and

  (b) the proposal to recommend to Abengoa's shareholders the election of any replacement director as the investor's nominee on the Board of Directors, at Abengoa's next general shareholders' meeting;

(ii) vote, at the corresponding general shareholders' meeting of Abengoa, in favor of the appointment of the candidate proposed by the investor to be its nominee on the Board of Directors; and

(iii) while the investor or any of its related companies owns Abengoa Class B shares or any other instrument that is convertible or exchangeable into Abengoa Class B shares issued in accordance with the investment agreement or any other document of the transaction, they may not propose nor request the Board of Directors to recommend to shareholders any modification to the company's bylaws that adversely affects the equality of rights of Class B shares and Class A shares in relation to the distribution of dividends or similar distributions as established in bylaws.

On August 27, 2012, Inversión Corporativa, I.C., S.A. and its subsidiary Finarpisa, S.A. modified the shareholder agreement with the Abengoa shareholder, First Reserve Corporation (which was subject to disclosure to the CNMV by means of the significant event filed on November 9, 2011).

The modification consisted of including a commitment while FRC or any of its related companies own Abengoa Class B shares or any other instrument that is convertible or exchangeable for Abengoa Class B shares issued in accordance with the investment agreement or any other document of the transaction, they may not propose nor request the Board of Directors to recommend to shareholders any modification to the company's bylaws that adversely affects the equal rights of Class B and Class A shares in relation to the distribution of dividends or similar distributions as established in the bylaws'. If this proposal were to be presented by another shareholder, or by the Board of Directors, they will vote against it.

On that date, August 27, 2012, Abengoa, S.A. signed a shareholder agreement with its significant shareholder, Inversión Corporativa, I.C., S.A., through which the latter agreed to the following, directly or indirectly through its subsidiary Finarpisa S.A.:

(i) To vote in favor of the resolutions relating to points 2, 3, 4, 5, 6 and 7 of the agenda of the General Shareholders' Meeting held on September 30, 2012, provided that it had previously verified that these resolutions were approved by the majority of Class A shareholders, excluding Inversión Corporativa;

(ii) Not to exercise its voting rights, except up to a maximum of 55.93% in cases in which, as a result of the exercising of the conversion right of Class A shares into Class B shares that is expected to be included in the company's bylaws, the total percentage of voting rights that it holds of the total voting rights of the company is increased;

(iii) That the percentage represented at any given time by the number of shares with the right to vote that it owns (whether Class A or Class B shares) of the total shares of the company, will not at any time be less than one quarter of the percentage represented by the voting rights that these shares attribute to Inversión Corporativa, in relation to the total voting rights of the company (in other words, that its voting rights cannot exceed four times its financial rights); and that, should this occur, it shall dispose of sufficient Class A shares or shall convert them into Class B shares in order to maintain this ratio.

› On December 23, 2016, the Company announced to the National Exchange Comission by means of relevant fact with number 246416, the conclusion of the agreement signed by Abengoa and the First Reserve Corporation (FRC) on 3 October 2011, given that at that date, FRC held no class B shares in Abengoa or any other securities convertible into class B shares and therefore did not hold any interest in the company's share capital. As a consequence of such agreement, the parallel agreements between FRC and other shareholders to those mentioned, which were subjected to the investment agreement with FCR, lose their condition.

In accordance with Article 30 and following articles of the company's bylaws, there are no limits on the voting rights of shareholders in relation to the number of shares which they hold. The right to attend the shareholders' meeting is limited however to those shareholders that hold 375 Class A or Class B shares.

Meeting quorum: 25% of the share capital at first call. Any percentage at second call. These are the same percentages as the Capital Companies Act. In those cases stated in Article 194 of the Act (hereinafter the 'LSC'), the quorum is as stated in the Act.

Resolution quorum: by a simple majority vote by those present or represented at the meeting. In those cases stated in Article 194 of the LSC, the quorum is as stated in the Act.

Shareholders' rights: Shareholders have the right to information, in accordance with the applicable legislation; the right to receive the documentation related to the shareholders' meeting, free of charge; the right to vote in proportion to their shareholding, with no maximum limit; the right to attend shareholders' meetings if they hold a minimum of 375 shares; financial rights (to dividends, as and when paid, and their share of company's reserves); the right to representation and delegation, grouping and the right to undertake legal actions attributable to shareholders. The Extraordinary General Shareholders' Meeting approved a series of amendments to the bylaws in order to ensure that the 'rights of minority interests' are not infringed by the existence of two different share classes with different par values in which the lower nominal value of the Class B shares would make it more difficult to achieve the percentages of share capital required to exercise some of the voting and other non-financial rights. The General Meeting therefore agreed to amend Abengoa's bylaws as explained below in order to ensure that all these rights can be exercised based on the number of shares and not the amount of share capital. These rights, such as the right to call a general meeting or to request a shareholder derivative action, require a certain percentage of the share capital to be held in nominal terms (in these cases, 3%).

Measures to promote shareholder participation: making the documentation related to the Shareholders' Meeting available to shareholders free of charge, as well as publishing announcements of Shareholders' Meetings on the company's website. The option to grant a proxy vote or to vote on an absentee basis is possible by completing accredited attendance cards. In accordance with Article 539.2 of the Capital Companies Act, Abengoa has approved the Regulation on the Shareholders' Electronic Forum in order to facilitate communication between shareholders regarding the calling and holding of each General Shareholders' Meeting. Prior to each general meeting, shareholders:

- Representing at least 3 percent of the share capital or 3 percent of the voting shares, may send proposals that they intend to submit as supplementary points to the agenda published in the notice of the general meeting.
- May send initiatives to achieve the required percentage to exercise a minority right.
- May send requests for voluntary representation

The bylaws do not limit the maximum number of votes of an individual shareholder or include restrictions to make it more difficult to gain control of the company through the acquisition of shares.

Proposals of resolutions to be submitted to the Shareholders' Meeting are published along with notice of the meeting on the websites of the company and the CNMV.

Points on the agenda that are significantly independent are voted upon separately by the Shareholders' Meeting, so that voters may exercise their voting preferences separately especially when it concerns the appointment or ratification of directors or amendments to the bylaws.

The company allows votes cast by shareholders' appointed financial representatives that are acting on behalf of more than one shareholder, to be split, so that they may vote in accordance with the instructions of each individual shareholder whom they represent.

There are currently no agreements in effect between the company and its directors, managers or employees that entitle them to severance pay or benefits if they resign or are wrongfully dismissed, or if the employment relationship comes to an end due to a public tender offer. There is only expected the compensation payment in the event of termination of its executive functions which, in that case, could perform as detailed:

The executive chairman contract establish on his favour the right to receive a compensation amounted to two annual fix salary and variable in the event of termination of its contract, except when this termination is voluntary death or incapability of Director, then, as a consequence of serious breach of its contractual obligations. When voluntary, the resignation should be communicated with at least, trhee moths in advance, compensating the company if any breach with a equivalent amount of its fix and variable remuneration of the proportional part of the period of breach. If the compensation for early termination of the contract were recognized, one of the two annuities will be set as received as compensation for Non-competence agreement.

Treasury stock

At the Ordinary General Shareholders' Meeting on March 29, 2015, it was agreed to authorize the Board of Directors to acquire the company's treasury stock in the secondary market, directly or through subsidiaries or investee companies, up to the limit stipulated in the current provisions, at a price of between one euro cent (€0.01) and twenty euros (€20) per share, and with express authority to appoint any of its members, being able to do so during a period of 18 months as of the above date and subject to Article 144 and subsequent articles of the Capital Companies Act.

The authorization granted to the Board of Directors for these purposes by the resolution adopted by the General Shareholders' Meeting of April 6, 2014 is hereby expressly annulled.

On November 19, 2007, the company entered into a liquidity agreement for Class A shares with Santander Investment Bolsa, S.V. On January 8, 2013, the company entered into a liquidity agreement for Class A shares with Santander Investment Bolsa, S.V., replacing the initial agreement, in compliance with the conditions established in CNMV Circular 3/2007 of 19 December. This liquidity contract was effective suspended on September 28, 2015. On November 8, 2012, the company entered into a liquidity agreement for Class B shares with Santander Investment Bolsa, S.V. in compliance with the conditions established in CNMV Circular 3/2007 of 19 December. This liquidity contract was effective suspended on April 21, 2015.

All the purchases and sales of the company's treasury stock were carried out under the aforementioned liquidity agreements. During 2016, no treasuty stock operations have been performed.

Details of the latest Shareholders' Meetings

Abengoa's Ordinary General Shareholders' Meeting was held at second call on June 30, 2016, with a total of 861 shareholders present or represented, 4,925,363,405 votes (once included votes corresponding to treasury stock in accordance with what is stated in article 148 "Ley de Sociedades de Capital") and 53.573% of the company's share capital (59.732% including treasury shares). The following resolutions were passed by the meeting:

Resolution Two.- Annual accounts and management of the Board of Directors:

2.1. Examination and approval, as appropriate, of the individual annual financial statements (balance sheet, income statement, statement of changes in equity, the statement of cash flows and explanatory notes) and the individual management report corresponding to 2015 and the consolidated annual financial statements (consolidated statements of financial position, consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated cash flow statements and notes to the Consolidated Financial Statements) and consolidated management report corresponding to 2015 of its consolidated group..

2.2 Examination and approval, as the case may be, of the proposal to apply the 2015 Financial Year Outcome of the individual annual Financial statements of the Company.

2.3 Examination and approval as appropriate, of the Management of the Company by the Board of Directors during the aforementioned 2015.

Resolution Three.- Setting of the number of members of the Board of Directors. Ratification and appointment of directors.

3.1 Setting of the number of members of the Board of Directors

3.2 Ratification and appointment of Mr. Fernández de Piérola Marín

3.3 Re-election of Mr. Ricardo Martínez Rico

3.4. Re-election of Ms. Alicia Velarde Valiente

3.5 Ratification and appointment of Inayaba, S.L. and its representative Ms. Ana Abaurrea Aya ex. Art. 529 decies 7 LSC

Resolution Four.- Re-selection of Deloitte, S.L. as the Company's and its consolidated group's Accounts Auditor for the 2016 financial year.

Resolution Five.- Submission of the Annual Report on the Remuneration of Abengoa's Directors for approval, on a consultation basis.

Resolution six,- Approval of a period of fifteen days to call an Extraordinary General Shareholders´ Meeting in accordance with the article 515 of "Ley de Sociedades de Capital"

Resolution Seven.- Information to the shareholders at the General Shareholders' Meeting of the amendments approved by the Board of Directors to the Regulations thereof.

Resolution Eight.- Delegation of powers to the Board of Directors for the interpretation, correction, implementation, formalization and registration of the resolutions adopted.

Resolution Nine.- Dismissal of the director Mr. Javier Benjumea Llorente.

In relation to the votes of the aforementioned resolutions:

- In the Resolution 2.1, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573% of the share capital, with a total of 4,918,490,881 votes in favor, 6,257,270 against and 615,254 abstaining.
- In the Resolution 2.2, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573% of the share capital, with a total of 4,918,462,881 votes in favor, 6,257,270 against and 643,254 abstaining.
- In the Resolution 2.3, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573% of the share capital, with a total of 4,892,794,129 votes in favor, 31,980,922 against and 588,354 abstaining.
- In the Resolution 3.1, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573% of the share capital, with a total of 4,920,711,236 votes in favor, 3,986,955 against and 665,214 abstaining.
- In the Resolution 3.2, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573%of the share capital, with a total of 4,920,723,961 votes in favor, 4,148,444 against and 491,000 abstaining.
- In the Resolution 3.3, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573%of the share capital, with a total of 4,847,299,567 votes in favor, 77,572,838 against and 491,000 abstaining.

- In the Resolution 3.4, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573% of the share capital, with a total of 4,919,991,992 votes in favor, 4,880,412 against and 491,001 abstaining.
- In the Resolution 3.5, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573% of the share capital, with a total of de 4,855,964,231 votes in favor, 68,855,674 against and 543,500 abstaining.
- In the Resolution 4, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573% of the share capital, with a total of 4,853,538,736 votes in favor, 71,333,668 against and 491,001 abstaining.
- In the Resolution 5, a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573% of the share capital, with a total of 4,834,923,576 votes in favor, 89,796,575 against and 643,254 abstaining.
- Resolution 6 was not voted given the lack of quorum.
- Resolution 7 had informational purpose and was not subjected to votations.
- In the Resolution 8 a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573% of the share capital, with a total of 4,920,778,290 votes in favor, 4,579,115 against and 6,000 abstaining.
- In the Resolution 9 a total of 4,925,363,405 valid votes were cast, corresponding to 270,452,210 shares, which represent 53.573%of the share capital, with a total of 4,784,685,540 votes in favor, 79,856,633 against and 60,821,232 abstaining.

Abengoa's Extraordinary General Shareholders' Meeting was held at second call on November 22, 2016, with a total of 697 shareholders present or represented, representing 4,779,189,826 (after excluding the votes attached to own shares in accordance with the provisions of Article 148 of the Capital Companies Act) votes and 52.110% of the company's share capital (58.285% including treasury shares). The following resolutions were passed by the meeting:

One. The provision of essential assets to "Abengoa Abenewco 2, S.A.U." and the subsequent provision of the same by "Abengoa Abenewco 2, S.A.U." to "Abengoa Abenewco 1, S.A.U." Delegating the necessary powers to the Board to carry out this provision.

Two. The increase of the capital stock in order to build up the Company's funds to a specific amount pursuant to the terms of this agreement by issuing and circulating new class A shares, each with a par value of 0.02 euro, and new class B shares, each with a par value of 0.0002 euro (in the same proportion as the class A and class B shares issued and in circulation on the date when the Board of Directors executed this agreement proposal), to be paid out by credit offset on the likelihood that not all shares will be sold. Delegating the necessary powers to the Board, allowing for the substitution of powers, to carry out the agreement and to establish the conditions for the capital stock increase in all aspects not covered by the General Shareholders' Meeting, pursuant to the provisions of Article 297.1.(a) of the Spanish Corporate Enterprise Law, and to amend the wording of Article 6 of the Bylaws. The agreement shall be executed only in compliance with certain conditions precedent concerning the execution of the Company's financial restructuring process.

Three. The issuance by the Company of a guarantee concerning the obligations undertaken by certain of its subsidiaries regarding the issuance of debt securities and loans to be agreed on in the future pursuant to the Restructuring Agreement.

Four. The issuance of warrants in favor of Company shareholders which carry the right to acquire new class A or class B shares, the terms and conditions of which shall be delegated to the Board of Directors when not established at the General Shareholders' Meeting. Increasing the Company's capital stock in the amount necessary to cover the exercise of the rights carried by the warrants, delegating the power to carry out the capital stock increase that was agreed upon on one or more occasions to the Board of Directors, as required by the exercise of these rights.

Six. The resignation of directors Establishing the number of members on the Board of Directors. Appointing directors

6.1 The resignation of directors

6.2 Establishing the number of members on the Board of Directors.

6.3 The appointment of Mr. Gonzalo Urquijo Fernández de Araoz.

6.4 The appointment of Mr. Manuel Castro Aladro.

6.5 The appointment of Mr. José Luis del Valle Doblado.

6.6 The appointment of Mr. José Wahnon Levy.

6.7 The appointment of Mr. Ramón Sotomayor Jáuregui.

6.8 The appointment of Mr. Javier Targhetta Roza.

6.9 The appointment of Ms. Pilar Cavero Mestre.

6.10 The effectiveness and enforcement of prior agreements.

Seven. Amending the Company Bylaws Approving the revised text of the Company Bylaws.

7.1 The amendment of Articles 39, 40, 41 and 48 of the Bylaws.

7.2 Amending Articles 24 and 25 as well as sections 2.(a), 2.(c).(iv) and 3.(a) of Article 44 bis and removing section 4 of Article 44 bis from the Bylaws.

7.3 Approval of a revised text of the Bylaws that incorporates the approved amendments.

7.4 Legal force of this agreement.

Eight. Modification of the Regulations of the Shareholders' Meeting of Abengoa, S.A. in order to introduce the necessary amendments to adapt the content of these Regulations to the circumstances resulting from the draft agreement corresponding to item five of its agenda for the Extraordinary Shareholders' Meeting and t introduce new legislation.

8.1 Amending articles 6, 7, 8, 9, 12, 14 and 19 of the Regulations of the Shareholders' Meeting of Abengoa, S.A.

8.2 Passing the revised Regulations for Operation of the Abengoa General Shareholders' Meetings.

8.3 Legal force of this agreement

Ten. The reversal of the instructions made to the Board of Directors to limit the number of capex commitments.

Eleven. The delegation of powers to the Board of Directors to interpret, rectify, carry out, execute and record the agreements that are adopted.

Resolution five of the agenda relating to the unification of the two classes of shares was not voted because the necessary quorum had not been reached and the ninth item on the agenda was for information purposes. In relation to the votes of the aforementioned resolutions:

- In the Resolution 1, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,775,110,885 votes in favor, 2,815,623 against and 263,318 abstaining.
- In the Resolution 2, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,771,683,643 votes in favor, 6,541,663 against and 964,520 abstaining.
- In the Resolution 3, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,772,730,992 votes in favor, 4,532,955 against and 1,925,879 abstaining.
- In the Resolution 4, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,256,267votes in favor, 164,610 against and 1,768,949 abstaining.
- In the Resolution 6.1, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,890,173 votes in favor, 295,125 against and 4.004,528 abstaining.
- In the Resolution 6.2, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,832,528 votes in favor, 335,976 against and 4,021,322 abstaining.
- In the Resolution 6.3, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,724,857 votes in favor, 315,167 against and 4,149,802 abstaining.
- In the Resolution 6.4, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,374,858 votes in favor, 315,166 against and 4,499,802 abstaining.
- In the Resolution 6.5, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,374,858 votes in favor, 315,166 against and 4,499,802 abstaining.
- In the Resolution 6.6, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,374,858 votes in favor, 315,166 against and 4,499,802 abstaining.
- In the Resolution 6.7, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,374,858 votes in favor, 315,166 against and 4,499,802 abstaining.
- In the Resolution 6.8, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,374,858 votes in favor, 315,166 against and 4,499,802 abstaining.
- In the Resolution 6.9, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,374,858 votes in favor, 315,166 against and 4,499,802 abstaining.

- In the Resolution 6.10, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,328,256 votes in favor, 302,372 against and 4,559,198 abstaining.
- In the Resolution 7.1, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,773,764,130 votes in favor, 2,802,725 against and 2,622,971 abstaining.
- In the Resolution 7.2, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,773,764,130 votes in favor, 2,885,953 against and 2,539,743 abstaining.
- In the Resolution 7.3, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,494,734 votes in favor, 2,732,725 against and 1,962,367 abstaining.
- In the Resolution 7.4, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,153,404 votes in favor, 2,732,725 against and 2,303,697 abstaining.
- In the Resolution 8.1, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,773,855,134 votes in favor, 3,302,225 against and 2,032,467 abstaining.
- In the Resolution 8.2, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,773,855,134 votes in favor, 3,232,225 against and 1,831,467 abstaining.
- In the Resolution 8.3, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,068,928 votes in favor, 3,232,225 against and 1,888,673 abstaining.
- In the Resolution 10, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,773,595,734 votes in favor, 3,234,247 against and 2,359,845 abstaining.
- In the Resolution 11, a total of 4,779,189,826 valid votes were cast, corresponding to 144,371,275 shares, which represent 52.110% of the share capital, with a total of 4,774,320,756 votes in favor, 3,046,225 against and 1,822,845 abstaining.

As of December 31, 2016, the only Director who was a member of the board of directors of another listed company was Mr Gonzalo Urquijo Fernández de Araoz, who was Director of Vocento, S.A. and Mr. José Luis del Valle Doblado who was Chairman of Lar España Real Estate SOCIMI, S.A..

In accordance with the register of significant shareholdings that the company maintains, pursuant to the internal code of conduct in relation to the stock market, the percentage shareholdings of the directors in the capital of the company as at December 31, 2016 were as follows:

	No. of direct class A shares	No. of indirect class A shares	No. of direct class B shares	No. of indirect class B shares	% Total
Gonzalo Urquijo Fernández de Araoz	-	-	-	-	-
Manuel Castro Aladro	-	-	-	-	-
José Wahnon Levy	-	-	-	-	-
Pilar Cavero Mestre	-	-	-	-	-
Javier Targhetta Roza	-	-	-	-	-
Ramón Sotomayor Jáuregui	-	-	-	-	-
José Luis del Valle Doblado	-	-	-	-	-

8.2. Company management structure

The Board of Directors

- Composition: number and identity

  Following changes to Article 39 the company's bylaws, as agreed by the Ordinary Shareholders' Meeting held on April 15, 2007, the maximum number of members of the Board of Directors was set at fifteen, compared to nine established until that time. The Ordinary General Shareholders' Meeting of April 6, 2014, also agreed to once again amend Article 39 of the bylaws, setting the maximum number of members of the board of directors at 16. These modifications reinforced the structure of the Board with a number of directors that allows a more diversified composition as well as facilitating the delegation and adoption of resolutions with minimal attendance, thereby ensuring a multiple and plural presence in the Board of Directors.

Maximum number of Board Members	16
Minimum number of Board Members	3

In accordance with the recommendations established in the Unified Code of Good Governance of Listed Companies, which have been already subject to regulation by Law 31/2014, December 3, the composition of the Board reflects the capital structure. This enables the Board to represent the highest possible percentage of the capital in a stable way and ensures protection of the general interests of the company and its shareholders. The Board is provided, moreover, with a degree of independence in accordance with the practices and professional needs of any company. Its current composition as of December 31, 2016 was the following:

Gonzalo Urquijo Fernández de Araoz	Executive President
Manuel Castro Aladro	Independent Coordinating Director Member of the Audit Committee
José Wahnon Levy	Independent Chairman of the Audit Committee
Pilar Cavero Mestre	Independent Chairwoman of the Appointments and Remuneration Committee
José Luis del Valle Doblado	Independent Member of the Audit Committee
Javier Targhetta Roza(1)	Independent Member of the Appointments and Remuneration Committee
Ramón Sotomayor Jáuregui	Independent Member of the Appointments and Remuneration Committee

(1) D. Javier Targhetta Roza resigned as a member of the Board of Directors on January 26, 2017. On February 22, 2017, the Board of Directors appointed Mr. José Luis del Valle Doblado as member of the Appointment and Remuneration Commission.

The total number of directors is considered to be appropriate to ensure the necessary representation and the effective functioning of the Board of Directors.

Notwithstanding the fact that independence is a condition that must be common to any director, irrespective of the director's origin or appointment, based on the reliability, integrity and professionalism of his or her role, in accordance with the guidelines included under Law 26/2003, in Ministerial Order 3722/2003 and in the Code of Good Governance of Listed Companies and more recently in Law 31/2014, the classification of current directors as stated on the previous table.As may be seen in the table above, the Board is only made up of external, non-executive directors.

› Organizational and functional rules

The Board of Directors is governed by the Regulations of the Board, the company's bylaws and by the Internal Code of Conduct on Stock Exchange Matters. The Regulations of the Board were initially approved by the Board at a meeting on January 18, 1998, clearly in anticipation of the current rules of good governance and efficient internal control. The most significant recent update of note took place November 22, 2016.

› Structure:

The Board of Directors is currently made up of 7 members. The Regulations of the Board cover the composition of the Board, the functions and its internal organization; additionally, there is the Internal Code of Conduct on Stock Exchange Matters, the scope of which covers the Board of Directors, senior management and all those employees who, due to their skills or roles, are also impacted by its content. The Regulations of the Functioning of Shareholders' Meetings cover the formal aspects and other aspects of Shareholders' Meetings. Finally, the Board is supported by the Audit Commission and the Appointments and Remuneration Commission , which in turn are subject to their own respective internal regulations. All these regulations, included within the revised Internal Regulations on Corporate Governance are available on the company's website, www.abengoa.es/com.

Since its inception, the Appointments and Remuneration Committee has been analyzing the structure of the company's governing bodies and has worked to align such bodies with regulations in force regarding governance, focusing in particular on the historical and current configuration of such ruling bodies within Abengoa. Consequently, in February 2007 the committee recommended the creation of a Coordination Director, as well as the dissolution of the Advisory Committee to the Board of Directors. The first recommendation was to align the company with the latest corporate governance recommendations in Spain in 2006; the second recommendation reflected that the advisory board had completed the role for which it was established in the first place, and that its coexistence with the remaining company bodies could create a potential conflict of roles. Both proposals were approved by the Board of Directors in February 2007 as well as by the shareholders at the Ordinary General Meeting on April 15, of the same year.

Finally, in October 2007 the Committee proposed to the Board to accept the resignation of Mr. Javier Benjumea Llorente as Vice-chairman, along with the revoking of any powers which had been granted in those entities or companies in which he held a position of responsibility, and the naming of a new representative of Abengoa and the Focus-Abengoa Foundation.

On the basis of the foregoing, the committee decided that it would be opportune to repeat the study on numbers and conditions of the Vice-chairman to the Board of Directors within the current structure of the company's governing bodies.

As a result, the Committee considered it necessary that the Vice-chairman of Abengoa hold the powers as per the Spanish Public Limited Companies Act so that, on the one hand, he or she is granted full representation of the company and to counter-balance the functions of the chairman of the board. On this basis it was considered that the Coordination Director – in accordance with the responsibilities as assigned to the role by the Board of Directors (February 2007) and at the Shareholders' Meeting (April 2007) – was ideal for the role, in addressing the corporate governance recommendations and the structure of the company, as well as the composition and diversity of the directors. The Coordination Director already has the duty to take into account the concerns and goals of the board members and, to achieve this, has the power to call Board meetings and to add items to the agenda. As this role was more in substance than in title, considering the interests of the directors, and conveyed a certain representation of the Board, it was considered appropriate to expand and recognize this representation making it institutional and organic.

As of December 31, 2016 the Coordinating Director was Manuel Castro Aladro.

The Chairman of the Board, which has an executive role, does not have granted the faculties but has the general power which must be exercised jointly with another member of the senior management.

- Functions:

  The role of the Board of Directors is to undertake the necessary actions so as to achieve the corporate objectives of the company. It is empowered to determine the financial goals of the company, agree upon the strategies necessary as proposed by senior management so as to achieve such goals, assure the future viability of the company and its competitiveness, as well as adequate leadership and management, supervising the development of the company's business.

- Appointments:

  The Shareholders' Meeting, or when applicable the Board of Directors, within the established rules and regulations, is the competent body for appointing members of the Board a proposal, if any, of the Appointments and Remuneration Committee. Only those people that fulfill the legally established requirements may be appointed, as well as being trustworthy and holding the knowledge, prestige and sufficient professional references to undertake the functions of director.

  Directors are appointed for a maximum of 4 years, although they may be re-elected.

- Dismissals:

  Directors will be removed from their position at the end of their tenure or under any other circumstances in accordance with the appropriate laws. Furthermore, they should relinquish their role as directors in the event of any incompatibility, prohibition, serious sanctions or failure to fulfill their obligations as directors.

- Meeting:

  In accordance with Article 42 of the company bylaws, the Board of Directors will meet as deemed necessary given the demands of the company or, at least once a quarter and the cases determined by regulations of the Board of Directors. During 2016, the Board met a total of 32 times

- Duties of the Directors:

  The function of the director is to participate in the direction and control of management of the company for the purposes of and with the aim of maximizing its value for shareholders. Each director operates with the diligence and care of a loyal and dedicated professional, guided by the company's interests, as a representative with complete independence to defend and protect the interests of the shareholders.

  By virtue of their appointment, the directors are required to:

  - Be informed and appropriately prepare for each working session.
  - Attend and actively participate in meetings and decision making.
  - Carry out any specific task entrusted by the board of directors.
  - Encourage people with the authority to call meetings, to call extraordinary meetings of the board or include the issues that they deem relevant on the agenda of the next meeting to be held.
  - Avoid conflicts of interest from arising and, if appropriate, report their existence to the board via its secretary.
  - Do not hold positions in competing companies.
  - Do not use company information for personal ends.
  - Do not use company assets inappropriately.

- Do not use company business opportunities for personal ends.
- Keep all information that results from your position confidential.
- Abstain from voting on budget issues that affect them.
- Disclose any direct or indirect interests in the company's securities or derivatives.
- Actively participate and be committed to the issues being discussed by the board, as well as following up these issues and obtaining the necessary information.
- Do not support resolutions that break the law, the company's bylaws or go against the company's interests. Request the corresponding legal and technical reports, as appropriate.
- Notify the company of any significant changes in your professional circumstances which could affect the characteristics or conditions under which you were appointed as a director, or which may give rise to a conflict of interest.
- Notify the company of all legal or administrative claims, or any other type of claim, which could seriously impact the company's reputation due to their significance.

› The Chairman:

The Chairman, has the company bylaws and legal requirements. The Chairman is responsible for implementing the decisions made by the company's management bodies, through application of the powers as permanently granted to him by the Board of Directors, which he represents in all aspects. The Chairman also casts the deciding vote in the Board of Directors.

The Chairman is not also the Chief Executive Officer. However, the internal policy of the Company set the measures are in place to prevent an accumulation of power.

Under Article 44 bis of the company bylaws, on December 2, 2002 and 24 February 2003 the Board of Directors agreed to appoint the Audit Commission and the Appointments and Remuneration Commission.

These commissions have the powers, which may not be delegated, as per the Law, the company bylaws and internal regulations, acting as regulatory body and supervisory body associate with the matters over which they chair.

Both are chaired by a non-executive independent director and are comprised exclusively of non-executive directors.

› The Secretary:

The Secretary to the Board of Directors undertakes those responsibilities as required by law.

The Secretary, as a specialized role, guarantees the legality in law and in substance of the actions of the Board, with the full support of the board to perform their duties with independent judgment and substance. He or she is also responsible for safeguarding the internal rules of corporate governance.

› Resolutions:

Decisions are made by a simple majority of those directors present at the meeting (present of represented) in each meeting, with the exception of legal matters as previously set out.

› Remuneration and other benefits

› Remuneration:

Directors are remunerated as established in article 39 of the Bylaws. The remuneration of Directors is made up of a fixed amount as agreed upon at the General Shareholders' Meeting, and is not necessarily equal for all directors. Travel expenses related to work undertaken by the board are reimbursed to Directors. Salary (both fixed and variable) and allowances paid to the members of the Board of Abengoa S.A. in 2016 were €2.780,8 thousand (€32.193 thousand in 2015).

Detail of individual remuneration and benefits in 2016 paid to the Board of Directors (in thousands of euros):

Name	Salary	Fixed remuneration	Daily allowance	Short term variable remuneration	Compensation as member of Board Committee	Compensation as officer of other Group companies	Other concepts	Total 2015
Santiago Seage Medela	543	-	51	-	-	-	-	594
Javier Benjumea Llorente	60	-	51	-	-	-	-	111
José Borrell Fontelles	-	-	145	-	40	-	-	185
Mercedes Gracia Díez	-	-	145	-	40	-	-	185
Ricardo Martínez Rico	-	-	100	-	-	-	-	100
Alicia Velarde Valiente	-	-	136	-	40	-	-	176
Ricardo Hausmann	-	-	229	-	-	-	-	229
José Joaquín Abaurre Llorente	-	-	100	-	-	-	-	100
José Luis Aya Abaurre	-	-	20	-	-	-	-	20
Inayaba, S.L.	-	-	80	-	-	-	-	80
Claudi Santiago Ponsa	-	-	N/A	-	-	-	-	N/A
Ignacio Solís Guardiola	-	-	71	-	-	-	-	71
Antonio Fornieles Melero	509	-	29	-	10	-	-	548
José Domínguez Abascal	119	-	-	-	-	-	-	119
Joaquín Fernández de Piérola Marín	571	-	-	-	-	-	-	571
Gonzalo Urquijo Fernández de Araoz	108	-	16	-	-	-	-	124
Manuel Castro Aladro	-	-	16	-	3	-	-	19
José Wahnon Levy	-	-	16	-	5	-	-	21
Pilar Cavero Mestre	-	-	16	-	10	-	-	26
José Luis del Valle Doblado	-	-	16	-	3	-	-	19
Javier Targhetta Roza	-	-	16	-	5	-	-	21
Ramón Sotomayor Jáuregui	-	-	16	-	5	-	-	21
Total	1,368	-	1,253	-	160	-	-	2,782

Additionally, in 2016 overall remuneration for key management of the company (Senior Management which are not executive directors), including both fixed and variable components, amounted to €2.348 thousand (€7.163 thousand in 2015).

For more information on the Corporate Governance Report, the appendix of this Management Report contains the complete version.

9.- Appointments and remuneration committee

The Appointments and Remuneration Committee was created by the board of directors of Abengoa, S.A. (hereinafter, the 'Company') on February 24, 2003, under Article 28 of the board of directors regulations, in order to incorporate the recommendations relating to appointments and remuneration committees in Law 44/2002 of November 22 on financial system reform measures. This meeting of the board of directors also approved the Committee's internal regulations.

At present the Appointments and Remuneration Committee is governed by the consolidated text of the Capital Companies Act, approved by Legislative Royal Decree 1/2010 of July 2 (hereinafter, the 'Capital Companies Act'), which are reflected in Abengoa's bylaws, the board of directors regulations and the internal regulations of the Appointments and Remuneration Committee.

Composition

The Committee has the following composition at the end of 2016:

- Pilar Cavero Mestre	Chairwoman. Independent director.
- Javier Targhetta Roza	Member. Independent director.
- Ramón Sotomayor Jáuregui	Member. Independent director.
- Juan Miguel Goenechea	Non-director Secretary

Notwithstanding the aforementioned, after the end of 2016, on January 27, 2017, the Board of Directors accepted the dismissal presented by Mr, Javier Targhetta Roza due to personal reasons.

All its members were designed as a member of the Committee by the meeting of the board of directors of Abengoa, S.A. held on November 22, 2016, after the dismissal in the same date of the former members Mr. Borrell Fontelles, Gracia Diez y Velarde Valiente, and Mrs Cavero Mestre were elected as its chairman at the meeting. The secretary was appointed by the Board of Directors at the same meeting.

As a result, the Appointments and Remuneration Committee comprises three independent directors with the chairman of the Committee appointed from among them, in accordance with the requirements of the Capital Companies Act. Article 2 of the Committee's internal regulations also requires the chairman to be an independent director.

Duties and responsibilities

The Appointments and Remuneration Committee is responsible for the following:

1. Evaluate the skills, knowledge and experience required to be a member of Abengoa's board of directors. The Committee will define the functions and skills required by candidates for each vacancy and assess the time and dedication required for the role to be performed correctly.
2. Establish a representation target for the under-represented gender on the board of directors and prepare guidelines on how to achieve this goal.
3. Submit proposals to the board of directors to appoint independent directors so that they may be appointed by co-optation or for the decision to be submitted to the General Shareholders' Meeting, as well as proposals for re-elections or departures also to be submitted to the General Shareholders' Meeting.
4. Propose appointments of the remaining directors so that they may be appointed by co-optation or for the decision to be submitted to the General Shareholders' Meeting, as well as proposals for re-elections or departures also to be submitted to the General Shareholders' Meeting.
5. Annually verify that the original conditions underlying the appointment of directors continue to apply, including the characteristics and type of directorship applicable to each board member, all of which should be included in the annual report.
6. Report any proposals to appoint or dismiss senior management members and the basic conditions of their contracts.
7. Analyze and organize the succession of the chairman of the board of directors and the Company's CEO, and make proposals to the board of directors so that this succession occurs in an organized and planned way, as appropriate.
8. Propose to the board of directors the remuneration policy for directors and general managers or those people that perform the senior management functions reporting directly to the Board; members of executive committees; and CEOs, as well as the individual remuneration and other contractual conditions of executive directors, ensuring that these conditions are fulfilled.
9. Organize and supervise the annual performance appraisal of the board of directors and its committees, and propose an action plan to correct any deficiencies identified depending on the results obtained.
10. Prepare an annual report on the activities of the Appointments and Remuneration Committee, which must be included in the management report.

Meetings and calling of meetings

To fulfill the aforementioned duties, the Appointments and Remuneration Committee will meet when necessary and at least once every six months. It will also meet whenever the chairman calls a meeting, although a valid meeting may also be called when all of its members are present and they agree to hold a meeting.

During 2016 the Committee met twelve times. Important issues discussed at these meetings included proposals to appoint or re-appoint members of the board of directors, as well as checking that the original conditions underlying the appointment of directors continue to apply, including the characteristics and type of directorship applicable to each member.

Quorum

Meetings of the Committee shall be considered as valid when the majority of its members are present. Attendance may only be delegated to other non-executive directors.

The resolutions adopted shall be valid when the majority of the Committee's members, present or represented, vote in favor. In the case of a tie, the chairman shall have the casting vote.

The Company's remuneration manager shall act as Secretary of the Committee at its meetings.

Analysis, reports and proposals made by the Committee

During 2016 the main resolutions of the Appoitment and Remuneration Comitee has been the following:

- Approval of the senior management remuneration policy.
- Report about the dismissal of the executive chairman D. José Domínguez Abascal.
- Favorable report to Board of Directors about the proposal to appoint Mr. Antonio Fornieles Melero as executive chairman and chairman of the Board of Directors.
- Favorable report to Board of Directors about the proposal to appoint Mr. Joaquín Fernández de Piérola Marín as CEO.
- Favorable report to Board of Directors about the appointment of Inabaya, S.L.represented by Mrs. Ana Abaurrea Aya as weekly assistant replacing Mr. José Luis Aya Abaurre.
- Favorable report to Board of Directors about the proposal to appoint Mrs. Alicia Velarde Valiente second Vice-president of the Board of Directors.

- Favorable report to Board of Directors about the proposal to appoint Mr. Joaquín Fernández de Piérola Marín first Vice-president of the Board of Directors.
- Proposal over the mercantile contracts of the executive chairman Mr Antonio Fornieles Melero and the CEO MR. Joaquín Fernández de Piérola Marín.
- Favorable report over the annual report of remunerations of Directors.
- Approval of the annual report of the Appointments and Remuneration Commission
- Submission of the results of the annual performance appraisal of the Board of Directors and its committees to the Board of Directors, for its approval.
- Favorable report to Board of Directors about the proposal of Directors recruitment policy.
- Proposal to the Board of Directors, the individual remunerations of the second Vice-president and the coordinating Director.
- Proposal to the Board of Directors the reelection of Mr. Martínez Rico as Independent Director of the Board of Directors.
- Proposal to the Board of Directors the reelection of Mrs. Velarde Valiente as Independent Director of the Board of Directors.
- Favorable report to Board of Directors about the proposal of agreement of the Board of Directors consisting in propose to the General shareholders´Meeting the ratification of the appointment as Directors of Mr.Joaquín Fernández de Piérola Marín and Inayaba S.L. represented by Mrs. Ana Abaurrea Aya
- Proposal to appoint as Directors to Mr. Manuel Castro Aladro, Mr. José Luis del Valle Doblado, Mr. José Wahnon Levy, Mr. Ramón Sotomayor Jauregui, Mr. Javier Targhetta Roza, Mr. Gonzalo Urquijo Fernández de Araoz and Mrs. Pilar Cavero Mestre.
- Proposal to the Board of Directors, of the contract of Mr. Gonzalo Urquijo Fernández de Araoz.
- Proposal to the Board of Directors, for its approval, of basic contractual terms of the Senior Management.
- Report to the Board of Directors about the appointment of the Senior Management (including the new CFO and Strategy Director).
- Proposal to the Board of Directors, of the individual remunerations of the new Directors until the next General Meeting.
- Proposal to the Board of Directors, about the payment of the deferred variable remuneration of 2015.
- Proposal to the Board of Directors, about the recognition of the restructuring bonus.

10.- Other relevant information

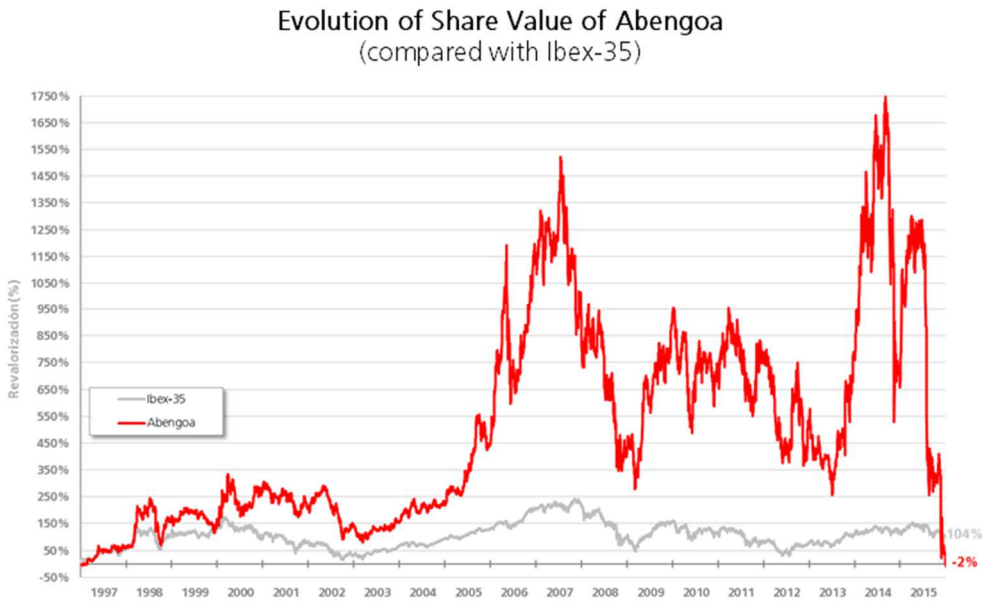
10.1. Stock exchange information

According to data provided by Bolsas y Mercados Españoles (BME), in 2016 a total of 156.679.131 Class A shares and 4.963.514.440 Class B shares in the company were traded, equivalent to an average daily trading volume of 609.646 Class A shares and 19.313.286 Class B shares, The average daily traded cash volume was €0.4 million for Class A shares and €4.4 million for Class B shares.

	A Shares		B Shares	
Share evolution	Total	Daily	Total	Daily
Volume (thousands of shares)	156,679	610	4,963,514	19,313
Volume (M€)	94.7	0.4	1,125.3	4.4

Quotes		Data		Data
Last	0.4010	30-dic	0.1880	30-dic
Maximun	1.0000	29-mar	0.4250	09-mar
Average	0.6043		0.2266	
Minimun	0.3380	19-ene	0.1300	11-feb

The last price of Abengoa's shares in 2016 was € 0.40 for Class A shares, some 2% lower than at the end of 2015; and €0.19 per Class B share, 4% lower than the close of 2015.



Since its IPO in the Spanish stock exchange in November 29, 1996, the value of the Company has decreased by 6%. The selective IBEX-35 index has risen by 100% during the same period.

10.2 Dividend policy

Abengoa's Board of Directors held on September 23, 2015 approved the suspension of our dividend until Abengoa achieve a credit rating of "BB-"from Standard & Poors or "Ba3" from Moody's or our leverage ratio of Gross Corporate Debt (including bridge loan), as of the most recent balance sheet date which is approved, to Corporate EBITDA for the twelve months immediately preceding such balance sheet date, falls below 3.5x. As long as Abengoa do not reach the aforementioned credit rating or leverage ratio, Abengoa will not distribute dividends to their shareholders.

10.3 Management of credit quality

Credit ratings affect the cost and other terms upon which we are able to obtain financing (or refinancing). Rating agencies regularly evaluate us and their ratings of our default rate and existing capital markets debt are based on a number of factors.

As of February 13, 2016 ("Moody´s) reduced the rating of Caa3 to Ca with negative outlook.

On the other hand, the investment services of Standard & Poor´s ("S&P") has not changed its rating during 2016 since they announced on December 16 to SD (Selective default).

10.4 Average supplier payment time

In compliance with the duty to report the average period of payment to suppliers stated in article 539 and the eighth additional provision of `Ley de Sociedades de Capital` according to the new composition given by the second final provision of` Ley 31/2014 de reforma de la ley de Sociedades de Capital` the company informs that the average period of payment to suppliers related to all the companies in the Group in Spain has been 254 days.

The following detail required by the article 6 of the January 29, 2016 resolution of the Instituto de Contabilidad y Auditoría de Cuentas, related to the information to be provided about the average period of payment during the year:

2016	Days
Average payment period	254
Paid operations ratio	139
Pending payments ratio	352

2016	Amount
Payments	720,396
Pending payments	841,018

There is not comparative information in compliance with the additional provision of the mentioned resolution.

10.5 Further information

To correctly measure and value the business and the results obtained by Abengoa, it is necessary to draw out the business trends from the consolidated figures.

In addition to the accounting information, as provided within the financial accounts and within this management report, Abengoa also publishes an 'Annual Report' which sets out the key events of 2016. This report is available in Spanish, and English. The Annual Report, which is published prior to the Shareholders' Meeting at which the Financial statements of 2016 will be approved, includes not only the consolidated accounts of Abengoa, as well as the strategic objectives of the business and the key events of the three Business Units into which Abengoa is structured as of December 31, 2016.

The annual report is available on the company's website at www.abengoa.com.

The requirement to provide the market with information which is useful, truthful, complete, comparable and up-to-date would not be of such value to the user if the means of communicating such information were insufficient, as it would result in such information not being as effective, timely and useful. As such. The requirement to provide the market with information which is useful, truthful, complete, comparable and up-to-date would not be of such value to the user if the means of communicating such information were insufficient, as it would result in such information not being as effective, timely and useful. As such, the Aldama Report, the Financial System Reform Law and the Transparency Law recommend and enforce, in the light of recent technologies, the use of a website by listed companies as an information tool (including historical, qualitative and quantitative data on the company) and a means of disseminating information (on a timely or real-time basis, making such information available to investors).

Abengoa has a website, which was recently renewed and updated, that features far-reaching and comprehensive content, including information and documentation made available to the public and, in particular to shareholders. This website offers periodic information (quarterly and half-yearly) as well as other relevant information and facts upon which it is mandatory that Abengoa report to the CNMV to comply with the rules of the stock exchange. Through this website, it is also possible to request a copy of the Annual Report.

10.6 Alternative performance measures

Abengoa presents the Income Statement in accordance to the International Financial Reporting Standards (IFRS), however, uses some alternative performance measures (APMs) to provide additional information to assist the comparison and comprehension of the financial information, facilitate decision-making and the assessment of group´s performance.

The most significant APM are the following:

- EBITDA;
  - Definition: operating profit + amortization and charges due to impairments, provisions and amortizations.
  - Reconciliation: the Company presents the EBITDA calculation in Note 2 of the Management´s report and Note 5 to the Consolidated Financial Statements.
  - Explanation of use: EBITDA is considered by the Company as a measure of performance of its activity given that provides an analysis of the operating results (excluding depreciation and amortization, which do not represent cash) as an approximation of the operating cash flows that reflects the cash generating before variations in working capital. Additionally, EBITDA is an indicator widely used by investors when valuing corporations, as well as by rating agencies and creditors to assess the indebtedness comparing EBITDA with net debt.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate EBITDA is the same than the used the previous year.
- Operating margin;
  - Definition: EBITDA / revenue.
  - Reconciliation: the Company presents the operating margin calculation in Note 2 of the Management´s report.
  - Explanation of use: operating margin is a measure of business profitability itself before the amortization, impairment, financial results and taxes impact. It measures the monetary units earned per units sold.

- Comparative: the Company presents comparative information with the previous period.
- Consistency: the standard used to calculate the operating margin is the same than the used the previous year

- Net corporate debt;
  - Definition: corporate financing – cash and cash equivalents (excluding project companies) – current financial investments (excluding project companies).
  - Reconciliation: the Company presents the net corporate debt calculation in Note 2 of the Management´s report.
  - Explanation of use: net corporate debt is a financial indicator which measures the indebtedness position of a company a corporate level. Additionally, it is an indicator widely used by investors when valuing the financial indebtedness of a company, as well as by rating agencies and creditors when valuing the level of indebtedness.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the net corporate debt is the same than the used the previous year.
- Net cash provided by operating activities;
  - Definition: variations in cash arisen as the difference between collections and payments caused by trade transactions in the Group during the period.
  - Reconciliation: the Company presents the Net Cash Provided by Operating Activities calculation in the Cash Flow Statement in the Consolidated Financial Statements and in Note 2 of the Management´s report.
  - Explanation of use: net cash provided by operating activities is a financial indicator which measures the cash generation of business itself during the period.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the net cash provided by operating activities is the same than the used the previous year.
- Net cash used in investing activities;
  - Definition: variations in cash arisen as the difference between collections and payments caused by divestment and investment transactions in the Group during the period.
  - Reconciliation: the Company presents the Net Cash Used in Investing Activities calculation in the Cash Flow Statement in the Consolidated Financial Statements and in Note 2of the Management´s report.
  - Explanation of use: net cash used in investing activities is a financial indicator which measures the investing effort of the Company in a period net of divestments in the Company during the period.
  - Comparative: the Company presents comparative information with the previous period.
  - Comparative: the standard used to calculate the Net Cash Used in Investing Activities is the same than the used the previous year
- Net cash provided by financing activities;
  - Definition: variations in cash arisen as the difference between collections and payments caused by financing transactions in the Group during the period.
  - Reconciliation: the Company presents the Net Cash Provided by Financing Activities calculation in the Cash Flow Statement in the Consolidated Financial Statements and in Note 2 of the Management´s report.
  - Explanation of use: net cash provided by financing activities is a financial indicator which measures both the cash generated from new financing closed during the period and the use of cash in the same period to repay its financial creditors (financial entities, investors, partners and shareholders).
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the net cash provided by financing activities is the same than the used the previous year.
- Earnings per share (EPS);
  - Definition: profit for the year attributable to the parent company / number of ordinary shares outstanding.

- Reconciliation: the Company presents the EPS calculation in the Consolidated Income Statement and in the Note 25 to of the Notes to the Consolidated Financial Statements.
- Explanation of use: earning per share is a financial indicator which measures the portion of profit that corresponds to each share of the Company. It is an indicator widely used by investors when valuing the performance of a Company.
- Comparative: the Company presents comparative information with the previous period.
- Consistency: the standard used to calculate the earnings per share is the same than used the previous year.

- Market capitalization;
  - Definition: number of shares at the end of the period x quote at the end of the period.
  - Reconciliation: the Company presents the market capitalization in the Note 2 of the Management´s report
  - Explanation of use: market capitalization is a financial indicator to measure the size of a Company. It is the total market value of a company.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the market capitalization is the same than the used the previous year.
- Backlog
  - Definition: value of construction contracts awarded and pending to execute.
  - Reconciliation: the Company presents the backlog in the Note 2 of the Management´s report.
  - Explanation of use: backlog is a financial indicator which measures the capacity of future revenue generation of the Company.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the backlog is the same than the used the previous year.

11.- Subsequent events

As descrived on Note 2.1 of going concern, an Updated Viability Plan was prepared during the second half of May, which was later approved by the Board of Directors on August 3, 2016 as well as the term sheet of the Restructuring Agreement which was subscribed afterwards by the main creditors and which is mentioned below. Such plan was approved on August 16, 2016.

During the second half of 2016, the Updated Viability Plan has been the base of the key hypothesis considered by the Directors of the Company when making the financial information.As expected in the previous conditions of the restructuring, creditors required a liquidity plan for 18 month- period which has been made by Directors and approved by the Board of Directors on January 16, 2017. This plan takes the main hypothesis of the Updated Viability Plan, updating some short term hypothesis of such Plan that have been amended due to the delay of the agreement implementation, mainly due to the mentiones insolvency in Mexico.

Since December 31, 2016, no additional events have occurred that might significantly influence the information reflected in the Consolidated Financial Statements, nor has there been any event of significance to the Group as a whole.

03.1 Annual corporate governance report

A. Ownership structure

A.1 Complete the following table on the company's share capital:

Date of last modification	Share capital (€)	Number of shares	Number of voting rights
27-10-2016	1,834,252.65	941,805,965	9,171,263,234

Indicate whether there are different classes of shares with different associated rights:

Yes

Class	Number of shares	Nominal unit	Number of voting rights	Different rights
A	83,125,831	0.02	100	Without different rights
B	858,680,134	0.0002	1	See section H "Other Information of Interest" at the end of the report

A.2 Breakdown of direct and indirect holders of significant shareholdings in the company as of the end of the financial year, excluding directors:

Name or company name of shareholder	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct owner of shares	Number of voting rights	
Inversión Corporativa, I.C, S.A.	4,100,673,689	Finarpisa, S.A.	546,518,300	50.67 %
Finarpisa, S.A.	546,518,300		–	5.96 %

Indicate the most significant changes in the shareholding structure that have occurred during the financial year:

N/A

Personal or corporate name of the shareholder	Date of the transaction	Description of the transaction
N/A	N/A	N/A

A.3 Complete the following tables about members of the board of directors of the company who have voting rights over company shares:

Personal or corporate name of the director	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct owner of shares	Number of voting rights	
Gonzalo Urquijo Fernández de Araoz	0	0	0	0
Manuel Castro Aladro	0	0	0	0
José Luis del Valle Doblado	0	0	0	0
José Wahnon Levy	0	0	0	0
Ramón Sotomayor Jáuregui	0	0	0	0
Javier Targhetta Roza	0	0	0	0
Pilar Cavero Mestre	0	0	0	0

% total of voting rights held by the board of directors	0,000

Complete the following tables about members of the company's board of directors with rights over company shares:

Not Applicable

Personal or corporate name of the director	Number of direct rights	Derechos indirectos		Number of equivalent shares	% of total voting rights
		Direct owner	Number of voting rights		
Gonzalo Urquijo Fernández de Araoz	0	0	0	0	0
Manuel Castro Aladro	0	0	0	0	0
José Luis del Valle Doblado	0	0	0	0	0
José Wahnon Levy	0	0	0	0	0
Ramón Sotomayor Jáuregui	0	0	0	0	0
Javier Targhetta Roza	0	0	0	0	0
Pilar Cavero Mestre	0	0	0	0	0

A.4 Indicate, if applicable, any family, contractual or corporate relations between owners of significant shareholdings, insofar as these are known to the company, unless they bear little relevance or arise from ordinary trading or course of business:

Name or related corporate name	Relationship type	Brief description
Inversión Corporativa, I.C, S.A.	Societal	Inversión Corporativa, I.C, S.A holds 99.99% shares in Finarpisa, S.A.
Finarpisa, S.A.		

A.5 Indicate, if applicable, the commercial, contractual, or corporate relationships between significant shareholders and the company and/or its group, unless they are immaterial or result from the ordinary course of business:

N/A

Name or related corporate name	Relationship type	Brief description

A.6 Indicate whether any private (para-corporate) shareholders' agreements affecting the company pursuant to the provisions of sections 530 and 531 of the Spanish Companies Law (Ley de Sociedades de Capital) have been reported to the company. If so, briefly describe them and list the shareholders bound by the agreement:

Yes

Participants of the agreement	% of share capital affected	Brief outline of the agreement
Finarpisa, S.A. Inversión Corporativa, I.C., S.A. First Reserve Corporation	50.67 %	On 10 October 2011, Inversión Corporativa IC, SA and Finarpisa SA entered into an agreement that regulated the exercise of their respective voting rights in the general meetings of Abengoa in relation to the proposal, appointment, ratification, re-election or substitution of a director to represent the former shareholder of the company, First Reserve Corporation. This agreement was communicated to the CNMV as a relevant fact on 9 November 2011, under record no. 153062. By virtue of said agreement, Inversión Corporativa IC, SA and Finarpisa SA jointly agreed: (i) (i) that during Abengoa's Board of Directors' meeting their proprietary directors will vote (a) on the appointment of the candidate proposed to said board to serve as director designated by the investor based on the co-opting procedure; and (b) the proposal to recommend to the shareholders of Abengoa, that during the next General Shareholders Meeting they appoint, as the case may be, a replacement for the director designated by the investor on the Board of Directors. (ii) to vote in the corresponding General Shareholders Meeting of Abengoa for the appointment of the candidate proposed by the Investor; (iii) as long as First Reserve Corporation or any of its related entities retains Abengoa class B shares or any other instrument convertible in, or exchangeable for, Abengoa class B shares, they cannot propose or ask the Board of Directors to recommend to shareholders any kind of changes to the company bylaws which may adversely affect the equality rights of class B shares and class A shares regarding to the distribution of dividends or other similar distributions as envisaged in the bylaws.
Finarpisa, S.A. Inversión Corporativa, I.C., S.A.	50.67 %	On 27 August 2012, Inversión Corporativa IC, SA and its subsidiary, Finarpisa S.A., amended the aforementioned shareholders' agreement with the Abengoa shareholder, First Reserve Corporation. The amendment to this agreement was communicated to the CNMV as a relevant fact on 27 August 2012, under record no. 172757. The amendment consisted of including in the undertaking described under section (iii) of the agreement of 10 October 2011 the additional obligation of Inversión Corporativa, I.C., S.A. and Finarpisa, S.A. to vote against the proposals for changes to the bylaws described in foregoing section (iii) that were submitted by another shareholder or by the Board of Directors.
Abengoa, S.A. Inversión Corporativa, I.C., S.A.	50.67 %	On 27 August 2012, Abengoa, S.A. entered into a shareholder agreement with its main shareholder, Inversión Corporativa, I.C., S.A. The agreement was communicated to the CNMV as a relevant fact on 27 August 2012, under record no. 172756. By virtue of said agreement, Inversión Corporativa, I.C., S.A., either directly or indirectly through its subsidiary Finarpisa S.A., agrees: (i) to vote in favour of the agreements regarding points 2nd, 3rd, 4th, 5th, 6th and 7th on the agenda of the General Shareholders Meeting held on 30 September 2012, as long as it is first verified that the aforementioned agreements are approved by the majority of the shareholders of class A other than those of Inversión Corporativa; (ii) not to exercise its voting rights except up to a maximum of 55.93 % in cases in which, as a result of the exercise of the rights of conversion of class A shares into class B shares expected to be included in the corporate bylaws, the total percentage of the voting rights it holds are increased over the company's entire voting rights; (iii) that the percentage of the number of shares with voting rights held at all times (whether such shares are class A or class B) over the Company's total number of shares not be at any time lower than one quarter of the percentage of the voting rights that said shares may allocate to Inversión Corporativa in relation to the company's total number of voting rights; and that, should such be the case, class A share should be transferred or converted into class B, in the amount deemed necessary to sustain such proportion.

Indicate whether the company is aware of the existence of concerted actions among its shareholders. If so, briefly describe them:

N/A

Participants of concerted action	% of share capital affected	Brief description of the concerted action

Expressly indicate whether any of such agreements, arrangements, or concerted actions have been modified or terminated during the financial year:

On 23 December 2016 the Company communicated to the Spanish Securities Market Commission, through a relevant fact under record number 246416, the termination of the investment agreement entered into with First Reserve Corporation (FRC) on 3 October 2011, given that, on that date, FRC did not hold any class B shares of the Company or other securities that could be exchanged or converted into class B shares and, therefore, had no stake in the Company's share capital. As a result of such termination, the aforementioned shareholders' agreements between FRC and other shareholders referred to herein, which came about from the investment with FRC, forfeit their raison d'être.

A.7 Indicate whether there is any individual or legal entity that exercises or may exercise control over the company pursuant to section 5 of the Spanish Securities Market Act (Ley del Mercado de Valores). If so, please identify:

Yes

Name or company name
Inversión Corporativa, I.C, S.A.

Comments
At the close of the financial year, Inversión Corporativa, I.C, S.A. directly owns 44.71 % of the share capital in Abengoa, S.A.; and indirectly 5.96 % through its subsidiary Finarpisa S.A. Inversión Corporativa, I.C, S.A. it holds an interest of 99.99 % in Finarpisa S.A.

A.8 Complete the following tables on the company's treasury stock:

At financial year end:

Number of direct shares	Number of indirect shares (*)	% Total on share capital
5,662,480 (Class A Shares)	0	6.174 %
0 (Class B Shares)	0	0 %
5,662,480 (Total Shares)	0	6.174 %

(*) Held through:

Name or corporate name of the direct holder of shares	Number of direct shares
Total:	

Explain any significant changes, pursuant to the provisions of Royal Decree 1362/2007 that have occurred during the financial year:

Not Applicable

Explain any significant changes

Communication date	Total of direct shares acquired	Total of indirect shares acquired	% total over share capital

A.9 Describe the terms and conditions and current timeframes that shareholders confer upon the Board of Directors to issue, repurchase, or transfer treasury stock:

The Ordinary General Shareholders Meeting held on 29 March 2015 authorised the Board of Directors to buy back the Company's shares, of any of the classes of shares stipulated in the company bylaws, either directly or through its subsidiary or investee companies up to the maximum permitted by current laws at a rate set between one hundredth part of a euro (€0.01) as a minimum and twenty Euros (€20) as maximum, with the specific power of substitution in any of its members. Said power shall remain in force for five (5) years from that date, subject to article 144 et seq of the Spanish Companies Act. The authorization expressly includes the acquisition of shares that must be delivered directly to the company's employees or company officers, or as a consequence of the option rights to which they are entitled. Thus, the authorisation conferred upon the Board of Directors for the same purposes, by virtue of the decision taken at the Ordinary General Shareholders meeting held on 6 April 2014, was specifically revoked.

During 2016 there were no transactions with treasury stock.

A.9 bis Estimated floating capital:

	%
Estimated free-float	43.15

A.10 Indicate whether there are any restrictions on transferring shares and/or any restrictions on voting rights. In particular, disclose the existence of any restrictions that might hinder a takeover of the company through the acquisition of its shares in the market.

There are no statutes restricting the transfer of assets or voting rights. However, in the context of the financial restructuring of the Company, its significant shareholders made a commitment of not to transfer their shareholding in the Company until the restructuring operation is completed.

Description of restrictions

A.11 Indicate whether the general shareholders meeting agreed to implement neutralisation measures to prevent public takeovers pursuant to the provisions of Law 6/2007.

No

If applicable, explain the approved measures and the terms under which the restrictions may be ineffective:

A.12 Indicate whether the company has issued securities that are not traded on a regulated market within the European Community.

No

See Section H "Other Information of Interest"

If applicable, specify the different classes of shares, if any, and the rights and obligations attaching to each class of shares.

B. General meeting

B.1 Indicate and, if applicable, describe whether there are differences with the minimum requirements set out in the Spanish Companies Act in connection with the quorum needed for the general shareholders meeting.

No

	% of quorum different to that set out in article 193 of the Spanish Companies Act for general cases	% of quorum different to that set out in article 194 of the Spanish Companies Act for special cases
Quorum required in 1st call		
Quorum required in 2nd call		

Description of the differences

B.2 Indicate and, if applicable, describe any differences with regard to the system contemplated in the Spanish Companies Act for the adoption of corporate resolutions:

No

Describe how they differ from the rules set out in the Spanish Companies Act.

	Qualified majority other than that established in article 201.2 of the Spanish Companies Act for the cases set out in section 194.1 of the Spanish Companies Act	Other instances in which a qualified majority is required
% established by the entity for the adoption of resolutions		

Describe the differences

B.3 Indicate the rules applicable to the amendment of the company's bylaws. In particular, disclose the majorities required for amending the bylaws, and, where applicable, the legal provisions for the protection of partner rights regarding the amendment of the by-laws.

Amendments in the Company's by-laws are governed by the Spanish Companies Law, specifically in its Articles 285 and following, and by the Company's internal corporate governance regulations.

The by-laws and the rules and regulations of the general meeting (Articles 29 and 13 respectively) provide a special quorum that may enable the ordinary or extraordinary general meeting to validly agree on bond issuance, on capital increase or decrease, on changing, merging or splitting of the company and, in general, on any amendments whatsoever to the bylaws, thus requiring, on the first call, the convening of shareholders, present or represented, with at least fifty percent of the subscribed share capital with voting rights. In the second call to meeting, it will be sufficient for twenty-five percent of the share capital to be present or represented. In the event of the attendance of shareholders with less than twenty-five percent of the subscribed capital with voting rights, decisions may only be taken with the favourable votes of two thirds of the capital present or represented in the Meeting.

Article 8 of the bylaws establishes certain rules and regulations for the purpose of protecting minority shareholders in bylaw amendment matters:

"[…] (B.4) Separate voting in matters regarding the amendment of bylaws or agreements and other operations that may negatively affect class B shares.

Bylaw or agreement amendments that may directly or indirectly damage or negatively affect the pre-emptive rights or privileges of class B shares (including any amendments to the precautionary bylaws regarding class B shares or any agreements that may damage or negatively affect class B shares in comparison with class A shares, or that may benefit or favourably affect class A shares in comparison with class B shares) shall require, in addition to being approved pursuant to the stipulations of these bylaws, the approval of a majority of class B shares in circulation at the time. For explanatory but by no means limiting purposes, said precaution shall entail as follows: the elimination or amendment of the precautions set forth herein on the principles of proportionality between the number of shares representing class A shares, those of class B and those of class C (if previously issued) over the total of the company's shares in the issuance of new shares or securities or instruments that may give rise to conversion, exchange or acquisition, or in any other manner, that may suppose a right to receive the company's shares; the partial or total exclusion, of a non-egalitarian nature for shares of class A, class B and class C (as the case may be), of the pre-emptive and other analogous rights that may be applicable by Law and by these bylaws; the repurchase or acquisition of the company's own shares that may affect class A shares, class B shares and class C shares (as the case may be), in non-identical manner, in terms and conditions,

in price or otherwise therein, and which may exceed what is produced under the framework of ordinary operation of treasury stock or which may cause amortization of shares or the reduction of capital in non-identical manner for class A, class B or class C shares (as the case may be); the approval of the company's structural modification that does not amount to treatment identity in all of its aspects for class A and class B shares; the exclusion of the shares of the company from trading on any secondary stock exchange or securities market except through the presentation of an offer of acquisitions for the exclusion from trading as envisaged in the considerations for the class A, class B and class C shares (as the case may be); the issuance of class C or of any other class of preferred or privileged shares that may be created in future.

For that purpose, separate voting rights shall not be required for the various existing classes of shares to decide on whether to totally or partially exclude, as the case may be, the pre-emptive and other analogous rights that may be applicable pursuant to the Law and to these bylaws, simultaneously and identically for class A, class B and, as the case may be, class C shares."

[…]

"(C.6) 6.2 Separate voting in matters regarding the amendment of bylaws or agreements and other operations that may negatively affect class C shares.

Notwithstanding Article 103 of the Spanish Companies Law, amendments of bylaws or agreements that may directly or indirectly damage or negatively affect the pre-emptive rights or privileges of class C shares (including any amendments to the precautionary bylaws relating to class C shares or to any agreement that may damage or negatively affect class C shares in comparison with class A and/or class B shares, or that may benefit or favourably affect class A and/or class B shares in comparison with class C shares) shall require, in addition to approval pursuant to the stipulations of these bylaws, approval by a majority of class C shares in circulation at the time. For explanatory but by no means limiting purposes, said precaution shall entail as follows: the elimination or amendment of the precaution set forth herein on the principles of proportionality between the number of shares representing class A shares, those of class B (if previously issued) and those of class C over the total of the company's shares in the issuance of new shares or securities or instruments that may give rise to conversion, exchange or acquisition, or otherwise, that may suppose a right to receive the company's shares; the partial or total exclusion, of a non-egalitarian nature for shares of class A and/or class B and class C of the pre-emptive and other analogous rights that may be applicable by Law and these bylaws; the repurchase or acquisition of the company's own shares that may affect class A and/or class B shares with regards to class C shares, in non-identical manner, in terms and conditions, in price or in any other manner, and which may exceed what is produced under the framework of ordinary operation of treasury stock or which may cause amortization of shares or reduction of capital in non-identical manner for class A, class B (as the case may be) and class C shares; the approval of the company's structural modification that does not amount to treatment identity in all of its aspects for class A, class B shares (as the case may be) with regards to class C; the exclusion of the shares of the company from trading on any secondary stock exchange or securities market except through the presentation of an offer of acquisitions for the exclusion from the trading as envisaged in the considerations for class A, (class B as the case may be) and class C shares; the issuance of any other class of preferred or privileged shares that may be created in future.

Notwithstanding the provisions of article 293 of the Spanish Companies Act, whatever the case may be, the Company's agreements on capital increase under whichever modality and under any formula that may give rise to the first issuance of class C shares shall, in addition to its approval in accordance with the legal provisions and with article 29 of these bylaws, require the approval of the majority of class B shares that may be in circulation.

See Section H "Other Information of Interest"

B.4 Give details of attendance at general meetings of shareholders held during the financial year referred to in this report and also those in the previous financial year:

	Attendance data				
			% of absentee voting		
Date of General Shareholders meeting	% of physical presence	% of proxy	Electronic voting	Other	Total
22-11-2016	6.86	51.29	0.080	0.06	58.29
30-06-2016	6.58	52.51	0.01	0.64	59.74
10-10-2015	64.40	3.33	0.00	0.40	68.13
29-03-2015	64.65	6.78	0.00	0.31	71.74

B.5 Indicate whether there are any bylaw restrictions requiring a minimum number of shares to attend the general shareholders meeting:

Yes

Number of shares required to attend the general shareholders meeting	375

See Section H "Other Information of Interest"

B.6 Section deleted.

B.7 Indicate the URL and method for accessing the company's website to access information regarding corporate governance and other information regarding general meetings of shareholders that must be made available to the shareholders through the company's website.

The address of the Abengoa SA website is www.abengoa.com/es and all the necessary and updated information relating to shareholders meetings can be found under the section of shareholders and investors.

The full path to follow is:

http://www.abengoa.es/web/es/accionistas_y_gobierno_corporativo/juntas_generales/

In compliance with the provisions of article 539.2 of the Spanish Companies Act, Abengoa maintains an electronic forum for shareholders in order to facilitate communication between shareholders regarding the convening and holding of all the general meetings of shareholders. In accordance with the regulations on the electronic forum for shareholders, Shareholders may send the following prior to each general meeting:

- Proposals intended for inclusion as part of the agenda outlined in the call for the general shareholders meeting.
- Request for the inclusion of said proposals.
- Initiatives to reach the required percentage to exercise minority voting rights.
- Requests for voluntary representation.

C. Structure of the company's governing body

C.1 Board of directors

C.1.1 Maximum and minimum number of directors stipulated in the company by-laws:

Maximum number of directors	16
Minimum number of directors	3

C.1.2 Complete the following table identifying the members of the board:

Personal or corporate name of director	Represent..	Category of the director	Seat on the board	Date of first appointment	Date of last appointment	Election procedure
Gonzalo Urquijo Fernández de Araoz		Executive	Chairman	22/11/2016	22/11/2016	Voting in Shareholders Meeting
Manuel Castro Aladro		Independent	Coordinating Director and Member	22/11/2016	22/11/2016	Voting in Shareholders Meeting
José Luis del Valle Doblado		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting
José Wahnon Levy		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting
Ramón Sotomayor Jáuregui		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting
Javier Targhetta Roza		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting
Pilar Cavero Mestre		Independent	Director	22/11/2016	22/11/2016	Voting in Shareholders Meeting

Total number of directors	7

Indicate the vacancies on the board of directors during the reporting period:

Personal or corporate name of the director	Category of the director at the time of removal	Leaving date
José Luis Aya Abaurre	Proprietary	12/02/2016
José Domínguez Abascal	Other External	18/04/2016
Claudi Santiago Ponsa	Proprietary	25/05/2016
Javier Benjumea Llorente	Executive	30/06/2016
Antonio Fornieles Melero	Executive	22/11/2016
Joaquín Fernández de Piérola Marín	Executive	22/11/2016
Alicia Velarde Valiente	Independent	22/11/2016
José Joaquín Abaurre Llorente	Proprietary	22/11/2016
Inayaba, S.L. (represented by Ana Abaurrea Aya)	Proprietary	22/11/2016
José Borrell Fontelles	Independent	22/11/2016
Mercedes Gracia Díez	Independent	22/11/2016
Ricardo Hausmann	Independent	22/11/2016
Ricardo Martínez Rico	Independent	22/11/2016
Ignacio Solís Guardiola	Proprietary	22/11/2016

See Section H "Other Information of Interest"

C.1.3 Complete the following tables on the directors and their different categories:

Executive directors

Personal or corporate name of the director	Position within the company structure
Gonzalo Urquijo Fernández de Araoz	Chairman

Total number of executive directors	1
Total % of directors	14.29 %

External proprietary directors

N/A

Personal or corporate name of the director	Individual or company name of the significant shareholder represented by the director or that has proposed the director's appointment
0	N/A

Total number of proprietary directors	0
Total % of the Board	0 %

Independent external directors

Personal or corporate name of the director	Profile
Manuel Castro Aladro	He has a Business Administration and Management degree from the Universidad Pontifica de Comillas (ICADE), and an International Executive MBA from the University of Chicago. He began his career at Arthur Andersen and later, in 1992, moved to the banking sector. In 1998 he joined BBVA where he held various positions related to business development until 2009, the year he was appointed Group Chief Risk Officer, a position he held until 2015. Since 2015 he has been independently advising banks and investment funds on issues related to risk management and investments.
José Luis del Valle Doblado	He has a Mining Engineering degree from the Universidad Politécnica de Madrid and a degree in Nuclear Engineering from the Massachusetts Institute of Technology (MIT), as well as an MBA from Harvard University. He has approximately 35 years' experience at Banco Central Hispanoamericano, Santander Central Hispano, where he participated in the merger between the two banks. He has also held various positions at Iberdrola, where he was CEO of Scottish Power, and was appointed Director of Strategy and Development in 2002. In 2014 he was appointed non-executive chairman of GES Insurers and Reinsurers and Lar Spain, and is an independent director of Ocaso Seguros.
José Wahnon Levy	He has a Business Administration and Management degree from the Universidad de Barcelona and a Law degree from the Universidad Complutense de Madrid as well as a Doctorate from Harvard Business School. He started his career at Pricewaterhouse Coopers, a firm of which he became a partner in 1987, responsible for the financial institutions division between 1975 and 2003 and for the audit division from 2003 until he left the firm in 2007. He was subsequently a director at several enterprises tied to the Deposit Guarantee Fund.
Ramón Sotomayor Jáuregui	He has an in Industrial Engineering degree from the University of Portsmouth and an MBA from Rutgers University. He began his professional career at Ercross Spain and later joined the ThyssenKrupp Group, where he held various positions including CEO for Southern Europe, Africa and the Middle East from 2011-2015. He has also been an independent director of several companies among which are Velatia and Levantina Natural Stone.
Javier Targhetta Roza	He has a Mining Engineering degree from the Universidad Politécnica de Madrid and a PADE in Business Administration through the IESE. He began his career in the metallurgical sector, where he joined the AIPSA project. In 1973 he joined the Sereland consulting firm, where he worked for 8 years. After his experience at Sereland he worked in the naval sector as chairman of the Compañía Transatlántico Española and Empresa Nacional Elcano. In 1990 he was appointed CEO of Rio Tinto Minera, a company that was acquired in 1993 by Freeport McMoran, a position he still holds to date.
Pilar Cavero Mestre	She holds a Law degree from the Universidad Complutense de Madrid, as well as a programme of Leadership of Services Companies from Harvard. She began her career at the Asociación de Cajas de Ahorros en España, and then in 1986 she joined the legal practice sector. In 1990 she joined Cuatrecasas where she has developed her professional career since being named partner in 1993. She is currently an honorific partner of the Practice, without executive functions, and is an independent director of Testa.

Total number of independent external directors	6
Total % of the Board	85.71 %

Indicate whether any director classified as independent receives from the company or its group any amount or benefit for items other than director remuneration, or maintains or has maintained during the last financial year a business relationship with the company or with any company of its group, whether in the director's own name or as a significant shareholder, director, or senior officer of an entity that maintains or has maintained such relationship.

No

If applicable, include a reasoned statement of the director regarding the reasons for which it is believed that such director can carry out the duties thereof as an independent director

Not Applicable

Personal or corporate name of the director	Description of the relationship	Reasoned statement

Other external directors

Identify the other external directors and describe the reasons why they cannot be considered proprietary or independent directors as well as their ties, whether with the company, its management, or its shareholders:

N/A

Personal or corporate name of the director	Reasons	Company, executive or shareholder with whom the connection is held

Total number of other external directors	
Total % of the Board	

Indicate the changes, if any, in the class of each director during the period in the category of each Director:

Personal or corporate name of the director	Date of change	Previous category	Current category
Antonio Fornieles Melero	1/3/2016	Independent	Executive
José Domínguez Abascal	1/3/2016	Executive	Other External

C.1.4 Complete the following table with information regarding the number of female directors for the last 4 financial years, as well as the status of such directors:

	Number of female directors:				% of total of directors of each category			
	Financial year 2016	Financial year 2015	Financial year 2014	Financial year 2013	Financial year 2016	Financial year 2015	Financial year 2014	Financial year 2013
Executive	0	0	0	0	0	0	0	0
Proprietary	0	0	1	1	0	0	14.28	14.28
Independent	1	2	2	2	14.29	33.33	40	50
Other External	0	0	0	0	0	0	0	0
Total:	1	2	3	3	14.29	15.38	18.75	20

C.1.5 Explain any measures adopted to include on the board of directors a number of women that allows for a balanced representation of men and women.

Explanation of the measures

In its Article 1, the regulations of the Appointments and Remuneration Committee provides the following:

"Article 1. Composition. Designation of its members". [...] "The Appointments and Remuneration Committee shall establish procedures and ensure that when new vacancies arise:

a) The selection process for board vacancies has no implicit bias against female candidates;

b) The company makes a conscious effort to include female candidates that meet the professional profile sought."

It is the responsibility of the Appointments and Remunerations Committee to notify the Board about any issues of gender diversity. It is also obliged to establish a representation target for the less represented sex on the Company's Board of Directors and draft guidelines on how to achieve this target

The Appointments and Remunerations Committee is also responsible for verifying compliance with the board members selections policy. It establishes that the selection process shall begin with an analysis of the needs of the Company and its group of companies, bearing in mind the following: (i) that the appointments are based on the diversity of knowledge, experience and gender within the Board of Directors; and (ii) that the Committee ensures that by the year 2020 the number of female board members shall amount to, at least, thirty percent of the total of the members of the Board of Directors.

Moreover, through the company's Gender Equality Framework Plan, in 2009, to ensure the practice of these values, Abengoa created the Equal Opportunity and Treatment Office (OITO) under the Gender Equality Framework Plan. The mission of this office is to advocate gender equality within the whole organisation, promoting, developing and managing the Gender Equality Plan and other plans associated with it

In addition, the Equal Opportunities and Treatments Committee was set up with the duty of a worldwide follow-up, with its subsequent development of aspects related with equal opportunities between men and women in the Abengoa Group. The Equal Opportunities and Treatments Committee is presided over by the Human Resource Director and integrated, as permanent members, by the heads of Human Resource in the various business units and geographical areas, as well as by the director of Corporate Social Responsibility.

Equal Opportunity and Treatment office (EOTO) within the Framework Plan

It also created an Equal Opportunity and Treatment Commission responsible for making a worldwide follow-up, with its subsequent development, on issues related to equal opportunities between men and women within the Abengoa Group. The Equal Opportunity and Treatment Commission is chaired by the Human Resources Director and integrated by the HR heads from the various areas and geographical locations of the business, as well as by the CSR director as permanent members.

C.1.6 Explain any measures approved by the appointments committee in order for selection procedures to be free of any implied bias that hinders the selection of female directors, and in order for the company to deliberately search for women who meet the professional profile that is sought and include them among potential candidates:

Explanation of the measures

The Appointments and Remunerations Committee is responsible for assessing the capabilities, knowledge and experience required on the Board, defining the necessary aptitudes and functions of the candidates for covering its vacancies, assessing the time and dedication needed for the appropriate execution of their jobs.

The Appointments and Remunerations Committee objectively and transparently assesses the potential candidates based on merit criteria, promoting male and female equality and rejecting all kinds of direct or indirect discrimination based on gender.

In the context of restructuring Abengoa and pursuant to the terms and conditions of the Restructuring Agreement that the Company signed on 24th September 2016, Abengoa's Board of Directors was completely modified, both in number and composition, at the Extraordinary General Meeting of Shareholders held on 22nd November 2016.

En the selection process for new members of the Board of Directors, all of them independent except one, the Appointments and Remunerations Committee, for that purpose, using the proposal of Spencer Stuart, strived for the inclusion of women among other candidates and, at least, one woman among those finally selected.

If there are few or no female directors despite any measures adopted, describe the reasons for such result:

Explanation of the reasons

The members of the Board of Directors of Abengoa were appointed by the General Shareholders Meeting on 22 November 2016 and, in compliance with the undertakings assumed under the restructuring agreement signed on 24 September 2016, were proposed by the Appointments and Remuneration Committee on the basis of selection and proposal carried out by the consulting firm Spencer Stuart.

In this regard, Spencer Stuart and the Appointments and Remuneration Committee assessed the capabilities and merits of the various candidates and proposed those candidates considered most appropriate taking into account the characteristics of Abengoa and its current circumstances.

C.1.6 bis Explain the conclusions of the appointments committee regarding verification of compliance with the director selection policy. Particularly, explain how said policy is promoting the goal that the number of female Board of Directors represents at least 30% of all members of the Board of Directors by 2020.

The policy for selecting directors sets out that, when making such a selection, this shall be based on analysing the needs of the Company and of its group of companies, further taking into account (i) that the appointments must favour diversity of expertise, experience and gender on the Board of Directors; and (ii) that by 2020 the number of female directors must represent at least 30% of all members of the Board of Directors. External advisors may be brought in to assist with the selection of directors.

In accordance with the directors' selection policy, said directors must be persons respectable in the society, qualified and with recognised expertise, competence, experience, qualifications, training, availability and commitment to their duties, seeking to ensure that the composition of the Board of Directors is diverse and balanced.

The Extraordinary General Shareholders meeting held on 22 November 2016, following a positive report issued by the Appointments and Remuneration Committee in the case of the executive director and at its proposal in the case of independent directors, renewed the composition of the Board of Directors by appointing the current directors of Abengoa, among which there directors with financial, industrial and legal profiles.

As described in the mandatory reports of the Board of Directors in this respect, the appointment proposals were formulated within the framework of the obligations assumed by the company under the agreement for the restructuring of the financial debt and recapitalisation of the group of companies of which Abengoa is the parent company. This involves the undertaking to submit a proposal for approval by an Extraordinary General Shareholders meeting with regard to renewal of the composition of the company's Board of Directors, by replacing all directors with people that comply with the conditions to be considered as independent external directors of the Company, based on the candidate proposal put forward by Spencer Stuart, a firm that specialises in providing human resource consultancy services, to enable the Company's Board of Directors to comprise a majority of independent external directors.

The selection of directors, made by the firm, Spencer Stuart, and on which the Appointments Committee bases its reports and proposals, took into account (i) the company's needs at a time of financial difficulties; (ii) the required diversity of profiles, combining people with an industrial profile, required for a greater understanding of the business, as well as financial and legal persons capable of understanding the complex financial situation the company was in; and (iii) the capability, demonstrated qualifications and experience of the different candidates, thus fulfilling the objectives set out in the policy for selection of directors and with the conditions it sets out when selecting candidates.

Based on previous considerations, the Appointments and Remunerations Committee concluded that the board member selection policy was satisfactorily applied in 2016

C.1.7 Explain the form of representation on the board of shareholders with significant holdings.

In 2016, the shareholders with significant shares were represented through proprietary directors that perform their duties on the basis of the Company's code of conduct and the remaining standards that apply to all members of the Board.

At the close of the financial year, after replacing former members of the Board of Directors with others holding the nature of independent or executive directors, the significant shareholders were no longer represented on the board by proprietary directors.

C.1.8 Explain, where applicable, the reasons why proprietary directors have been appointed at the proposal of shareholders whose shareholding interest is less than 3 % of share capital:

Not Applicable

Personal or corporate name of the shareholder	Justification

Indicate any failure to address formal requests for board representation made by shareholders with stakes equal to or exceeding that of others at whose request proprietary members were appointed. If so, explain the reasons why the request was not met:

N/A

Personal or corporate name of the shareholder	Explanation

C.1.9 Indicate whether any director has resigned from his/her position as such before the expiration of the director's term of office, whether the director has given reasons to the board and by what means, and in the event that the director gave reasons in writing, describe at least the reasons given thereby:

Name of director	Reason for withdrawal
José Luis Aya Abaurre	Passed away on 12 February 2016
José Domínguez Abascal	Submitted his resignation to the Board of Directors on 18/04/2016 for personal reasons.
Claudi Santiago Ponsa	Submitted his resignation to the Board of Directors on 25/05/2016 in light of the expected new shareholding body of the Company resulting from the restructuring process.
Javier Benjumea Llorente	Removed from office as an executive director through a resolution adopted by the Ordinary General Shareholders meeting on 30 June 2016 at the second call.
Antonio Fornieles Melero	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Joaquín Fernández de Piérola Marín	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Alicia Velarde Valiente	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
José Joaquín Abaurre Llorente	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Inayaba, S.L. (represented by Ana Abaurrea Aya)	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
José Borrell Fontelles	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Mercedes Gracia Díez	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Ricardo Hausmann	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Ricardo Martínez Rico	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.
Ignacio Solís Guardiola	Submitted his resignation to the Extraordinary General Shareholders meeting on 22 November 2016 due to the Company's restructuring process.

C.1.10 Indicate, where applicable, any powers delegated by any Chief Executive Officer:

Personal or corporate name of the director	Brief description
Gonzalo Urquijo Fernández de Araoz	General Powers that can be jointly exercised with other attorneys-in-fact of the Company

C.1.11 Identify, where applicable, any members of the board who are directors or officers of companies within the listed company's group:

Not Applicable

Personal or corporate name of the director	Corporate name of group entity	Post	Does he/she holds executive responsibilities

C.1.12 Provide details, where applicable, of company directors who also sit on the boards of other entities listed on different official stock markets to their group, of which the company is aware:

Personal or corporate name of the director	Corporate name of the listed company	Post
Gonzalo Urquijo Fernández de Araoz	Vocento, S.A.	Director
José Luis del Valle Doblado	Lar España Real Estate SOCIMI, S.A.	Chairman

C.1.13 Indicate and, if applicable, explain whether the regulations of the board have established rules regarding the maximum number of boards on which its directors may sit:

Yes

Explanation of the rules
Article 14 of the Board Regulations limits the number of boards on which company directors may sit.
"[...] Directors are obliged by virtue of their office, in particular, to:
[…]
(n) Participate actively and with dedication in the matters covered by the Board of Directors, and follow them up, gathering the necessary information. For the foregoing purposes, in order to ensure the adequate time allocation of the directors for the correct performance of their functions and without prejudice to the terms of article 16 herein below, which shall, in any event, be applicable, the directors may not simultaneously hold more positions in listed companies than those which are set out in one of the following combinations:
i. An executive position together with three non-executive positions.
ii. Five non-executive positions.
The term executive position shall be understood to mean a position for which management functions are performed
irrespective of the legal nature of the functions carried out.
The foregoing restrictions relate only to positions on the boards of directors of other listed companies, although if a director were to participate on the board of directors
of other unlisted companies and such participation were to involve a high degree of dedication, such director must immediately inform his intention and the Appointments and Remuneration Committee shall evaluate the authorisation to join such board of directors.
The executive positions or non-executive positions which are held within a single corporate group or in commercial companies in which the Company holds a shareholding of at least 10% of the share capital or of the voting rights shall be considered to constitute a single position".

C.1.14 Section deleted.

C.1.15 Indicate the overall remuneration of the board of directors:

Remuneration of the board of directors (in thousands of Euros)	2,782
Amount of remuneration for the concept of accumulated pension entitlements for current directors (in thousands of Euros)	0
Amount of remuneration for the concept of accumulated pension entitlements for former directors (in thousands of Euros)	0

C.1.16 Identify the members of the company's senior management who are not executive directors and indicate the total remuneration accruing to them during the financial year:

Name or Corporate Name	Post	Body	AD Date
Mr. Joaquín Fernández de Piérola	Managing Director	Executive Committee	From 22.11.16
Mr. Daniel Alaminos Echarri	General and Board Secretary	Executive Committee	From 22.11.16 (*)
Mr. Víctor Manuel Pastor Fernández	Finance Director	Executive Committee	From 22.11.16
Mr. David Jiménez-Blanco Carrillo de Albornoz	Director of Restructuring and Strategy	Executive Committee	From 22.11.16
Mr. Álvaro Polo Guerrero	Director of Human Resources	Executive Committee	From 22.11.16 (*)
Mr. Juan Carlos Jiménez Lora	Director of Appointments and Remunerations	Strategy Committee	Until 22.11.16
Mr. Armando Zuluaga Zilbermann	Director of Solar Business Group	Strategy Committee	Until 22.11.16
Mr. Germán Bejarano García	Director of Int. Institutional Relations.	Strategy Committee	Until 22.11.16
Mr. Antonio Vallespir de Gregorio	Director of the Bioenergía Business Unit	Strategy Committee	Until 22.11.16
Mr. Alfonso González Domínguez	Director of ICI Business Unit	Strategy Committee	Until 22.11.16
Mr. Enrique Borrajo Lovera	Director of Consolidation	Strategy Committee	Until 22.11.16

Name or Corporate Name	Post	Body	AD Date
Mr. Miguel Ángel Jiménez de Velasco Mazarío	Director of Regulations Compliance	Strategy Committee	Until 22.11.16
Mr. Jesús Ángel García-Quílez Gómez	Finance Director	Strategy Committee	Until 22.11.16
Mr. Teodoro López del Cerro	Technical General Secretary	Strategy Committee	From 23.08 Until 22.11.16
Mr. Pedro Almagro Gavilán	Director of Vertical de Agua	Strategy Committee	From 23.08 Until 22.11.16
Mr. Arturo Buenaventura Pouyfaucon	Director Abengoa Research	Strategy Committee	From 23.08 Until 22.11.16
Mr. Luis Enrique Pizarro Maqueda	Director of Internal Audits	Strategy Committee	Until 30.11.16
Mr. Enrique Aroca Moreno	Director of Simosa IT	Strategy Committee	Until 17.10.16
Ms. Ana Raquel Díaz Vázquez	Technical General Secretary	Strategy Committee	Until 31.05.16
Mr. Manuel Doblaré Castellanos	Director Abengoa Research	Strategy Committee	Until 31.05.16
Mr. Carlos Cosín Fernández	Director of Grupo de Negocio Agua	Strategy Committee	Until 06.05.16
Total Remuneration of Top Management (in thousands of Euros)			2,348 thousands of Euros

See Section H "Other Information of Interest"

C.1.17 Indicate the identity of the members of the board, if any, who are also members of the board of directors of significant shareholders and/or in entities of their group:

Not Applicable

Personal or corporate name of the director	Corporate name of significant shareholder	Post

Describe any significant relationships, other than the ones contemplated in the point above, of the members of the board of directors linking them to significant shareholders and/or companies within their group:

N/A

Name or company name of associated director	Name or company name of associated significant	Description of relationship

C.1.18 Indicate whether the regulations of the board was amended during the financial year:

Yes

Description of amendments
Pursuant to the resolution of the Board of Directors dated 30 March 2016 the Board regulations were amended to adapt their content to the Corporate Governance Recommendations included in the Good Governance Code of Listed Companies approved through a Resolution from the CNMV Board dated 18 February 2015. In particular articles 4, 6, 10, 11, 13, 14, 19, 20, 21, 23, 27 and 28 of the foregoing regulations were modified. Furthermore, at its meeting held on 13 June 2016 the Board of Directors of Abengoa unanimously agreed to amend article 30 of the Board regulations in order to complete the functions of the Investment Committee. Lastly, at its meeting held on 22 November June 2016, the Board of Directors of Abengoa unanimously agreed to amend articles 3, 14, 18, 20, 21, 27 and 28 and to revoke articles 29 and 30 of the Board regulations for the dual purpose of improving the degree of compliance with the recommendations in issues of corporate governance, as well as to adapt their content to the latest version of the by/laws resulting from the amendments approved by the shareholders general meeting held on that same day.

C.1.19 Indicate the procedures for the selection, appointment, re-election, evaluation, and removal of directors. Describe the competent bodies, the procedures to be followed, and the criteria applied in each of such procedures.

The Appointments and Remunerations Committee is the competent body for drafting, insofar as independent directors are concerned, and reporting on, in the case of all other directors, the proposal to be presented to the Board of Directors for appointment by co -opting or for subsequent submission before the General Shareholders meeting, as well as proposals for their re-election or discharge by the General Shareholders meeting, applying criteria of independence and professionalism set out in the Board regulations and the Commission regulations, and ensuring that they hold the recognised creditworthiness and suitable knowledge, prestige and professional experience to perform their duties pursuant to the provisions set out in the director selection policy.

With regards to the procedures for selecting and appointing independent directors, the Appointments and Remunerations Committee is the body in charge of selecting profiles that best represent the needs of the different stakeholders among professionals from different fields and of renowned national and international prestige. The procedure for selecting them is based on the principles of merits and capacity, promoting gender equality and rejecting all kinds of direct or indirect gender discrimination.

Thus, the Appointments and Remunerations Committee performs annual inspections to verify the sustenance of the conditions met for the appointment of a director and the nature and typology assigned to said member, and such information shall be included in the annual report on corporate governance. The Appointments Committee likewise strives to ensure that the selection procedures for filling vacancies refrain from implicit bias that may hinder the inclusion of females that fit the required profile among the potential candidates. Its functions also include reporting to the Board of Directors on appointments, re-elections, terminations and remuneration for senior management, as well as proposing to the Board the general remuneration policy and incentives for Directors and senior management, individual remuneration of Directors, the other contractual terms and conditions of each executive director and the basic contractual conditions for senior management, as well as informing the Board of Directors beforehand on all proposals to be submitted to the General Shareholders meeting for the appointment or dismissal of directors, even in cases of cooptation by the Board of Directors itself.

The performance appraisal of the Board of Directors and its Committees is overseen and organised by the Appointments and Remunerations Committee through substantiated reports filed with the Board during the meeting held in the following first quarter, after the closure of the financial year in question and after the accounting deadline and after issuance of the auditor's report or, at least, its draft, given its importance as assessment criteria. Based on the result of the assessment, the Appointments and Remunerations Committee proposes an action plan for correcting the identified shortcomings.

C.1.20 Explain the extent to which the self-evaluation of the board has given rise to significant changes in its internal organisation and regarding the procedures applicable to its activities:

There were no significant amendments made as a result of the annual evaluation of the Board.

Description of amendments
N/A

C.1.20.bis Describe the evaluation process and the areas evaluated by the board of directors, as it may be assisted by an external consultant, regarding diversity in its composition and powers, the operation and composition of its committees, the performance of the chairman of the board and chief executive officer, and the performance and contribution of each director.

On this report's preparation date the board of directors had not yet completed its annual assessment due to the special circumstances the company, and especially its administrative organ, went through in 2016. The administrative organ focused its attention mainly on negotiating the financial debt restructuring agreement which was finally agreed upon on 24 September 2016. Following the endorsement of the refinancing agreement the entire Board of Directors, including the executive board members, resigned. The current board members, out of which only one is an executive, were appointed in replacement of the preceding by the General Meeting of Shareholders held on 22 November 2016. As the governing body, they are in charge of managing the fulfilment of the terms and conditions of the effectiveness of the refinancing agreement and, in general, henceforth the exercise of the faculties of the company's management and administration. This singular situation, void of continuity in the composition of the organ, explains why the current board of directors, acting on the Appointments and Remuneration Committee's proposal, decided to engage external consultancy in the assessment of the board of directors and its committees, as well as individual board members.

The consultancy for which the external consultant would be engaged, which shall serve as reference for the current board of directors for assessing its functions in the 2016 financial year and initiatives that could improve their functions during the 2017 and subsequent financial years, shall focus, firstly, on analyzing the function of the board and its committees, and for that purpose, requesting information from all board members who may have performed duties in 2016 by obtaining responses from them through questionnaires issued to them with instructions that they must answer questions deemed especially relevant in relation to the functioning of the board; and, secondly, in assessing the participation and the individual performance of each one of the Company's board members, in light of the functions and duties that, based on the

different typologies to which they are ascribed, attributed to them by law and the internal regulations of the Company's corporate governance.

The external consultant shall be independent, and the Appointments and Remunerations Committee shall evaluate and specifically comment on said independence before it is engaged and prior to executing its duties.

The consultant's report, the Appointments and Remunerations Committee's report and the assessment that the administrative body may deduce from them shall be object of consideration and decision in a session of the board of directors prior to the holding of the 2017 ordinary general shareholders meeting

C.1.20.ter List any business relationships of the consultant or any company of its group with the company or any company of its group.

N/A

C.1.21 Indicate the circumstances under which the resignation of directors is mandatory.

In accordance with the provisions in article 13 of the Board of Directors' regulations, directors are removed from office when the term for which they were appointed comes to an end, and in all other cases deemed appropriate by law, the bylaws or the Board of Directors' regulations.

Directors are obliged to surrender their posts to the Board of Directors and to resign, if the board deems it convenient, in the following cases:

- a) If they fall within any of the grounds for incompatibility or prohibition as prescribed by the law.
- (b) If deemed severely liable by any public authority for infringing upon their obligations as directors.
- (c) If the Board itself requests it so for having infringed upon their obligations as board members.

  In the case of independent directors, the Board cannot ask them to resign prior to elapse of the statutory period for which they were appointed, unless (i) there has been a public takeover bid, a merger or other kind of similar corporate operation that involves a change to the company's share capital, and as a consequence of this there are changes required to the structure of the Board of Directors to maintain the proportionality between proprietary and non-executive directors; or (ii) that there are just grounds in the opinion of the Board following a report from the Appointments and Remuneration Committee.
- (d) When, in the case of proprietary directors, the shareholder they represent transfers all of their shareholding or reduces it to a level that requires a reduction to the number of proprietary directors, in the latter case by the corresponding proportion.
- (e) In those cases where their actions may harm the credit and reputation of the Company.

C.1.22 Section deleted.

C.1.23 Are qualified majorities, different from the statutory majorities, required to adopt any type of decision?

No

If applicable, describe the differences.

Description of the differences

C.1.24 Explain whether there are specific requirements, other than the requirements relating to directors, to be appointed chairman of the board of directors.

N/A

Description of requirements

C.1.25 Indicate whether the chair has the casting vote:

Yes

Matters in which there is a casting vote
In the event of ties.

C.1.26 Indicate whether the by-laws or the regulations of the board set forth any age limit for directors:

No

Age limit for chairperson ☐

Age limit for chief executive ☐ Age limit for director ☐

C.1.27 Indicate whether the by-laws or the regulations of the Board establish any limit on the term of office for independent directors that is different than the term provided by regulatory provisions:

No

Maximum number of terms

C.1.28 Indicate whether there are formal rules for proxy-voting at meetings of the board of directors, the manner of doing so, and especially the maximum number of proxies that a director may hold, as well as whether any restriction has been established regarding the categories of directors to whom proxies may be granted beyond the restrictions imposed by law. If so, give brief details.

Article 10 of the Board of Directors' regulations governs the delegation of voting rights in the following way:

"Members of the Board of Directors may only delegate their representation to another member of the Board. Non-executive directors may only be represented by other non-executive members of the Board of Directors. Representation of absent directors may be granted by means of written communication of any nature addressed to the Chairmanship, which is sufficiently competent to accredit the representation granted and the identity of the represented director."

C.1.29 Indicate the number of meetings that the board of directors has held during the financial year. Also indicate, where applicable, how many times the Board has met without the Chairman being present: Proxies granted with specific instructions shall be counted as attendance.

Number of meetings of the Board	32
Number of Board meetings without the Chairman attending	0

If the chair is an executive director, Indicate the number of meetings held without the presence in person or by proxy of any executive director and chaired by the lead independent director

Number of meetings	0

Indicate the number of meetings held by the different committees of the board of directors during the financial year:

Number of meetings of the executive committee	N/A
Number of meetings of the audit committee	11
Number of meetings of the appointments and remuneration committee	12
Number of meetings of the appointments committee	N/A
Number of meetings of the remuneration committee	N/A

C.1.30 Indicate the number of meetings that the board of directors has held during the financial year with the attendance of all of its members. Proxies granted with specific instructions shall be counted as attendance.

Number of meetings with the attendance of all directors	22
% of attendances of the total votes cast in the year	68.75

C.1.31 Indicate whether the annual individual accounts and the annual consolidated accounts that are submitted to the board for approval are previously certified:

No

Identify, if applicable, the person/persons that has/have certified the annual individual and consolidated accounts of the company for preparation by the board:

Name	Post
Enrique Borrajo Lovera	Consolidation Manager

C.1.32 Explain the mechanisms, if any, adopted by the board of directors to avoid any qualifications in the audit report on the annual individual and consolidated accounts prepared by the board of directors and submitted to the shareholders at the general shareholders' meeting.

The risk control system, the internal auditing services and the Audits Committee, to which the others report, are set up as frequent and regular monitoring and supervision mechanisms that prevent and, if appropriate, resolve potential situations which, if not addressed, could lead to incorrect accounting treatment. Thus, the Audits Committee receives regular information from the external auditor on the Audit Plan and on the results of its execution, and ensures that senior management acts on its recommendations.

The Board regulations and the internal regulations of the Audit Committee expressly set out in their articles 27(b) and 3.2, respectively, that the said Committee shall in all cases perform the duty of *"ensuring that the Board of Directors presents the annual accounts to the General Shareholders meeting without limitations or qualifications in the external audit report, and the chairman of the Audit Committee, together with the external auditor, must clearly explain to the shareholders the nature and scope of said limitations or qualifications, if applicable".*

C.1.33 Is the secretary of the board a director?

No

If the secretary is not a board member, complete the following table:

Name or company name of the secretary	Representative
Daniel Alaminos Echarri	N/A

C.1.34 Section deleted.

C.1.35 Indicate the mechanisms, if any, used by the company to preserve the independence of auditors, financial analysts, investment banks, and rating agencies.

Article 27 of the Board of Directors' regulations establishes that the role of the Audits Committee is to ensure the independence of the external auditor, which includes, among other matters, ensuring that the company and the auditor respect the regulations in force with regard to the provision of services other than those concerning auditing, the limits on the focus of the auditor's services, and in general, other regulations in place to ensure independence of auditors

In any case, every year, the external auditors shall issue the Audit Committee declarations of their independence from the company or companies related directly or indirectly, as well as the information on all kinds of additional services that may have been rendered by said external auditors or persons or companies associated with them pursuant to the accounts auditing regulations and the corresponding fees they may have received thereof.

At the same time, prior to issuing the accounts auditing report, the Committee shall also issue annual reports giving its opinion on the independence of the external auditor.

On the other hand, article 3.16 c.(iv) of the internal regulations of the Audits Committee orders the Audits Committee "to strive to ensure the remuneration of the external auditor for its work without compromising either its quality or independence".

With regards to financial analysts and investment banks, the company has an internal application procedure in place with three tenders for the procurement thereof. The contract is signed through a letter of appointment outlining the exact terms and conditions of the entrusted duty.

Insofar as rating agencies are concerned, at the close of 2016 financial year the Company has a rating from Moody-s and Standard and Poors. In both cases the job was formalized through their corresponding mandate letters.

C.1.36 Indicate whether the Company has changed the external auditor during the financial year. If so, identify the incoming audit firm and the outgoing auditor:

No

Outgoing auditor	Incoming auditor

If there has been any disagreement with the outgoing auditor, provide an explanation thereof:

N/A

Explanation of the disagreements

C.1.37 Indicate whether the audit firm performs other non-audit work for the company and/or its group. If so, indicate the amount of the fees paid for such work and the percentage they represent of the aggregate fees charged to the company and/or its group:

Yes

	Company	Group	Total
Fees for non-audit work (in thousands of Euros)	1.633	578	2,211
Fees for non-audit work/Total amount invoiced by the audit firm (in %)	65 %	4 %	40 %

C.1.38 Indicate whether the audit report on the annual accounts for the prior financial year has observations or qualifications. If so, indicate the reasons given by the chair of the audit committee to explain the content and scope of such observations or qualifications

No

Explanation of the reasons
N/A

C.1.39 Indicate the consecutive number of years for which the current audit firm has been auditing the annual accounts of the company and/or its group. In addition, indicate the percentage represented by such number of financial years audited by the current audit firm with respect to the total number of financial years in which the annual accounts have been audited:

	Company	Group
Number of consecutive financial years	5	5

	Company	Group
Number of years audited by the current audit firm / Number of years in which the company has been audited (%)	0.19	0.19

C.1.40 Indicate and, if so, explain whether there are procedures for directors to hire external consultancy services:

Yes

Describe the procedure
The Secretary of the Board of Directors performs the duties legally attributed. Currently, the position of secretary and legal adviser are one and the same, and this person is responsible for the valid call to meeting and the adoption of resolutions by the board of directors. In particular, the Secretary of the Board advises Board members on the legality of the deliberations and resolutions proposed and on compliance with the internal rules of corporate governance, which makes this person the guarantor of the principle of formal and material legality, which governs the actions of the Board. As the specialised body tasked with guaranteeing the formal and material legality of the Board's actions, the Secretary of the board has the full support of said board to perform his/her duties with complete independence of criterion and stability, and is also charged with safeguarding the internal regulations of corporate governance. Acting in their position or on behalf of the directors, he or she channels the external advice necessary for the proper formation of the Board. The Board of Directors has access to external, legal or technical consultants, depending on its needs, which may or may not be arbitrated through the Secretary of the Board The second paragraph of Article 19 of the Regulations of the Board of Directors sets out that: *"Through the Chairperson of the Board of Directors, Board Members shall be empowered to submit a proposal by majority to the Board of Directors to engage the services of a legal, accounting, technical, financial, commercial or any other kind of consultants deemed necessary in the interests of the Company to provide assistance in the exercise of their duties in dealing with specific problems of certain magnitude and complexity associated with the exercise of such duties".*

C.1.41 Indicate and, if so, explain whether there are procedures for directors to obtain information required to prepare for management-level meetings with sufficient time in advance:

Yes

Describe the procedure
Availability of the information before each Board meeting via an online platform that can be accessed by all of the directors. In addition, via this platform directors have access at all times to consult the internal regulations and basic legislation applicable to the role and responsibility of the Director, which offers them sufficient knowledge of the Company and its internal rules, as well as on issues that may be submitted to them for consideration.

C.1.42 Indicate and, if so, explain whether the company has regulations that require directors to inform the company and, if applicable, resign in cases in which they could damage the company's prestige and reputation:

Yes

Explain the rules
Article 13 of the Board of Directors' regulations sets out the following: *"Directors are obliged to surrender their posts to the Board of Directors and to formalise their resignation, if the board deems it convenient, in the following cases: (a) If they fall within any of the grounds for incompatibility or prohibition as prescribed by law; (b) If deemed severely liable by any public authority for infringing upon their obligations as Directors; (c) If the Board itself requests so due to a Board member having infringed upon his/her obligations as Director [...] (e) In those cases in which the actions thereof may prejudice the prestige or reputation of the Company. For the foregoing purposes, the Directors must inform the Board of Directors of any criminal actions for which they are being investigated as well as of any other legal proceedings in relation thereto. If the Director was to be finally accused of or if a court hearing was set down in relation thereto for any offence set out under commercial legislation, the Board of Directors shall examine the specific case and shall determine whether or not it is appropriate to request the director in question to resign from office".* Section (q) of Article 14 of the same Regulation also establishes the obligation of the directors *"to inform the company of all legal and administrative claims and of any other claims that, given their magnitude, may severely affect the reputation of the company. Accordingly, the directors must notify the Board of Directors of any criminal proceedings for which they are being investigated as well as any other legal proceedings in relation thereto".*

C.1.43 Indicate whether any board member has informed the company of being subject to prosecution or an indictment for any of the crimes envisaged in section 213 of the Companies Act:

No

Name of director	Criminal Case	Comments

Indicate whether the board of directors has analysed the case. If so, provide a duly substantiated explanation of the decision adopted regarding whether or not the director should remain in office or, if applicable, describe the actions taken by the board of directors up to the date of this report or that it plans to take

N/A

Decision taken / action taken	Reasoned explanation

C.1.44 Describe the significant agreements entered into by the company that go into effect, are amended, or terminate in the event of a change in control at the company as a result of a takeover bid, and effects thereof.

The Company has not implemented any significant agreements that entered into force, whether amended or expired as a specific result of a change of control in the Company deriving from a takeover bid.

Nevertheless, the company has signed agreements in which change of control clauses are set out, which are not necessarily triggered as a result of a takeover bid. For that purpose "control" is understood as the ability or power (be it by share ownership, power of attorney, contract, agency or any other way) to (i) vote for or control the vote of more than 50% of voting rights that may be exercised in the Company's general meeting; (ii) appoint or dismiss more than 50% or all members of the Company's governing body; or (iii) establish guidelines on the Company's operating and financial policies that must be complied with by administrators or equivalent staff; or ownership of more than 50% of capital in the form of common shares or any other type that, where applicable, hold voting rights. Said agreements may be terminated on the request of creditors in the event of a change of majority control.

Financial agreements that may be signed under the restructuring framework shall also include change of control clauses in the sense referred to in the preceding paragraph..

C.1.45 Identify on an aggregate basis and provide a detailed description of the agreements between the company and its management level and decision-making positions or employees that provide for indemnities, guarantee or "golden parachute" clauses upon resignation or termination without cause, or if the contractual relationship is terminated as a result of a takeover bid or other type of transaction.

In the event of the termination of the business contract of the Executive Chairman, Gonzalo Urquijo Fernández de Araoz (except if said termination is due to voluntary resignation, death or incapacity, or the non-performance of his obligations), entitles him to compensation equivalent to two years' fixed and variable salary, and one of the annual payments will be in fulfilment of a non-competition clause.

Elsewhere, senior management contracts for members of the Executive Committee (with the exception of Mr. Gonzalo Urquijo Fernández de Araoz, whose compensation is set out in the previous paragraph), Messrs Fernández de Piérola, Pastor, Jiménez-Blanco, Alaminos and Polo shall be entitled to compensation in the event of termination for an amount equivalent to one year's fixed salary plus variable remuneration, which will be two years in the case of a change of control or succession of the business. There shall be no compensation in the event the termination due to [unilateral termination or severe and culpable non-compliance of obligations by the senior director. Post-contractual non-competition commitment compensation is set as a fixed salary annuity plus variable understood as to be included in the amount of the compensation set forth above, if the need arises. In the event of voluntary termination of the contract by Abengoa, it will be necessary to give 6 months' advance notice and, if this is not fulfilled, the Company will compensate the other party by paying the amount of remuneration for the period not notified.

It should be stated that on 22 November 2016 Mr Fernandez de Piérola Marín resigned as a director, revoking all his functions and powers. On that same date, the Board of Directors appointed him CEO of the Group but agreed to (i) terminate his contract as executive director; and (ii) to sign a new contract in his capacity as CEO, a contract containing the indemnity clauses already described. In view of the above, since the relationship between the Company and Mr Fernández de Piérola has continued, no severance compensation has accrued.

Number of beneficiaries	7
Type of beneficiary	**Description of the agreement**
Executive Chairman	See previous paragraph
CEO	
General Secretary	
Finance Director	
Director of Human Resources	
Director of Strategy	
Forma Executive Chairman	

Indicate whether such agreements must be reported to and/or approved by the decision-making bodies of the company or its group:

	Board of directors	General shareholders' meeting
Body that authorises the clauses	Yes	No

	YES	NO
Is the general meeting informed of the clauses?	X	

C.2 Committees of the board of directors

C.2.1 Describe all of the committees of the board of directors, the members thereof, and the proportion of executive, proprietary, independent, and other external directors of which they are comprised:

Executive or delegated committee

Name	Post	Current
% of executive directors		
% of proprietary directors		
% of independent directors		
% of other external directors		

Explain the duties assigned to this committee, describe the procedures and rules of organisation and operation thereof, and summarise the most significant activities thereof during the year.

N/A

Indicate whether the composition of the executive committee reflects the participation of the different directors within the board based on their class:

N/A

If the answer is No, explain the makeup of your Executive Committee

Audit committee

Name	Post	Current
José Wahnon Levy	Chairman	Independent
José Luis del Valle Doblado	Member	Independent
Manuel Castro Aladro	Member	Independent

% of proprietary directors	0
% of independent directors	100
% of other external directors	0

Explain the duties assigned to this committee, describe the procedures and rules of organisation and operation thereof, and summarise the most significant activities thereof during the year.

In accordance with Articles 44 of the bylaws and 27 of the Board of Directors regulations, the Audit Committee shall be exclusively made up of External Directors appointed by the Board of Directors; most of whom must be independent directors. All of them, being members of the Committee shall appointed in light of their knowledge and experience in accounting, auditing or risks management, and at least, considering their knowledge and experience in accounting, auditing or both. The Board of Directors shall appoint the Committee Chairperson from amongst the independent board members within the committee. The post of Audit Committee Chairperson shall be held for a maximum of four years, after which he/she shall not be eligible for re-election as such for at least one year from the date of extinction, notwithstanding his/her continuation or re-election as member of the Committee.

The function of the Audits Committee is governed by the Company's bylaws, the Board of Directors regulations and the internal regulations of the Audit Committee itself.

The Audits Committee shall meet whenever necessary to carry out their duties or once every quarter, at least. The Committee shall also meet whenever convened by the Chairman, on his own initiative or at the request of any of the members, who may also suggest that the Chairman include a certain issue in the agenda of the following meeting,

The agreements established by the Audit Commission will be adopted in a fair fashion when the majority of the members present or represented in the meeting vote in favour thereof. In the event of a tie, the Chairman shall have the casting vote.

The following duties, among others, are assigned to the Audit Committee:

1. To report on the annual accounts, as well as on the quarterly and half-yearly financial statements that must be issued to the regulatory or supervisory bodies of the securities markets, with express mention of the internal control systems, verification of compliance and monitoring through internal audit and, when applicable, on the accounting criteria applied.
2. To ensure that the Board of Directors presents the accounts to the General Shareholders meeting without any limitations or qualifications in the external audit report, and the Chairman of the Audit Committee, together with the external auditor, must clearly explain to the shareholders the nature and scope of said limitations or qualifications, if applicable.
3. To inform the Board of Directors of any change in the accounting criteria, and any risks either on or off the balance sheet.
4. To inform the Board of Directors on monitoring the budget, the undertakings to increase and reduce financial borrowing, monitoring of the financial deleveraging policy and the dividend distribution policy and any amendments to these.
5. To inform the General Shareholders meeting about any matters or questions that arises on issues within its power.
6. To propose the appointment of external accounts auditors to the Board of Directors for subsequent submission before the General Shareholders meeting.
7. To supervise the internal audit services, which will functionally depend on the Committee Chairman. The Commission will have full access to internal auditing and will report on the selection, dismissal, renewal and removal process of its director, on the setting of his/her salary scale, as well as the budget for this department
8. To supervise the internal functions of control and risks management.
9. To know the process of financial information and of the systems of internal control of the Company.
10. To liaise with the external auditors in order to obtain information on any matters that could jeopardize their independence and on any other matters that may be in relation to the financial auditing process.
11. To summon the directors it deems appropriate to the meetings of the Committee to report on issues to the extent the Audit Commission deems fit.
12. To prepare an annual report on the activities of the Audit Committee and to include it in the management report.
13. Issue annual reports on operations with associated parties, which be publicly displayed on the Company's web page prior to the Ordinary Shareholders meeting
14. Supervise compliance with corporate governance regulations, the internal code of conduct on aspects of the stock market and other internal codes of conduct and the corporate social responsibility policy.

15. With respect to internal control and reporting systems:
    (a) To monitor the preparation process and the integrity of the financial reporting with regard to the Company and, where applicable, the group of which Abengoa is parent company (hereinafter, the "Group"), verifying compliance with legal requirements and the correct application of accounting criteria, and appropriately specifying the scope of consolidation.
    (b) To periodically review the internal control and risk management systems so that the main risks, including those of a tax nature, are identified, managed and properly disclosed, as well as to discuss significant shortcomings of the internal control system identified in the audit with the financial auditor.
    (c) To supervise and ensure the independence and effectiveness of the duties of internal audits, with full access thereto; to propose the selection, appointment, re-selection and dismissal of the head of internal audits; to propose the budget for said unit, and set the salary scale of its Director; to obtain the annual work plan together with incidents that may have occurred during the execution; approve the orientation and the work plans ensuring that the activity is focused mainly on the relevant risks of the Company, to obtain periodical information on said activities including a report at the end of each financial year, and information on the activities and the budget of the unit; and to ensure that senior management consider the conclusions and recommendations in its reports.
    (d) To establish and supervise a mechanism by which the staff may confidentially and, if necessary, anonymously report any irregularities, especially those of a financial or accounting nature, detected in the course of their duties, with potentially serious implications for the company.
    (e) To summon any Company employee or manager, and even order them to appear without the presence of any other senior officer.
    (f) The Audit Committee shall inform the Board, prior to the latter adopting the corresponding decisions, about the following matters:
        (i) The financial information that all listed companies must periodically disclose. The Committee must ensure that interim financial statements are drawn up under the same accounting principles as the annual statements and, to this end, may ask the external auditor to conduct a limited review.
        (ii) The creation or acquisition of shares in special purpose entities or entities resident in countries or territories considered tax havens, and any other similar transactions or operations which, due to their complexity, might impair the transparency of the Group.
        (iii) Related-party transactions
    (g) To supervise compliance with the Internal Code of Conduct in relation to the Securities Market and the Policy on the Use of Relevant Information and the rules of corporate governance

16. With regards to the external auditor
    (a) To propose the selection, appointment, re-selection and replacement of the external auditor, including the conditions of their hiring, to the Board of Directors to submit said proposal to the General Shareholders meeting for approval.
    (b) To be regularly informed by the external auditor on the progress and findings of the audit plan and to ensure that senior management follow up on its recommendations
    (c) To make sure the external auditor remains independent and, for that purpose:
        (i) The Company should notify the National Securities Market Commission of any change of auditor as a significant event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for these.
        (ii) The Committee must ensure that both Company and auditor respect the current regulations on providing services other than auditing, the limits on the focus of the auditor's services and, in general, other standards and regulations set out to ensure the independence of auditors
        In any case, every year the Committee should receive from external auditors the declaration of their independence from the Company or companies with a direct or indirect connection thereto, as well as information on additional services of any kind provided and the corresponding fees received from these companies by the external auditor or by the individuals or companies with a connection thereto in accordance with the provisions set out in legislation on financial auditing.
        (iii) If an external auditor resigns, the Commission must investigate the circumstances leading to the resignation.
        (iv) To ensure that the remuneration of the external auditor in return for its work does not compromise either its quality or independence.
    (d) To issue every year, prior to the issuance of the financial auditing report, a report stating the judgment on the independence of the financial auditor. This report should always state the value of the additional services provided and referred to in previous section (c).(ii), individually and consolidated, different to the legal audit and with regard to the independent status or to the governing auditing regulations.
    (e) To ensure that the Group's auditor is entrusted with conducting the audits for the individual group of companies
    (f) To ensure that the external auditor holds yearly meetings with the entire Board of Directors to inform them on the work done and on the progress of the accounting situation and the risks of the Company

The main interventions of the Audit Committee were as follows:

- Preparation of Abengoa's individual and consolidated accounts of its group for the 2015 financial year.

- Approval of the financial information for the second half of the 2015 financial year.
- Approval of the financial information for the intermediate periods of 2016 remitted to the CNMV
- Follow-up on the works carried out in the framework of the restructuring process.
- Approval of the feasibility plan prepared by Alvarez & Marsal as part of the restructuring process started and motivated by situation 5 bis.
- Identification and follow-up on the financial risks of the Company in light of the preparation of the 2016 Financial Statement.
- Approval of the verification Works undertaken by the external auditor
- Monitoring of accounting impacts derived from the restructuring agreement.

Identify the director of the audit commission who has been appointed in light of his/her knowledge and experience in accounting, auditing or both, and indicate the number of years that the Chairman of this committee has been carrying out the role.

Name of director with experience	José Wahnon Levy
Number of years in chairman role	0

Appointments and remuneration committee

Name	Post	Current
Pilar Cavero Mestre	Chairwoman	Independent
Javier Targhetta Roza	Member	Independent
Ramón Sotomayor Jáuregui	Member	Independent

% of proprietary directors	0
% of independent directors	100
% of other external directors	0

Explain the duties assigned to this committee, describe the procedures and rules of organisation and operation thereof, and summarise its most significant activities during the year.

This Committee shall comprise at least three directors, designated by the Board of Directors, at the Committee's proposal. All members of the Committee shall be non-executive directors, at least two of whom must be independent directors.

Pursuant to Articles 44 bis of the bylaws and 28 of the Board of Directors regulation, the Audits Committee shall exclusively compose of external directors appointed by the Board of Directors, the majority of whom shall be independent board members, making sure of their knowledge, aptitudes and the sufficient experience for the duties they may be entrusted. The Board of Directors shall appoint the chairperson of the Committee from amongst the independent board members in the committee.

The duties of the Appointments and Remunerations Committee shall be governed by the Company's bylaws, the Board of Directors regulations and the internal regulations of the Committee itself.

The Appointments and Remuneration Committee shall meet whenever necessary to carry out its duties, and at least once every six months. The Committee shall also meet whenever convened by the Chairman, on his own initiative or at the request of any of the members, who may also suggest that the Chairman include a certain issue in the agenda of the following meeting,

The agreements established by the Committee shall be valid when the majority of members present or represented in the meeting vote in favour thereof. In the event of a tie, the Chairman shall have the casting vote.

Its duties include the following:

1. To present proposals before the Board of Directors to appoint independent directors by co-opting or for submission for approval before the General Shareholders meeting, as well as proposals for their re-election or discharge by the General Shareholders Meeting.
2. To present proposals to appoint all other Directors by co-opting or for submission for approval before the General Shareholders Meeting, as well as proposals for their re-election or discharge by the General Shareholders Meeting.
3. To prepare an annual report on the activities of the Appointments and Remuneration Committee, to be included in the management report.
4. To assess the competencies, knowledge and experience required on the Board, define the aptitudes and capabilities required of the candidates to fill each vacancy and assesses the time and dedication required for them to properly perform their duties.

5. To examine and organise the succession of the Chairman of the Board of Directors and the Chief Executive of the Company and, where necessary, make proposals to the Board of Directors to ensure the planned and orderly fashion of said succession.
6. To report on the proposed appointments and dismissals of top executives when the highest executive proposes it to the Board of Directors and on the basic terms and conditions of their contracts.
7. To report issues of gender diversity to the Board. To establish a representation target for the least represented sex on the Board of Directors of the Company and to draft guidelines on how to achieve this target.
8. Propose the following to the Board of Directors:
   (i) The remuneration policy for directors, general directors or those with executive responsibilities reporting directly to the Board, and for executive committees or Chief Executives, for approval by the Company's General Shareholders meeting, and to periodically revise said policy and to ensure that the individual remuneration for each of them is proportional to what is paid to the other board members and managing directors of the Company.
   (ii) The individual remuneration of directors and the other contractual conditions of each executive director.
   (iii) The basic conditions of the contracts for senior management.
9. Ensure adherence to the remuneration policy of directors approved by the Company's General Shareholders Meeting.
10. Check with the Chairman or CEO of the Company, in particular when these are issues associated to Executive directors or senior management.
11. Organise, oversee and report on the annual performance appraisal of the Board of Directors and its committees and propose, based on the result of the appraisal, a plan of action to correct the identified shortcomings.
12. Analyse requests formulated by any director to take into consideration potential candidates to cover board vacancies.
13. Monitor and ensure the independence of the external consultant who, every three years, will assist the Board in its annual performance evaluation.
14. In those cases where this Committee obtains external advice to ensure that any conflicts of interest does not impair its independence.
15. Verify compliance with the director selection policy and report the findings to the Board of Directors.
16. Verify the information on director and senior officers' pay contained in corporate documents, including the annual directors' remuneration report.
17. Verify that the annual corporate governance report (i) provides an explanation on why proprietary directors appointed at the request of shareholders whose shareholding interest is less than 3 % of the capital, and (ii) sets out the reasons why, if appropriate, formal requests were rejected for a presence on the board from shareholders whose shareholding interest is equal to or higher than those whose request the proprietary directors were designated.

In 2016, the main interventions of the Appointments and Remunerations Committee were as follows:

- Proposal of the basic terms and conditions of contracts for top executives
- Approval of the remunerations policy for the company's top executives.
- Report on the termination of Mr. José Domínguez Abascal, the Executive Chairman.
- Favourable report on the proposal to appoint Mr. Antonio Fornieles Melero as Executive Chairman and Board of Directors Chairman
- Favourable report on the proposal to appoint Mr. Joaquín Fernández de Piérola Marín as Chief Executive Officer.
- Favourable report on the appointment of Inayaba S.L., represented by Ms. Ana Abaurrea Aya, as independent director in replacement of Mr. José Luis Aya Abaurre
- Favourable report on the proposal to appoint Ms. Alicia Velarde Valiente as Second Vice-Chairlady of the Board of Directors.
- Favourable report on the proposal to appoint Mr. Joaquín Fernández de Piérola Marín as First Vice-Chairman of the Board of Directors.
- Proposal on the business agreements of the Executive Chairman Mr. Antonio Fornieles Melero and of the CEO Mr. Joaquín Fernández de Piérola Marín.
- Favourable report on the Annual Report on Board members Remunerations.
- Approval of the Annual Report of the Appointments and Remunerations Committee
- Submission of the results of the annual assessment of the performance of the Board of Directors and its Committees to the Board of Directors for approval
- Favourable report on the Policy for the Selection of Board of Directors.
- Propose the Second Vice-Chairlady and Coordinating Board member's remuneration to the Board of Directors
- Propose the re-selection of Mr. Martínez Rico as independent board member of the Board of Directors, to the Board of Directors
- Propose the re-selection of Ms. Velarde Valiente as independent board member of the Board of Directors, to the Board of Directors
- Favourable report on the proposal of the Board of Directors' decision on proposing to the General Shareholders meeting to ratify the appointment of Messrs. Joaquín Fernández de Piérola Marín and Inayaba S.L. represented by Ms. Ana Abaurrea Aya.
- Proposal for the appointment of Messrs. Manuel Castro Aladro, José Luis del Valle Doblado, José Wahnon Levy, Ramón Sotomayor Jauregui, Javier Targhetta Roza,
- Gonzalo Urquijo Fernández de Araoz and Pilar Cavero Mestre as new board members
- Proposal to the Board of Directors with regard to Contracts of executive directors and senior officers.
- Reports to the Board on the appointment of Senior Officers.
- Proposal to the Board of Directors on remuneration of new directors until the next General Meeting.

C.2.2 Complete the following table with information regarding the number of female directors comprising the committees of the board of directors for the last four financial years:

	Number of female directors:			
	Financial year 2016 Number %	Financial year 2015 Number %	Financial year 2014 Number %	Financial year 2013 Number %
Executive committee	N/A	N/A	N/A	N/A
Audit committee	0 (0)	2 (50)	2 (66.66)	2 (40)
Appointments and remuneration commission	1 (25)	2 (50)	2 (66.66)	2 (40)
Appointments committee	N/A	N/A	N/A	N/A
Remunerations committee	N/A	N/A	N/A	N/A

C.2.3 Section deleted.

C.2.4 Section deleted.

C.2.5 Indicate, if applicable, the existence of regulations of the board committees, where such regulations may be consulted, and the amendments made during the financial year. Also indicate if any annual report of the activities performed by each committee has been voluntarily prepared.

Both the Audits Committee and Appointments and Remunerations Committee have their own internal operating regulations available on the Company's website.

The last amendment to both texts during the financial year took place on 30 March 2016 for the purpose of reflecting the same amendments previously operated in the Board Regulations to adapt its content to the recommendations of the Good Governance Code of Listed Companies approved through the Resolution of the Board of the CNMV on 18 February 2015.

These Committees prepare their own annual report on activities. The reports prepared for the 2015 financial year were made available to shareholders together with the call for the Ordinary General Shareholders Meeting held on 30th June 2016. In addition, that of the Audits Committee was published as part of the annual report for the 2015 financial year.

C.2.6 Section deleted.

D. Related-party transactions and intragroup transactions

D.1 Explain any procedures for approving related-party and intra-group transactions.

Procedure for reporting the approval of related-party transactions
The procedure for the approval of operations with associated parties is outlined in Articles 44 and 44 bis of the bylaws, and 4 and 27 of the Board of Directors regulations.
Before the Board of Directors takes the relevant decisions, the audit committee must inform said Board of the transactions with related parties.
Upon prior receipt of the Audit Committee report, the Board of Directors is required to approve the transactions carried out between the Company or companies in its group with directors, or with shareholders, individually or in partnership with others, involving a share legally considered as significant, including shareholders represented on the Company's Board of Directors or the Board of Directors of other companies belonging to the same group or with related parties.
The affected directors or those representing or connected to affected shareholders should abstain from the deliberation and voting process of the agreement in question. Only transactions that simultaneously meet the following three characteristics shall be exempt from this approval:
(i) (i) They are governed by standardised agreements applied on across-the board bases to a high number of clients;
(ii) they go through at prices or rates generally set by the person supplying the goods or services; and
(iii) their amounts do not exceed 1% of the company's annual revenue.
Only in duly justified emergency situations may decisions on previous matters be adopted by the delegates or individuals. Such decisions shall be ratified in the first Board meeting that is held following the adoption thereof
The Audits Committee shall prepare an annual report on the operations with associated parties, which shall be made public through the Company's web page prior to the Ordinary General Shareholders Meeting.

D.2 Describe those transactions that are significant due to the amount or subject matter thereof between the company or entities of its group and the company's significant shareholders:

Name or corporate name of significant shareholder	Name or corporate name of the company or entity of the group	Nature of the relationship	Type of transaction	Amount (thousands of Euros)
N/A	N/A	N/A	N/A	N/A

D.3 Describe those transactions that are significant due to the amount or subject matter thereof between the company or entities of its group and the company's directors or officers:

Name or corporate name of the directors or executives	Name or corporate name of the related party	Connection	Nature of the transaction	Amount (thousands of Euros)
Javier Benjumea Llorente	Blanca de Porres Guardiola	Spouse of Felipe Benjumea Llorente, brother of Javier Benjumea Llorente	Technical consultancy contract for the optimisation of CPA catering services between the company of the Simosa Group and Blanca de Porres Guardiola, contract that ended in 2016 but not renewed	95
Ricardo Martínez Rico	Equipo Económico, S.L.	Chairman of Equipo Económico, S.L.	Integral and strategic consultancy service agreement signed between Equipo Económico, S.L., Abengoa S.A., Abengoa Concessions, S.L. and Abeinsa Ingeniería y Construcción Industrial, S.A.	90
Felipe Benjumea Llorente	Felipe Benjumea Llorente	Former Executive Chairman and brother of an Executive Director	Consultancy agreement signed on 23 September 2015 between Felipe Benjumea Llorente and Abengoa, S.A. valid until 31 December 2016.	1,086 During the 2016 financial year, there were no amounts invoiced pursuant to this agreement.

See Section H "Other Information of Interest"

D.4 Report the significant transactions made by the company with other entities belonging to the same group, provided they are not eliminated in the preparation of the consolidated accounts and they are not part of the ordinary course of business of the company as to their purpose and conditions.

In any case, report any intra-group transaction with entities established in countries or territories considered to be tax havens:

Corporate name of entity of group	Brief description of the transaction	Amount (thousands of Euros)

D.5 Indicate the amount of transactions with other related parties.

Corporate name of entity of group	Brief description of the transaction	Amount (thousands of Euros)
EIG Global Energy Partners	Abengoa waives all rights it have over its investment in APW-1, with regards to its shares and credits it may hold with it,	375 millions of Euros
Atlantica Yield	The Company's recognition of a liability as a result of the impossibility of the preferred shares to comply with the terms and conditions in certain transmission lines in Brazil (ACBH) signed in 2014 financial year.	95 millions of Euros
Rioglass Solar	Conversion of convertible loan, entered into at close of 2015 financial year with the minority partner, Rioglass Laminar, by virtue of which it was given control of said company.	82 millions of Euros

D.6 Describe the mechanisms used to detect, determine, and resolve potential conflicts of interest between the company and/or its group, and its directors, officers, or significant shareholders.

In accordance with the provisions of the Board of Directors' Regulations, Directors are obliged to inform the Board of any situation of potential conflict in advance, and to abstain until the conflict is resolved.

D.7 Is more than one company of the group listed in Spain?

No

Identify the subsidiary companies that are listed in Spain:

Not Applicable

Listed subsidiary companies

Indicate whether they have publicly and accurately defined their respective areas of activity and any possible business relationships among them, as well as those between the listed dependent company and the other companies within the group:

Not Applicable

Describe the possible business relationships between the parent company and the listed subsidiary, and between the subsidiary and the other companies within the group:
See Section H "Other Information of Interest"

Identify the mechanisms established to resolve possible conflicts of interest between the listed subsidiary and the other companies within the group:

Not Applicable

Mechanisms for the resolution of possible conflicts of interest

E. Risk control and management systems

E.1 Explain the scope of the company's Risk Management System, including the system for managing tax risks.

Abengoa's Risk Management System is a global and dynamic system. The scope of action of this system covers the entire organization and its whereabouts on a more permanent basis, and compliance with it is compulsory for all the company's employees, managers and directors. It works comprehensively and continuously, consolidating this management according to the area, business unit or activity, subsidiaries, geographical areas and support areas at corporate level.

Abengoa's risk management system is designed to mitigate all the risks to which the company may be exposed as a result of its activities. The structure of Abengoa's risk management is based on three pillars:

- The common management systems specifically designed to mitigate business risks.
- Internal control procedures aimed at mitigating risks derived from the elaboration of the financial report and at improving the reliability of such report, designed in accordance with the SOX Act (Sarbanes-Oxley Act).
- The universal risk model which is the methodology that Abengoa uses to identify, understand and assess the risks that affect the company. The purpose is to obtain an integral vision of them, designing an efficient system of response that is in line with the business objectives.

These elements form an integrated system that allows for appropriate management of the risks and their mitigating controls at all the levels of the organisation.

The internal auditing unit is in charge of ensuring compliance with and the proper functioning of these systems.

See section H "Other Information of Interest" at the end of the report

E.2 Identify the decision-making bodies of the company responsible for preparing and implementing the Risk Management System, including the system for managing tax risks.

The determination of the risk control and management policy, including tax risks and the supervision of internal reporting and control systems, is a faculty of the Board of Directors of Abengoa that cannot be delegated, in compliance with the provisions set out in the Spanish Companies Act.

The duty of elaborating and executing the Risks Management System is basically exercised by the Audits Committee, specifically through the internal auditor and the risks manager.

The risks manager is in charge of analysing projects and businesses in aspects regarding the identification and quantification of risks of any nature.

Meanwhile, the internal audit department is in charge of supervising and ensuring the correct functioning of the Risks Management System.

E.3 Point out the principal risks, including tax risks, that could affect the achievement of business goals.

In the process of identifying, understanding and assessing the risks affecting the company, the following risks factors have been considered:

General risks

- Abengoa operates in a sector of activity especially associated to the economic cycle.
- Risks derived from depending on regulations in support of activities relating to renewable energy, bioethanol production and also research-and-development-related activities
- Solar power generation.
- Biofuel consumption.
- Risks derived from the sensitivity entailed in the supply of raw materials for biofuel production and the volatility of the price of the end product.
- Risks derived from delays and cost overruns in activities of an engineering and construction nature due to the technical difficulties of the projects and the lengthy duration of their execution.

- Risks associated to the activities of concession-type infrastructural projects operating under regulated tariffs or extremely long-term licence agreements.
- Income derived from long-term agreements: risks derived from the existence of clauses and/or renewal of licence agreements processed by Abengoa, termination of pending engineering and construction projects and non-renewals of biofuel distribution agreements.
- The variations in the cost of energy may have a negative impact on the company results.
- Risks derived from the development, construction and exploitation of new projects.
- Abengoa's activities may be negatively affected in the event that public support for such activities diminishes.
- Construction projects regarding the engineering and construction activities and the facilities of concession-type infrastructural and industrial production activities are dangerous places of work.
- Risks derived from joining forces with third parties for the execution of certain projects.

Specific risks for Abengoa

- Risks derived from the shareholders' equity situation.
- Risk associated with the possibility that Abengoa requests an arrangement with creditors in the event that the Company does not completely financial restructuring.
- Risks related to the ability to comply with the feasibility plan.
- Risks related to the liquidity needs of Abengoa in the short- and medium-term.
- Risks related to the impossibility of completing the divestiture plan.
- Risks relating to the sale of the stake or the loss of control of Atlantica Yield.
- Abengoa operates with high levels of borrowing.
- Risks arising from the need to generate positive cash flows.
- Risks derived from the demand for capital intensive investments in fixed assets (CAPEX), which increases the need for external finance for the execution of pending projects.
- Risks arising from Abengoa's dividend policy.
- The company has a controlling shareholder.
- The results of the engineering and construction activity depend significantly on the growth of the company in the concession-type infrastructural and industrial production activities.
- Fluctuations in interest rates and their hedging may affect the results of the company.
- Fluctuations in the currency exchange rates and their hedging may affect the results of the company.
- Risk of litigation and other legal proceedings.

Risks derived from internationalisation and from country risks

- Abengoa's activities fall under multiple jurisdictions with various degrees of legal demands requiring the company to undertake significant efforts to ensure its compliance with them.
- Insurance coverage underwritten by Abengoa may be insufficient to cover the risks entailed in the projects, and the costs of the insurance premiums may rise.
- The activities of the company may be negatively affected by natural catastrophes, extreme climate conditions, unexpected geological conditions or other physical kinds of conditions, as well as by terrorist acts perpetrated in some of its locations.

E.4 Identify whether the entity has a risk tolerance level, including one for tax risk.

Abengoa has a risk tolerance level established at corporate level.

The universal risks model is a tool used for identifying and evaluating all risks affecting Abengoa. All the risks contemplated therein are evaluated considering probability and impact indicators.

Based on such parameters, the risks are classified as follows:

- Minor risks: risks that occur frequently but bear little economic impact. These risks are managed to reduce their frequency only if managing them is economically viable.
- Tolerable risks: risks that occur infrequently and bear little economic impact. These risks are monitored to ensure that they remain tolerable.
- Severe risks: frequent risks that bear extremely high impact. These risks are managed immediately although, due to the risk management processes implemented by Abengoa, it is unlikely that Abengoa needs to tackle these types of risks.
- Critical risks: risks that occur infrequently but bear extremely high economic impact. These risks have a contingency plan because, when they arise, their impact is extremely high.

E.5 Indicate what risks, including tax risks, have materialised during the financial year.

Abengoa endured certain risks during the 2016 financial year, the most significant of which are described below.

Abengoa's activities are mainly centred in the fields of energy and the environment. These activities unfold in a continuously changing environment, with regulations, subsidies or tax incentives that can suffer changes or that can even be legally challenged. Passed financial years have witnessed various regulatory modifications in jurisdictions within which Abengoa operates (mainly in the United States and Brazil) in connection, mainly, with activities having to do renewable energy generation and with biofuel production. Such regulatory modifications have severely affected the profitability of current and future projects of Abengoa, in the conditions in which it competes with non-conventional forms of renewable and other types of energy, and in its capacity to complete some ongoing projects.

Thus, given the financial difficulties that the Company went through in the second half of 2015 as a result of, inter alia, limited access to capital markets, in September 2015 the Company initiated a process of negotiation with its creditors to reach an agreement that would guarantee its financial feasibility. For these purposes, and to ensure stability in the period of negotiations, the Company submitted the communication provided for in Article 5 bis of the Bankruptcy Act on 25 November 2015 to the Commercial Court of Seville. The deadline for reaching an agreement with the creditor banks concluded on 28 March 2016, the date on which the Company filed a standstill agreement with the Commercial Courts of Seville, for judicial approval and endorsement. The aim was to provide the time necessary for reaching a full and complete agreement for the restructuring of its financial debt and the recapitalisation of the Group. This standstill agreement, which granted a delay in meeting financial obligations until 28 October 2016, was judicially approved on 6 April 2016 and its effects extended to dissident creditors.

On 24 September 2016, within the period granted by virtue the standstill agreement, the Company, several companies of the Group and a group of financial creditors signed and notarized the restructuring contract in a deed that was executed by the Notary Public of Madrid, José Miguel García Lombardía. Among other issues, this agreement regulated the terms and conditions of the restructuring of the financial debt of the Group and certain financial institutions undertook to provide new funding. This restructuring agreement was made available to financial creditors and, after the initial period of adhesions, it received support from 86% of financial creditors to whom it was addressed. On 28 October 2016, a group of financial creditors asked the Commercial Courts of Seville for judicial approval of the agreement, an approval that was granted on 8 November 2016, extending the effects of the agreement to dissident creditors.

In accordance with the provisions of the restructuring agreement, the closing of the deal and the entry of new financing were subject to compliance with a number of conditions precedent. The deadline for compliance with these conditions and closure of the deal is 28 February 2017, although said date has been extended to 22 March 2017

The agreement was challenged by a number of financial creditors and as at the date of issuance of this report said challenges have not yet been resolved.

E.6 Explain the plans for responding to and supervising the entity's main risks, including tax risks.

There is a specific action plan in place for each of the risks identified, which could encompass various departments of the company.

Committees are in charge of the executive supervision of the company's main risks, with the most relevant in 2016 being:

- Follow-up Committee.
- Management Committee.
- Business Unit Committee

*The new Board of Directors, appointed at the Extraordinary General meeting on 22nd November 2016, approved a corporate structure of the company which shall be set up two Committees: an Executive Committee and a Management Committee.

F. Internal risk control and management systems in connection with the process of issuing financial information (ICFRS)

Describe the mechanisms making up the risk control and management systems with respect to the process of issuing the entity's financial information (ICFRS).

F.1 Control environment at the entity

Indicate at least the following, specifying the main features thereof:

F.1.1. What bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective internal control over financial reporting system (ICFRS); (ii) its implementation; and (iii) its oversight.

The System of Internal Control over Financial Reporting, (hereinafter, SICFR), is part of Abengoa's general system of internal control and is set up as a system prepared to provide reasonable assurance of the reliability of the published financial report. The body in charge of it, pursuant to the Regulations of Abengoa's Board of Directors, is the Board of Directors and, within it, the duty of supervision is conferred on the Audits Committee in accordance with its own regulations.

Thus, the Board of Directors is in charge of setting up and maintaining a compulsory Audit Committee as inferred from Article 27 of the Board Regulations.

According to the foregoing Article, the functions entrusted by the Board of Directors to the Audit Commission, with regard to the SICFR, entail: "Monitoring the preparation process and the integrity of the financial report concerning the Company and, where applicable, the group of which Abengoa is parent company (hereinafter, the "Group"), verifying compliance with legal requirements and the correct application of accounting criteria, and appropriately specifying the scope of consolidation".

Additionally, and in accordance with the same Article, included among the functions of the Board and, by delegation, the Audit Committee, is that which entails "Periodically revising the internal control and risk management system so that the main risks, including those of a fiscal nature, are identified, managed, and properly disclosed, as well as discussing significant shortcomings of the internal control system identified in the audit with the financial auditor".

F.1.2 Whether any of the following are in place, particularly as regards the financial information preparation process:

Departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) clearly defining the lines of responsibility and authority, with an appropriate distribution of work and duties; and (iii) ensuring that there are sufficient procedures for the proper dissemination thereof at the entity.

As stipulated by the Board of Directors' Regulations, it is in charge of:

- Defining the structure of the Group of companies;
- At the proposal of the company's chief executive, the appointment and possible dismissal of senior executives, as well as establishing the basic conditions of their contracts, including their remuneration and, where applicable, their compensation clauses.
- The core components of its mission should be to approve the company's strategy and the organization required for its execution, and to ensure that management attains the objectives while pursuing the company's interests and corporate purpose.
- Through the relevant departments, strive for the correct and integral announcement of the relevant information regarding the company including but not limited to that related to the call for the General Shareholders Meeting, its agenda and contents of the proposed agreements, relevant facts, agreements adopted by the last general meeting held, the internal regulations of corporate governance and the Annual Report. The means of communication will be the most adequate for ensuring that unrestricted announcements are made and in a timely manner, including the Company's webpage.

Code of conduct, body of approval, degree of publication and instruction, principles and values including (indicating whether there is specific mention of the recording of transactions and the elaboration of the financial report), body in charge of analysing breaches and of proposing the corrective actions and sanctions.

Abengoa has a code of ethics and professional conduct approved by the Board of Directors. It is published on the Intranet in both Spanish and English, and it outlines the ethical and responsible behaviour that must be assumed in the execution of company activities and in managing the businesses, by the management team and all the professionals of Abengoa and its subsidiaries. Abengoa runs a continuous on-the job training programme in which Code of Conduct courses are given. It is compulsory for all employees to attend these courses and to show proof by signing attendance sheets; meanwhile the company ensures that all Abengoa employees have received and understood said information.

In 2016 a total of 260,441 training hours were given throughout the Group, with the attendance of 9,132 employees.

Abengoa's code of conduct:

- The highest standards of honesty and ethical behaviour, including appropriate and ethical procedures for dealing with actual or possible conflicts of interests between professional and personal relationships.
- The most complete, just, precise, timely and intelligible communication in all periodic reports that Abengoa must submit to the bodies of Administration or in all reports that may be made.
- Compliance with the applicable laws, standards, rules and regulations.
- The tackling of actual or possible conflicts of interests and providing guidance to ensure that employees, managers and directors report such conflicts to Abengoa.
- The interruption of the poor use or poor application of Abengoa's properties and business opportunities.
- The maximum level of confidentiality and fair treatment in and outside Abengoa
- The immediate internal reporting of any breach of said Code of Conduct and the appropriate reporting of all illegal behaviour.

All information made public and all media releases deemed to be affecting Abengoa must first be approved by the Board of Directors or by the Board Chairman, or any executive who may already have been entrusted with performing such duty.

Its appropriate follow-up is a source of profitability and security in the execution of the activities of Abengoa. These regulations ensure the veracity and reliability of the financial report.

The Board of Directors and, by virtue thereof, its Chairman, the established committees, executive committees or, in turn, Managers entrusted therewith, are tasked with the classification of breaches of the Common Management Systems.

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Whistleblowing channel, which enables reporting of irregularities of financial and accounting nature to the audit committee, in addition to possible breaches of the code of conduct and irregular activities in the organisation. The reports may be filed confidentially.

An important aspect of responsibility and transparency is to provide a mechanism by which any interested party may safely and confidentially report irregularities, unethical or illegal conduct that, in his/her opinion, occur in the execution of the Company's activities.

In this manner and following the guidelines provided in section 301 of the Sarbanes-Oxley Act, the Audits Committee decided to establish specific procedures for:

- The reception, safeguard and processing of complaints or reports that the company may receive in relation to the accounting, internal monitoring of the accounting or auditing matters.
- Employees of the company to be able to confidentially or anonymously send information in good faith on dubious or arguable policies of accounting and auditing.
  In this sense, Abengoa has a twin mechanism for receiving complaints or reports.
- An internal channel, which is available to all employees, so that they can notify any alleged irregularity in accounting or audits or breaches of the code of conduct. The communication channel is by e-mail or ordinary mail.
- An external channel, available to anyone outside the company, so that they can notify any alleged irregularities, fraudulent actions or breaches of Abengoa's code of conduct through the website (www.abengoa.com).

Abengoa and its various business groups have been operating a whistleblower channel since 2007. Pursuant to the requirements of the Sarbanes-Oxley Act, whereby interested parties may report possible irregularities on accounting, auditing or internal controls over financial reporting, to the Audit Committee. A record is kept of all communications received in relation to the whistleblower, subject to the necessary guarantees of confidentiality, integrity and availability of the information.

Training programmes and regular updates for personnel involved in the preparation and review of the financial report, as well as in the evaluation of the System of Internal Control over Financial Reporting, which should at least cover accounting regulations, auditing, internal risks monitoring and management.

The Human Resources Management works together with the Economic-Financial Management to impart regular training, both internally and externally, to personnel involved in the preparation of the Financial Statements of the Group.

The training programmes are fundamentally focused on the correct knowledge and update on the International Financial Reporting Standards (IFRS) and on the laws and other rules and regulations on the Internal Control over Financial Reporting (Common Management Systems).

Both the Internal Audits Management and the Global Risks Management keep themselves informed and up-to-date on the latest on Risks management and Internal Control, especially on Financial Reporting.

During the 2016 financial year, the Departments related to the preparation, review and reporting of financial information received various publications of updates to the accounting and financial standards, internal control and tax, including courses by external experts in relation to the update of accounting standards.

F.2 Financial reporting risk assessment

Indicate at least the following:

F.2.1 What are the main features of the risk identification process, including the process of identifying the risks of error or fraud, with respect to:

Whether the process exists and is documented.

Abengoa has introduced a process for identifying and evaluating risks: the Universal Risks Model (URM) which is updated on a regular basis. This model numbers the risks identified by the organisation, classified into categories and sub-categories, assigns indicators to each to enable them to measure their probability and impact and to define the degree to which they may be tolerated.

And finally, the types of risks related to the accounting and submission of the financial report, the management of debt and equity financing, planning and budgeting and the tax strategy of transactions:

Whether the process covers all the objectives of financial information (existence and occurrence; completeness; assessment; presentation, breakdown and comparability, and rights and obligations), whether it is updated, and how often.

The URM is designed to cover all risks identified. Among them there is a group that has to do with the preparation and submission of the financial report, accounting records, the management of debt and equity financing, planning and budgeting and the tax strategy of transactions:

Identified risks are covered and mitigated by Abengoa's internal monitoring system. All risks previously linked with the process by which the financial information is prepared are under control in such a way that it may be guaranteed that the financial reporting appropriately adheres to the requirements of existence, occurrence, integrity, evaluation, presentation, breakdown and comparability.

The existence of a process for the identification of the scope of consolidation, taking into account, among other matters, the possible existence of complex corporate structures, holding entities, or special purpose entities.

The consolidation perimeter of Abengoa is subject to revisions during each quarterly closing. The Consolidation department is in charge of analysing companies that enter and those that exit said perimeter. Both the creation and acquisition of companies, as well as their sale or dissolution, are subject to internal authorisation processes that permit the clear identification of all entries and exits to and from the consolidation perimeter.

Whether the process takes into account the effects of other types of risks (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.

As already mentioned, the URM is the methodology to identify, understand and assess the risks that may affect Abengoa. The purpose is to obtain an integral vision of these risks, designing an efficient system of response that is in line with the Company's business objectives.

It is made up of 56 risks belonging to 20 categories. These are grouped into 4 large areas (financial risks, strategic risks, regulatory risks and operational risks).

All the risks of the model are evaluated based on two criteria:

- Occurrence probability: Degree of frequency at which to be sure that a specific cause will expose Abengoa to an event with negative impact.
- Impact on the Company: Set of negative effects on the strategic goals and objectives of Abengoa

Which corporate governance body supervises the process?

The financial reporting process is the ultimate responsibility of the Board of Directors. In accordance with the Board of Directors' Regulations, the integrity and exactitude of the financial reporting presented to the Board of Directors for approval must first be certified by the Chairman of the company's Board of Directors and by the Director of the Department of Corporate Consolidation and Audits.

Likewise, as set out in section F.5 of this document, the Board of Directors entrusts the Audits Committee with the duties of supervising the system of internal control and monitoring which ensures that the preparation of the financial information strictly follows the required standards.

F.3 Control activities

Indicate whether at least the following are in place and describe their main features:

F.3.1 Procedures for reviewing and authorising the financial reporting and the description of the System of Internal Control over Financial Reporting to be published in the stock markets, indicating those in charge, as well as the documents describing the cash flows of activities and controls (even in connection with fraud risks) of the various types of transactions that could substantially affect the financial statements, including the accounting closure proceedings and the specific review of the opinions, estimates, assessments and relevant projections.

In accordance with the Board of Directors' Regulations, the integrity and exactitude of the Annual Accounts presented to the Board of Directors for approval must first be certified by the Chairman of the company's Board of Directors and by the Director of the Department of Corporate Consolidation and Audits.

Once the Board of Directors receives the corresponding reports and after the necessary clarifications, it shall clearly and precisely, in terms that aid comprehension of its content, prepare the annual accounts, the directors' report and the resolution on the application of the company's profit/loss outcome, as well as the consolidated annual accounts and directors' report, and the financial reports which the company must regularly publish, due to being a listed company, ensuring that these documents depict the true state of the asset, the financial situation and the profit and loss outcome of the Company, in accordance with the stipulations of applicable law.

Before signing the annual accounts required by law, the directors shall keep a record of all the reservations they deem relevant. Otherwise, it will be understood that they had all the necessary information available to approve this preparation of the annual accounts.

The directors must sign statements of responsibility on the content of the annual financial report and, in turn, on any intermediate financial reports which the company must regularly publish due to being listed.

Thus, the board of directors will decide on and take as many actions and measures deemed necessary to ensure the Company's transparency on financial markets, promoting correct formation of prices of the Company's shares, supervising financial-related information regularly made public and performing as many duties as may be required due to the company's status as a listed company.

The process or structure effectively followed in certifying the financial reporting, done on a quarterly basis, reflects the manner in which the financial report is generated at Abengoa.

In this structure, the information to be reported is prepared by company heads, then reviewed by heads of the respective Vertical Business Units and by the respective Corporate area heads who certify both the reliability of the financial report on the area under their charge - which is what they submit for consolidation at group level- as well as the effectiveness of the internal control system set up to reasonably ensure this reliability. Finally, the Company's chief executive and the directors of Internal Audits and Corporate Consolidation certify the reliability of the consolidated accounts to the Board of Directors in the quarterly Audit Committee. With the support of the management team in Internal Audits, this Commission supervises the entire certification process, and then submits its conclusions from said analysis to the Board of Directors in the sessions when the accounts will be officially prepared. The information will then be published at the National Securities Market Commission (CNMV) once submitted to the Commission.

The legal consultancy department holds regular committee meetings with the different legal consultants of the various subsidiaries of Abengoa to be informed of the legal situations of ongoing litigations and later report to the Chairman's office where subsequent discussions are held during the Board of Directors meetings on the situations posing the most significant conflicts.

F.3.2 Policies and procedures of internal control of information systems (especially on safety and security of access, monitoring of changes, operating these, operational continuity and separation of duties) that back the entity's relevant processes with regards to the drafting and publication of the financial reporting.

Among the controls considered for the mitigation or management of the risks of error in financial reporting are those related to the most relevant computer applications, like controls relating to user access permissions or to the integrity of information transfer between applications.

In addition, Abengoa follows guidelines or standards and procedures of internal control over information systems in relation to acquiring and developing software, acquiring systems infrastructure, installing and testing software, managing changes, managing service levels, managing services performed by third parties, systems security and access to systems, managing incidents, managing operations, the continuity of operations and the segregation of duties. Said guidelines and procedures -which in some cases are different based on geographical scope

and which are in the process of gradual homogenisation- are applied to all information systems including those that house the relevant processes of the generation of financial reporting, and to the infrastructure necessary for its functioning.

In geographical areas where Abengoa operates, the entire internal network of computer infrastructure is controlled by a Department of internal professionals who are responsible for defining and executing the group's IT and telecommunications strategy, as well as user support, systems operation and IT security. Abengoa has an Internet Technology (IT) security system in place that envisages the recovery of relevant information in the event of a system crash. This security system is managed through the aforementioned internal IT department.

F.3.3 Policies and procedures of internal control aimed at supervising management of activities outsourced to third parties, including the aspects of evaluation, calculation or assessment entrusted to independent experts, which could materially affect the financial statements.

In general terms, Abengoa does not retain third party subcontractors to perform significant tasks that directly affect financial reporting. Third-party assigned assessments, evaluations or calculations that could materially affect the financial statements are considered activities deemed relevant for generating a financial report that may lead, as the case may be, to the identification of risks of priority errors, thus requiring the design of associated internal controls.

Abengoa has a method of approval through an authorisation that grants Executive support which, among other things, must be acquired by the Department that needs to contract a professional service. Such contracts are subject to reviews before being signed, including their analysis and internal approval of the fundamental assumptions to be used.

F.4 Information and communication

Indicate whether at least the following are in place and describe their main features:

F.4.1. A specific function charged with defining and updating accounting policies (accounting policy area or department) and with resolving questions or conflicts arising from the interpretation thereof, maintaining fluid communications with those responsible for operations at the organisation, as well as an updated accounting policy manual that has been communicated to the units through which the entity operates.

Abengoa operates with an Accounting Policies Manual. This manual establishes the accounting policies criteria that must be observed when the company is preparing the financial report using the financial reporting framework established by the International Financial Reporting Standards adopted by the European Union.

The manual is available to all employees of Abengoa.

The manual is also subject to regular updates for the purpose of including all new applicable rules and regulations. The department of Consolidations and Accounting Policies is responsible for updating the manual which was last updated during 2015.

F.4.2 Mechanisms to capture and prepare financial information with standardised formats, to be applied and used by all units of the entity or the group, supporting the principal accounts and the notes thereto, as well as the information provided on the internal control over financial reporting system.

All the entities that make up Abengoa's consolidated group use the same financial information reporting tools and applications, regardless of the information system being used for the maintenance of the accounting records. Said tools, which are regularly supervised by the Consolidation department, ensure that the financial information reported by companies is complete, reliable and consistent. Thus, the information reported during the closing of financial years includes all breakdowns deemed necessary for the preparation of consolidated financial statements and their explanatory notes.

F.5 Supervision of system operation

Indicate whether at least the following are in place and describe their main features:

F.5.1. The activities of supervising the System of Internal Control over Financial Reporting performed by the audit committee, and on whether the entity has an internal audit system that is able to support the committee in supervising the internal control system, including the SICFR Also provide information on the scope of the assessment of the SICFR during the financial year and on the process by which the head of the assessment reports the results, whether the entity has an action plan that outlines the possible corrective measures, and whether its impact on the financial reporting has been considered.

The Board of Directors is in charge of ensuring the appropriate registration of the operations in the accounting records, of maintaining a structure of internal control and accounting for the purpose of preventing and detecting errors and irregularities. In accordance with the Board of Directors' Regulations, the Audit Committee is entrusted with the following duties, amongst others:

- To report on the Annual Accounts, as well as on the quarterly and half-yearly financial statements that must be issued to the regulatory or supervisory bodies of the securities markets, with express mention of the internal control systems, verification of compliance and monitoring through the internal audit and, where applicable, on the accounting criteria applied.
- Supervising the preparation and completeness of the financial information concerning the company and, if appropriate, the group, checking due compliance with the governing regulations, the proper delimitation of the consolidation criteria and the correct application of accounting criteria.
- To periodically review the internal control and risk management systems so that the main risks are identified, managed, and properly disclosed, as well as to discuss significant shortcomings of the internal control system identified in the audit with the financial auditor.
- To supervise and ensure the independence and effectiveness of the duties of internal audits, with full access thereto; to propose the selection, appointment, re-selection and dismissal of the head of internal audits; to propose the budget for said unit, and set the salary scale of its Director; to obtain regular information on the activities and the budget of the unit; and to ensure that senior management considers the conclusions and recommendations in its reports.

The Audit Committee's functions also entail supervising the internal audit service and obtaining information on the financial reporting process, the internal control systems and the risks for the company.

On the other hand, with regards to supervising the internal controls system, the aims of the internal audit duties are as follows:

- To prevent the group companies, projects and activities from exposure to audit risks such as fraud, capital losses, operational inefficiencies and, in general, any risks that may affect the smooth operation of the business.
- To ensure the continuous application of the standards, appropriate procedures and efficient management in accordance with the common management systems.

Abengoa's internal audit department originated as an independent global function, reporting to the Board of Directors' Audit Committee, with the main aim of supervising Abengoa's internal monitoring and significant risk management systems.

Abengoa's internal audit service is structured around seven functional areas:

- Internal control
- Financial auditing
- Project auditing
- Monitoring auditing a specific risks
- Fraud prevention auditing
- Non-financial auditing
- Systems auditing

The internal audit team comprises 23 professionals. The general characteristics of the team are as follows:

- They have average professional experience of 8.76 years.
- Approximately 65% of the auditors have previous experience at an outside audit firm of the Big4.

The general goals of internal auditing are as follows:

- To prevent the group companies, projects and activities from exposure to audit risks such as fraud, capital losses, operational inefficiencies and, in general, any risks that may affect the smooth operation of the business.
- To ensure the continuous application of the standards, appropriate procedures and efficient management in accordance with the common management systems.
- To create value for Abengoa and its business units, promoting the construction and maintenance of synergies and the monitoring of optimal management practices.
- To coordinate working criteria and approaches with external auditors to achieve optimum efficiency and profitability of both functions.
- Analysis and processing of the complaints received through whistleblowing and reporting the conclusions of the work performed to the Audit Committee.

- To evaluate the companies' audit risk in accordance with an objective procedure.
- To develop annual work plans using appropriate scopes for each situation.

Abengoa's internal auditor services are in line with the international standards for the professional practice of internal auditing of the Institute of Internal Audit (IIA).

Likewise, Abengoa has been a member of ACFE Corporate Alliance since 2014. This association helps companies with tools and specific training focused on the fight against fraud and corruption, as well as resources to obtain the CFE (Certified Fraud Examiner) certification for internal auditors assigned to this area.

F.5.2. Indicate whether or not there is a discussion procedure by which, (in accordance with the stipulations of the NTA), the accounts auditor, the internal audits' office and all the other experts, may inform the company's senior management, its audit committee and its directors, on the significant weaknesses identified in the internal control during the review of the financial statements or of all other documents to which they were assigned. Also report on whether or not there is an action plan for correcting or mitigating the weaknesses uncovered.

The internal audit office regularly informs senior management and the Audit Committee about the weaknesses identified regarding internal control in reviews performed on the processes during the financial year, and on the implementation of the action plans put in place to ensure the mitigation of said weaknesses.

Elsewhere, the accounts auditor of the group has direct access to the group's senior management, holding regular meetings both to obtain the information necessary for the execution of its duties as well as to report on any control weaknesses detected during the auditing. External auditors will submit an annual report to the economic-financial director and the Audit Committee detailing the weaknesses they detected regarding internal control while carrying out their work.

F.6 Other significant information

In the 2016 financial year a total of 2 reports were issued by external auditors, and these form an integral part of the Annual Report:

- Audit report on the consolidated accounts of the Group, as required by current regulations
- Audit report on internal audit compliance under CNMV standards, as required by the SCIIF.

F.7 External audit report

Report on:

F.7.1. Whether the information on the internal control over financial reporting system has been reviewed by the external auditor, in which case the entity should include the respective report as an exhibit. Otherwise, it should report its reasons.

Abengoa applies all the rules and regulations dictated by the (CNMV) Stock Market Authorities. This fact implies that for the past six financial years Abengoa has been strictly complying with the reference indicators included in the document of the CNMV's "Systems of Internal Control over Financial Reporting

The SCIIF information remitted to the markets has been revised by the external auditor.

The auditor of the individual and consolidated annual financial statements of Abengoa, for the financial year ending 31 December 2016 is Deloitte S.L., which is also the Group's main auditor.

G. Degree of compliance with corporate governance recommendations

Indicate the company's degree of compliance with the recommendations of the Good Governance Code for Listed Companies.

If the company does not comply with any recommendation or follows it partially, there must be a detailed explanation of the reasons providing shareholders, investors, and the market in general with sufficient information to assess the company's course of action. Explanations of a general nature will not be acceptable.

1. The bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.

Compliant

See section: A.10, B.1, B.2 and C.1.23

2. When a dominant and subsidiary company are both listed, they should provide detailed disclosure on:

a) The activity they engage in and any business dealings between them, as well as between the listed subsidiary and other group companies.

b) The mechanisms in place to resolve possible conflicts of interest.

N/A

See sections: D1, D.4 and D.7

3. During the ordinary general meeting, the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular:

a) Changes taking place since the previous annual general meeting.

b) The specific reasons for the company not following a given Good Governance Code recommendation, and any alternative procedures followed in its stead.

Compliant

4. The company should draw up and implement a policy of communication and contacts with shareholders, institutional investors and proxy advisors that complies in full with market abuse regulations and accords equitable treatment to shareholders in the same position.

This policy should be disclosed on the company's website, complete with details of how it has been put into practice and the identities of the relevant interlocutors or those charged with its implementation.

Compliant

5. The board of directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without pre-emptive subscription rights for an amount exceeding 20% of capital at the time of such delegation.

When a board approves the issuance of shares or convertible securities without pre-emptive subscription rights, the company should immediately post a report on its website explaining the exclusion as envisaged in company legislation.

Partially compliant

The proposal that the board of directors submitted to the 2015 financial year Ordinary General Shareholders Meeting for the delegation of powers to issue shares or convertible securities fails to comply with this recommendation. Given the financial structure of the Company and the need to maintain sufficient levels of own funds compared to its volume of activity and its market position, there was need for the Company to have greater flexibility margin to undertake this kind of issuance at any time. Thus, the Board of Directors asked the General Shareholders Meeting to consider a request for an amount over 20% of Abengoa's equity at that time, and the General Shareholders meeting approved it under those terms.

Notwithstanding the foregoing, the mandatory reports on the exclusion of pre-emptive subscription rights which the commercial law makes reference to concerning the delegations currently in force were immediately published and are available at the Company's website.

6. Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the annual general meeting, even if their distribution is not obligatory:

a) Report on auditor independence.

b) Reviews of the operation of the audit committee and the nomination and remuneration committees.

c) Audit committee report on related-party transactions.

d) Report on the corporate social responsibility policy.

Compliant

7. The company should stream its general shareholders' meetings live on the corporate website.

Explain

Given the situation in which the company was struggling, and in order to prevent possible alterations in the normal functioning of the Shareholders Meeting and the spreading of rumours between non-shareholders, the Board of Directors decided not to give a live website broadcast of the General Shareholders Meetings held in 2016.

Nevertheless, the Company sufficiently publicises the General Shareholders Meetings in the BORME [Official Gazette of the Company Registry], the CNMV website and its own corporate website. Likewise, the Company, in line with prevailing legislation and its own internal regulations, facilitates participation of all who wish to take part in General Shareholders Meetings, having recently included in its internal regulations the possibility of attending General Shareholders meetings via remote online communication.

8. The audit committee should strive to ensure that the board of directors can present the company's accounts to the general meeting without limitations or qualifications in the auditor's report. In the exceptional case that qualifications exist, both the chairman of the audit committee and the auditors should give a clear account to shareholders of their scope and content.

Compliant

See section C.2.1

9. The company should disclose its conditions and procedures for admitting share ownership, the right to attend general meetings and the exercise or delegation of voting rights, and display them permanently on its website.

Such conditions and procedures should encourage shareholders to attend and exercise their rights and be applied in a non-discriminatory manner.

Compliant

10. When an accredited shareholder exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:

a) Immediately circulate the supplementary items and new proposals.

b) Disclose the model of attendance card or proxy appointment or remote voting form duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the board of directors.

c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions or deductions about the direction of votes.

d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals.

Compliant

11. In the event that a company plans to pay for attendance at the general meeting, it should first establish a general, long-term policy in this respect.

Not applicable.

In the General Meetings held during 2016 no payments were made for attendance.

12. The board of directors should perform its duties with unity of purpose and independent judgement, affording the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising its economic value.

In pursuing the corporate interest, it should not only abide by laws and regulations and conduct itself according to principles of good faith, ethics and respect for commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

Compliant

13. The board of directors should have an optimal size to promote its efficient functioning and maximise participation. The recommended range is accordingly between five and fifteen members.

Complies

See section C.1.2

14. The board of directors should approve a director selection policy that:

a) Is concrete and verifiable.

b) Ensures that appointment or re-election proposals are based on a prior analysis of the board's needs.

c) Favours a diversity of knowledge, experience and gender.

The results of the prior analysis of board needs should be written up in the nomination committee's explanatory report, to be published when the general meeting is convened that will ratify the appointment and re-election of each director.

The director selection policy should pursue the goal of having at least 30% of total board places occupied by women directors before 2020.

The nomination committee should run an annual check on compliance with the director selection policy and set out its findings in the annual corporate governance report.

Compliant

15. Proprietary and independent directors should constitute an ample majority on the board of directors, while the number of executive directors should be the minimum practical bearing in mind the complexity of the corporate group and the ownership interests they control.

Compliant

See section C.1.2 and C.1.3.

16. The percentage of proprietary directors out of all non-executive directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.

This criterion can be relaxed:

a) In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.

b) In companies with a plurality of shareholders represented on the board but not otherwise related.

Compliant

17. Independent directors should be at least half of all board members.

However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30 percent of capital, independent directors should occupy, at least, a third of board membership slots.

Compliant

See section C.1.2 and C.1.3.

18. Companies should disclose the following director particulars on their websites and keep them regularly updated:

a) Background and professional experience.

b) Directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature.

c) Statement of the director class to which they belong, in the case of proprietary directors indicating the shareholder they represent or have links with.

d) Dates of their first appointment as a board member and subsequent re-elections.

e) Shares held in the company, and any options over the same.

Compliant

19. Following verification by the nomination committee, the annual corporate governance report should disclose the reasons for the appointment of proprietary directors at the urging of shareholders controlling less than 3 percent of capital; and explain any rejection of a formal request for a board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.

N/A

20. Proprietary directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the latter's number should be reduced accordingly.

Compliant

See section C.1.21

21. The board of directors should not propose the removal of independent directors before the expiry date of their tenure as mandated by the bylaws, except where they find just cause, based on a proposal from the nomination committee. In particular, just cause will be presumed when directors take up new posts or responsibilities that prevent them allocating sufficient time to the work of a board member, or are in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in recommendation 16.

Compliant

See section C.1.21

22. Companies should establish rules obliging directors to disclose any circumstance that might harm the organisation's name or reputation, tendering their resignation as the case may be, and, in particular, to inform the board of any criminal charges brought against them and the progress of any subsequent trial.

The moment a director is indicted or tried for any of the offences stated in company legislation, the board of directors should open an investigation and, in light of the particular circumstances, decide on whether or not he or she should be called on to resign. The board should give a reasoned account of all such determinations in the annual corporate governance report.

Compliant

See section C.1.21 and C.1.42

23. Directors should express their clear opposition when they feel a proposal submitted for the board's approval might damage the corporate interest. In particular, independents and other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the board makes material or reiterated decisions about which a director has expressed serious reservations, then he or she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation also apply to the secretary of the board, even if he or she is not a director.

Compliant

24. Directors who give up their place before their tenure expires, through resignation or otherwise, should state their reasons in a letter to be sent to all members of the board. Whether or not such resignation is disclosed as a material event, the motivating factors should be explained in the annual corporate governance report.

Compliant

See section C.1.9

25. The appointments committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.

The regulations of the board of directors should set forth the maximum number of company boards on which directors can serve:

Compliant

See section C.1.13

26. The board should meet with the necessary frequency to properly perform its functions, eight times a year at least, in accordance with a calendar and agendas set at the start of the year, to which each director may propose the addition of initially unscheduled items.

Compliant

See section C.1.29

27. Director absences should be kept to a strict minimum and quantified in the annual corporate governance report. In the event of absence, directors should delegate their powers of representation with the appropriate instructions.

Compliant

See sections C.1.29 and C.1.30.

28. When directors or the secretary express concerns about some proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minute book if the person expressing them so requests.

Compliant

29. The company should provide suitable channels for directors to obtain the advice they need to carry out their duties, extending if necessary to external assistance at the company's expense.

Compliant

See section C.1.40

30. Regardless of the knowledge directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.

Compliant

31. The agendas of board meetings should clearly indicate on which points directors must arrive at a decision, so they can study the matter beforehand or gather together the material they need.

For emergency reasons, the chairman may wish to present decisions or resolutions for board approval that were not on the meeting agenda. In such exceptional circumstances, their inclusion will require the express prior consent, with minutes duly taken, of the majority of directors present.

Compliant

32. Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the company and its group.

Compliant

33. The chairman, as the person charged with the efficient functioning of the board of directors, in addition to the functions assigned by law and the company's bylaws, should prepare and submit to the board a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, the company's chief executive officer; exercise leadership of the board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review refresher courses for each director, when circumstances so advise.

Compliant

34. When a lead independent director has been appointed, the bylaws or board of directors regulations should grant him or her the following powers over and above those conferred by law: chair the board of directors in the absence of the chairman or vice chairmen give voice to the concerns of non-executive directors; maintain contacts with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the company's corporate governance; and coordinate the chairman's succession plan.

Compliant

35. The board secretary should strive to ensure that the board's actions and decisions are informed by the governance recommendations of the Good Governance Code of relevance to the company.

Compliant

36. The board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct weakness detected in:

a) The quality and efficiency of the board's operation.

b) The performance and membership of its committees.

c) The diversity of board membership and competences.

d) The performance of the chairman of the board of directors and the company's chief executive.

e) The performance and contribution of individual directors, with particular focus on the chairmen of board committees.

The evaluation of board committees should start from the reports they send the board of directors, while that of the board itself should start from the report of the nomination committee.

Every three years, the board of directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the nomination committee.

Any business dealings that the facilitator or members of its corporate group maintain with the company or members of its corporate group should be detailed in the annual corporate governance report.

The process followed and areas evaluated should be detailed in the annual corporate governance report.

Compliant

37. When an executive committee exists, its membership mix by director class should resemble that of the board. The secretary of the board should also act as secretary to the executive committee.

N/A

38. The board should be kept fully informed of the business transacted and decisions made by the executive committee. To this end, all board members should receive a copy of the committee's minutes.

N/A

39. All members of the audit committee, particularly its chairman, should be appointed with regard to their knowledge and experience in accounting, auditing and risk management matters. A majority of committee places should be held by independent directors.

Compliant

See section C.2.1

40. Listed companies should have a unit in charge of the internal audit function, under the supervision of the audit committee, to monitor the effectiveness of reporting and internal control systems. This unit should report functionally to the board's non-executive chairman or the chairman of the audit committee.

Compliant

See section C.2.1

41. The head of the unit handling the internal audit function should present an annual work programme to the audit committee, inform it directly of any incidents arising during its implementation and submit an activities report at the end of each year.

Compliant

42. The audit committee should have the following functions over and above those legally assigned:

1. With respect to internal control and reporting systems:

   a) Monitor the preparation and the integrity of the financial information prepared on the company and, where appropriate, the group, checking for compliance with legal provisions, the accurate demarcation of the consolidation perimeter, and the correct application of accounting principles.

   b) Monitor the independence of the unit handling the internal audit function; propose the selection, appointment, re-election and removal of the head of the internal audit service; propose the service's budget; approve its priorities and work programmes, ensuring that it focuses primarily on the main risks the company is exposed to; receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.

   c) Establish and supervise a mechanism whereby staff can report, confidentially and, if appropriate and feasible, anonymously, any significant irregularities that they detect in the course of their duties, in particular financial or accounting irregularities.

2. With regard to the external auditor:

   a) Investigate the issues giving rise to the resignation of the external auditor, should this come about..

   b) Ensure that the remuneration of the external auditor does not compromise its quality or independence.

   c) Ensure that the company notifies any change of external auditor to the CNMV as a material event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.

d) Ensure that the external auditor has a yearly meeting with the board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.

e) Ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

Compliant

See section C.2.1

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior officer.

Compliant

See section C.2.1

44. The audit committee should be informed of any fundamental changes or corporate transactions the company is planning, so the committee can analyse the operation and report to the board beforehand on its economic conditions and accounting impact and, when applicable, the exchange ratio proposed.

Compliant

45. The risk control and management policy should identify at least:

a) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks), with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks.

b) The determination of the risk level the company sees as acceptable.

c) The measures in place to mitigate the impact of identified risk events should they occur.

d) The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance-sheet risks.

Compliant

See sections E.

46. Companies should establish a risk control and management function in the charge of one of the company's internal department or units and under the direct supervision of the audit committee or some other dedicated board committee. This function should be expressly charged with the following responsibilities:

a) Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.

b) Participate actively in the preparation of risk strategies and in key decisions about their management.

c) Ensure that risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the board of directors.

Compliant

47. Appointees to the nomination and remuneration committee - or of the nomination committee and remuneration committee, if separately constituted - should have the right balance of knowledge, skills and experience for the functions they are called on to discharge. The majority of their members should be independent directors.

Compliant

See section C.2.1

48. Large capital companies should operate separate appointments and remunerations committees.

Explain

Pursuant to Article 44 bis of the Bylaws of Abengoa, the Board of Directors shall compulsorily set up and maintain a permanent an Appointments and Remunerations Committee

On the reference date of this report, Abengoa's Board of Directors consisted of seven members, six of them external, and two consultative Committees –the Audits Committee and the Appointments and Remunerations Committee- with each having three independent board members. The number of board members, though below what normally exists in other listed companies, and its qualitative distribution, is deemed appropriate for the current needs of the Company. This composition derived from the Restructuring Agreement entered into by the Company on 24th September 2016, giving rise to the amendment of the internal standards of Abengoa and to the reorganization of the organ of administration.

In that context, the splitting of the Appointments, Remunerations and Good Governance Committees would have generated inefficiencies, specifically deriving from the additional needs for funds, without clear justification in terms of improvement in the functioning of the organ of administration. Therefore, the Board of Directors does not intend to ask the General Shareholders Meeting to make any changes in Article 44 bis of the Bylaws.

49. The appointments committee should consult with the board chairman and chief executive, especially on matters relating to executive directors.

When there are vacancies on the board, any director may approach the nomination committee to propose candidates that it might consider suitable

Compliant

See section C.2.1

50. The remuneration committee should operate independently and have the following functions in addition to those assigned by law

a) Propose to the board the standard conditions for senior officer contracts.

b) Monitor compliance with the remuneration policy set by the company.

c) Periodically review the remuneration policy for directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other directors and senior officers in the company.

d) Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.

e) Verify the information on director and senior officers' pay contained in corporate documents, including the annual directors' remuneration statement.

Compliant

See section C.2.1

51. The remuneration committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors and senior officers.

Compliant

See section C.2.1

52. The terms of reference of supervision and control committees should be set out in the board of directors' regulations and aligned with those governing legally mandatory board committees as specified in the preceding sets of recommendations. They should include at least the following terms:

a) Committees should be formed exclusively by non-executive directors, with a majority of independents.

b) They should be chaired by independent directors.

c) The board should appoint the members of such committees with regard to the knowledge, skills and experience of its directors and each committee's terms of reference; discuss their proposals and reports; and provide report-backs on their activities and work at the first board plenary following each committee meeting.

d) They may engage external advice, when they feel it necessary for the discharge of their functions.

e) Minutes should be taken of Meeting proceedings and a copy made available to all board members.

N/A

See section C.2.1

53. The task of supervising compliance with corporate governance rules, internal codes of conduct and corporate social responsibility policy should be assigned to one board committee or split between several, which could be the audit committee, the nomination committee, the corporate social responsibility committee, where one exists, or a dedicated committee established ad hoc by the board under its powers of self-organisation, with at the least the following functions:

a) Monitor compliance with the company's internal codes of conduct and corporate governance rules.

b) Oversee the communication and relations strategy with shareholders and investors, including small and medium-sized shareholders.

c) Periodically evaluate the effectiveness of the company's corporate governance system, to confirm that it is fulfilling its mission to promote the corporate interest and catering, as appropriate, to the legitimate interests of remaining stakeholders.

d) Review the company's corporate social responsibility policy, ensuring that it is geared to value creation.

e) Monitor corporate social responsibility strategy and practices and assess compliance in their respect.

f) Monitor and evaluate the company's interaction with its stakeholders.

g) Evaluate all aspects of the non-financial risks the company is exposed to, including operational, technological, legal, social, environmental, political and reputational risks.

h) Coordinate non-financial and diversity reporting processes in accordance with applicable legislation and international benchmarks.

Compliant

54. The corporate social responsibility policy should state the principles or commitments the company will voluntarily adhere to in its dealings with stakeholder groups, specifying at least:

a) The goals of its corporate social responsibility policy and the support instruments to be deployed.

b) The corporate strategy with regard to sustainability, the environment and social issues.

c) Concrete practices in matters relative to: shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of illegal conduct.

d) The methods or systems for monitoring the results of the practices referred to above, and identifying and managing related risks.

e) The mechanisms for supervising non-financial risk, ethics and business conduct.

f) Channels for stakeholder communication, participation and dialogue.

g) Responsible communication practices that prevent the manipulation of information and protect the company's honour and integrity.

Compliant

55. The company should report on corporate social responsibility developments in its directors' report or in a separate document, using an internationally accepted methodology.

Compliant

56. Director remuneration should be sufficient to attract individuals with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of nonexecutive directors.

Compliant

57. Variable remuneration linked to the company and the director's performance, the award of shares, options or any other right to acquire shares or to be remunerated on the basis of share price movements, and membership of long-term savings schemes such as pension plans should be confined to executive directors.

The company may consider the share-based remuneration of non-executive directors provided they retain such shares until the end of their mandate. This condition, however, will not apply to shares that the director must dispose of to defray costs related to their acquisition.

Compliant

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind.

In particular, variable remuneration items should meet the following conditions:

a) Be subject to predetermined and measurable performance criteria that factor the risk assumed to obtain a given outcome.

b) Promote the long-term sustainability of the company and include non-financial criteria that are relevant for the company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies

c) Be focused on achieving a balance between the delivery of short, medium and long-term objectives, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one-off, occasional or extraordinary events.

Explain

On the proposal of the Appointments and Remunerations Committee, the Board of Directors shall be responsible for setting up annual variable remuneration objectives, including their adjustments, for the existing Chairperson, in accordance with the stipulations of the applicable remunerations policy. At the same time, contracts of executive directors who performed executive duties that ended in 2016 specified that the variable components of their remuneration are conditioned to the performance of their annual objectives that were set for them and could be linked to financial or business indicators that the Appointments and Remunerations Committee and the Board of Directors deem relevant.

Notwithstanding the above, given the exceptional situation in which the Company struggled in 2016, the objectives of the variable remuneration were fundamentally based on the EBITDA and, in some cases, on the culmination of the financial restructuring process, without it considering criteria of non-financial nature. This same exceptional situation made it improbable to comply with the requirements set forth in the extraordinary plans of variable remuneration for directors which also served for some of the previous executive directors, thus limiting the virtual practicality of the short- and long-term incentives.

Abengoa's Board of Directors intends to ask the next Ordinary General Shareholders Meeting to consider a new Remunerations Policy for the 2018 and subsequent financial years. Said policy is expected to include the full content of this recommendation.

59. A major part of variable remuneration components should be deferred for a long enough period to ensure that predetermined performance criteria have effectively been met.

Explain

The variable compensation policy does not provide for a large part of the variable remuneration components being deferred for a long enough period to ensure that predetermined performance criteria have effectively been met, notwithstanding the fact that it can be provided for once the Company has overcome its present exceptional circumstances.

Thus, as already indicated, Abengoa's Board of Directors intend to submit a new remunerations policy on the 2018 and subsequent financial years to the next Ordinary General Shareholders Meeting for consideration. The preparation of said policy may warrant the full inclusion of the of the content of the recommendation and, consequently, the modification of the Executive Chairman's contract for its appropriate adjustment.

60. Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduces said amount.

Explain

Variable remunerations linked to the company's results do not explicitly consider the exceptions and qualifications that may be in the external auditor's report. That notwithstanding, just as already indicated, in the framework of the new remunerations policy that is being prepared, the inclusion of the recommendation is being considered and, consequently, it will consider the modification of the Executive Chairman's contract for its appropriate adjustment.

61. A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price.

Explain

As is on 31 December 2016, the variable remuneration of Abengoa's executive directors does not include the award of shares or share-based financial instruments.

However, some of the board members who performed executive duties and withdrew from them during the 2016 financial year participated in the extraordinary plans of variable remunerations for existing directors, which amounted to a significant part of their variable remuneration. The accrual of remuneration corresponding to the extraordinary variable compensation schemes, and therefore, the right to receive such (not the amount of remuneration in itself)- depended on the market value of Abengoa's class B shares not falling below certain values in the last quarter that each scheme is in force. Consequently, Abengoa's Board of Directors considers that the characteristics of the variable compensation linked to these schemes allowed for the fulfilment of the practical aim of Recommendation 61 of the Code, and therefore it is tied to the performance of the Company Stock Value.

As already indicated, the Board of Directors of Abengoa intend to submit a new Remunerations Policy on the 2018 and subsequent financial years to the next Ordinary General Shareholders Meeting to consider. Decisions will be taken on whether to include the content of the recommendations.

62. Following the award of shares, share options or other rights on shares derived from the remuneration system, directors should not be allowed to transfer a number of shares equivalent to twice their annual fixed remuneration, or to exercise the share options or other rights on shares for at least three years after their award.

The above condition will not apply to any shares that the director must dispose of to defray costs related to their acquisition.

N/A

63. Contractual arrangements should include provisions that permit the company to reclaim variable components of remuneration when payment was out of step with the director's actual performance or based on data subsequently found to be misstated.

Explain

The contracts of the executive members who served during the 2016 financial year do not contain any clause that may permit them to file for reimbursement of the variable components of the remuneration in cases in which it does not adjust to performance since, given the special circumstances of the Company, the objectives to which they were linked were mainly centred on the short-term observable financial magnitudes. Notwithstanding, it should be noted that none of the board members who performed executive duties but left such duties during the 2016 financial year accrued any amounts in concept of the annual variable remuneration for said financial year.

The Board of Directors' meeting held on 27 February 2017, on the proposal of the Appointments and Remunerations Committee set forth the objectives of the Executive Chairman for the 2017 financial year and agreed that the payment of the variable components of the remuneration shall be subject to reimbursement (but the company may retrieve it) in the event that the payment is not adjusted to the terms and conditions of performance or if paid based on information that is later found to be incorrect.

In addition, the Company is considering the inclusion of this stipulation in the Remunerations Policy which it intends to submit to the next Ordinary General Shareholders Meeting for approval and, consequently, shall modify the contract of the Executive Chairman.

64. Termination payments should not exceed a fixed amount equivalent to two years of the director's total annual remuneration and should not be paid until the company confirms that he or she has met the predetermined performance criteria.

Compliant

H. Other information of interest

1. If there are any significant aspects regarding corporate governance at the company or at entities of the group that is not included in the other sections of this report, but should be included in order to provide more complete and well-reasoned information regarding the corporate governance structure and practices at the entity or its group, briefly describe them.

2. In this section, you may also include any other information, clarification, or comment relating to the prior sections of this report to the extent they are relevant and not repetitive.

Specifically, indicate whether the company is subject to laws other than Spanish laws regarding corporate governance and, if applicable, include such information as the company is required to provide that is different from the information required in this report.

3. The company may also indicate whether it has voluntarily adhered to other international, industrial, or other codes of ethical principles or good practices. If so, identify the code in question and the date of adherence thereto. In particular, mention whether there has been adherence to the Code of Good Tax Practices of 20 July 2010.

A.1 - Rights inherent in class A and B shares

Article 8 of Abengoa's Bylaws regulates the different rights inherent in its class A and B shares. The Extraordinary General Shareholders Meeting held on the second call on 30 September 2012, agreed to amend article 8 of Abengoa's bylaws to include a mechanism for voluntarily converting class A shares into class B shares. Below is the aforementioned subsection of the aforementioned Article 8 which includes the right of voluntary conversion:

" […] A.3) The right of conversion into class B Shares

Each class A share entitles its owner the right to convert it into a class B share until 31 December 2017

The owner may exercise its right of conversion by sending the company or, better still, as the case may be, the agency designated for such, through the corresponding participating entity of the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), through any means that provides acknowledgement of receipt, notification reflecting the total number of class A shares owned by said owner and the exact number of class A shares over which said owner wishes to exercise the inherent rights of conversion, in order for the Company to execute the agreements necessary for effecting the aforementioned conversion and to subsequently inform the CNMV by issuing the corresponding notice of relevant event.

The aforementioned notice shall include the corresponding certificate of ownership and legitimacy for the class A shares issued by an entity that must be a participant in the Iberclear management systems, or through an intermediary or depository or financial entity managing the shares under the terms set out in the regulations governing securities representation by means of book-entry or through any other equivalent means of accreditation to which the Company grants sufficient validity for that purpose.

The exercise of the inherent conversion rights of a class A shares shall be understood as the company's share capital being reduced by the amount of the difference between the face value of the class A shares for which the inherent rights are exercised and the face value of the same number of class B shares, an amount that will increase the restricted reserve which the company would already have set aside for that purpose and in accordance with article 335.c) of the Spanish Companies Act.

The Board of Directors, with the specific faculty of substitution by the Chairman or the Chief Executive, shall be empowered to determine the period, frequency and procedure for exercising the inherent conversion rights, including, if applicable, the decision of adequacy of the aforementioned equivalent means of accreditation, as well as all other aspects that may be deemed necessary for the proper and correct exercise of said right, which shall all be appropriately communicated through the corresponding notice of relevant event. […]"

A.2, A.4 and A7

The Company is involved in a process of financial restructuring scheduled to finalise during the first quarter of 2016. Among other items, this restructuring operation involves the entry of new money into the group of companies headed by the Company and the capitalisation and/or discharge, as appropriate, of certain financial debt. As a result of these capitalisation operations and having exercised these on conclusion of the restructuring operation, the significant shareholders of the Company at the year-end, Inversión Corporativa IC, S.A. and Finarpisa, S.A., will no longer hold a significant stake in the Company.

A.12.

The Company reported a relevant event on 29 April 2016 sent to the CNMV (official registration number 238043) stating that the process of voluntary delisting of its Class B shares and its American Depositary Receipts (ADRs) from the NASDAQ Stock Market became effective on 28 April 2016, having carried out all the actions to exclude such securities from the SEC and therefore terminating its reporting obligations under the Securities Exchange Act of 1934. Following the delisting of the Class B shares and ADRs from the Nasdaq Stock Market, all of the shares of the Company are traded on the Spanish Electronic Market.

B.3 / B.5 Reinforcement to guarantee minority rights

In the interest of reinforcing minority rights, Abengoa submitted a series of bylaw amendments to the Extraordinary General Shareholders Meeting for approval to ensure that the so-called "defence of minority rights" do not suffer infringements for the mere fact that two different classes of shares exist with different face values and specifically to prevent the lesser face value of the class B shares from making it more difficult to obtain the percentages of the share capital required for the exercise of some voting rights, for example, 3% of the equity to enable the convening of the General Shareholders Meeting or for proposing the exercise of a social responsibility action. Thus, the General Shareholders Meeting approved the amendments of Abengoa's bylaws in the terms and conditions indicated below to envisage that all rights are exercised considering the denominator for calculating the number of shares as the basis for the percentage, and not the share capital.

In particular, the General shareholders Meeting approved the amendment of the bylaws with the aim of establishing that (i) Shareholders be required to own three hundred and seventy-five (375) shares, regardless of whether they are class A or B, to attend the General Shareholders meeting of the company's shareholders; (ii) that shareholders representing at least 3% of the share capital or 3% of the shares with voting rights be allowed to request publication of a supplement to the call for an Ordinary General Shareholders meeting including one or more points on the agenda and to submit proposals for decisions on issues already included or that should be included in the agenda of the convened Meeting; that (i) shareholders who own 1% of the share capital or 1% of the voting shares be able to request the presence of a Notary Public to endorse the minutes of the General Shareholders meeting; (iv) shareholders who own 3% of the share capital or 3% of the voting shares be able to request the convening of the General Shareholders meeting to decide upon the corporate liability action against directors or exercise the corporate liability action without or against the decision made by the Board in the General Shareholders meeting; (v) that the Company's Board of Directors convene the General Shareholders meeting when requested by shareholders representing 3% of the share capital or 3% of the voting shares; (vi) that the Company's Board of Directors extend the General Shareholders meeting if requested by shareholders representing 25% of the capital present or represented in the meeting or 25% of the voting shares and (vii) that the Company's Board Chairman may suspend the right to information as established in article 197 of the Spanish Companies Act only if so requested by shareholders representing less than 25% of the paid-in capital or 25% of the company's voting shares if this percentage is lower than the voting shares (and as long as verified in addition to the other conditions envisaged in the bylaws.

C.1.2 and C.1.9

The director Mr. José Luis Aya Abaurre passed away on 12 February 2016. On 7 March 2016 the Company's Board of Directors agreed to cover the vacancy left on the Board due to the death of Mr. José Luis Aya Abaurre by co-opting, thereby appointing the company Inayaba, S.L. as director and Ms. Ana Abaurrea Aya as individual representative.

On 1 March 2016 the Board of Directors of Abengoa approved the following resolutions:

- Remove Mr. José Domínguez Abascal as Chairman whereby he remains as director with the category of other external director.
- Appoint Mr. Antonio Fornieles Melero, who until now held the positions of Vice-Chairman and Coordinating Director, as Executive Chairman, delegating all powers of the Board of Directors to him except those which cannot be delegated by law, attaining the status of executive director with the duty of the Executive Chairman.
- Delegate all powers of the Board of Directors, except those which cannot be delegated by law, to the Managing Director, Mr Joaquín Fernández de Piérola Marín, retaining the post of executive board member although with the duty of Chief Executive.

Furthermore, on 8 March 2016 Abengoa's Board of Directors adopted the following agreements:

- To appoint Mr Joaquín Fernández de Piérola Marín as First Vice-chairman of the Board of Directors, thereby merging this position with that of Managing Director (CEO).
- To appoint Ms. Alicia Velarde Valiente as Second Vice-chairwoman and Coordinating Director.

On 18 April 2016 the Board of Directors of Abengoa agreed to accept the resignation of Mr. José Domínguez Abascal as director for personal reasons.

On 25 May 2016 the Board of Directors accepted the resignation tendered by Mr. Claudi Santiago Ponsa as director, as a consequence of the envisaged new shareholding composition of Abengoa as a result of the current restructuring process then ongoing.

The Ordinary General Shareholders meeting held on 30 June 2016 approved, among other resolutions, the decision to remove Mr. Javier Benjumea Llorente as executive director and ratify and appoint Joaquín Fernández de Piérola Maríin as executive director, Ricardo Martínez Rico as independent director, Alicia Velarde Valiente as independent director and Inayaba, S.L., represented by Ana Abaurrea Aya, as proprietary director.

Lastly, the Extraordinary General Shareholders meeting held on 22 November 2016 accepted the resignation tendered on that date by all the directors and, at the proposal of the Board of Directors, following a report from the Appointments and Remuneration Committee, agreed to appoint Gonzalo Urquijo Fernández de Araoz as executive director and Mr. Manuel Castro Aladro, Mr. José Luis del Valle Doblado, Mr. José Wahnon Levy, Mr. Ramón Sotomayor Jáuregui, Mr. Javier Targhetta Roza and Ms. Pilar Cavero Mestre as independent directors.

Accordingly, on the date of approving this report, the Company's Board of Directors comprises as 1 executive director and 6 independent directors.

It is hereby noted that, as an event following the year-end, on 26 January 2017 Javier Targhetta Roza resigned his position as director for personal family reasons and the Company's Board of Directors accepted the resignation.

C.1.15

The amount of total remuneration of Board members includes remuneration paid, for any reason, to all those who have held the position of director of the Company during 2016.

C.1.16

In the context of the restructuring process Abengoa has changed its organisational structure in order to make it more streamlined, more efficient and focused on business development.

The Corporate area now includes all areas that were previously split up. This is in order to obtain greater synergies and efficiencies.

In the Business area we have removed the previous structure based on Business Groups, concentrating the activities and integrating business units to also exploit synergies and gain in efficiency. The new business organisational chart is divided into two areas, Business and Geographies, which is intended to cover all future activities of Abengoa, focusing on our core operations of Engineering and Construction and maintaining technology and innovation as key elements of competitiveness.

As a consequence of the foregoing, the senior management of the Company was simplified on 22 November 2016 to form an Executive Committee comprised of only six members: the Executive Chairman, Mr. Gonzalo Urquijo Fernández de Araoz; the CEO, Mr. Joaquín Fernández de Piérola; the Secretary General, Mr. Daniel Alaminos; the Director of Human Resources, Mr. Alvaro Polo; the Finance Director, Mr. Víctor Pastor, and the Director of Strategy and Restructuring, Mr. David Jiménez-Blanco. Therefore, on said date, the previous top management body known as Strategy Committee, the made up of 22 members, ceased to exist. Notwithstanding the foregoing, the overall amount of remuneration to senior management shown in this report reflects the remuneration of senior managers holding said post, partially or completely, in the 2016 financial year.

C.1.45

It is hereby noted that, pursuant to the services rendering business agreement that Abengoa entered into with the previous Executive Chairman, Mr. José Domínguez Abascal, in the event that the Company terminates him, he would be entitled to opt between non-competition post-contractual compensation for early/agreed termination as described above, which in the case of Mr. Domínguez Abascal reached an amount equivalent to 100% of the accrued remunerations for the immediately preceding financial year, or reintegration to his previous post. After his termination as Executive Chairman, Mr. Domínguez Abascal opted for reintegration into his previous post.

C.2.1

It is hereby noted that on 27th February 2017 the Board of Directors of Abengoa unanimously agreed to appoint Mr. José Luis del Valle Doblado as member of the Appointments and Remunerations Committee in replacement of Mr. Javier Targuetta Roza.

D.3

It is hereby stated that on 1 March 2016, Abengoa's Board of Directors agreed to terminate the service provision agreement between Abengoa and Mr. Felipe Benjumea Llorente on 23 September 2015.

D.7

Atlantica Yield plc, a company that does not belong to the Group but in which Abengoa holds a stake of approximately 40%, is listed on the US Nasdaq. For this purpose, on 26 May 2014 both companies signed a protocol for the authorisation and supervision of related-party transactions.

Other information

During 2013 Abengoa started to prepare a corporate compliance programme which it has continued to develop in recent years.

The concept of corporate compliance was introduced in adherence to international practices and to specific compulsory legal rules and regulations, especially practiced in Anglo-Saxon law and, from December 2014 onwards, in Spain. Up until the Transparency Act and, most recently, Law 31/2014, of 3 December, which amends the Spanish Companies Act to improve corporate governance, became effective and enforceable in Spain, good governance recommendations were just that: recommendations. They were not binding even though, on the international markets, companies were legally obliged to comply with certain codes of conduct to prevent fraud, among other bad practices. Notwithstanding the above, due to the increase in getting closer to the international markets as well as to the recent promulgation of Law 31/2014, it is now necessary, on the one hand, to harmonise the international practice with Spanish laws, thus introducing the concept of criminal liability for legal entities and, on the other, to adapt the various company standards to the new amendments introduced in the Spanish Companies Act.

The goal that Abengoa hopes to attain by creating this programme and by adapting its standards to the recent amendments in the Spanish Companies Act on the aspect of corporate governance is for the Board of Directors and the management to apply and practice ethics, legality and efficacy in business transactions (good governance), with the organization's systematic focus on evaluating and managing risks, and to ensure that the organisation and its employees comply with the existing laws, regulations and standards, including the company's behavioural standards (regulatory compliance), with Abengoa exercising due control and providing a strategic vision to tackle the legal needs of the organisation. The creation of a regulatory compliance monitoring programme by introducing an effective system of good governance and crime prevention is an essential resource for the reputation of Abengoa.

Abengoa's corporate compliance programme establishes standards and procedures for detecting and preventing bad corporate practices, with the Board of Directors acting as the authority in supervising the implementation and improvement of the compliance programme and creating the internal post of compliance officer. An appropriate corporate compliance programme requires an evaluation of the criminal, social and corporate good governance risks, a monitoring authority, a follow-up, action and surveillance programme, as well as an important ongoing training programme for employees.

Also in 2002, Abengoa signed the UN Global Compact, an international initiative which aims to achieve a voluntary commitment of entities in social responsibility through the implementation of ten principles based on human, labour and environmental rights and the fight against corruption.

And in 2007 the company signed the Caring for Climate initiative, also of the United Nations. As a result, Abengoa has implemented a system of reporting emissions of greenhouse gases (GHGs), which allows it to calculate its emissions of greenhouse gases, trace all its supplies and certify the products and services it offers.

On 26 July 2010, the Company's Board of Directors agreed on the company's adhesion to the Code of Good Tax Practices.

This annual corporate governance report was approved by the Board of Directors of the company at its meeting dated _____.

Indicate whether any directors voted against or abstained in connection with the approval of this Report.

No

Individual or company name of director that did not vote in favour of the approval of this report	Reasons (opposed, abstained, absent)	Explain the reasons

03.2 Annual report from the appointments and remunerations committee

A. The company's remuneration policy for the ongoing year

A.1. Abengoa's remuneration policy for the ongoing financial year 2017

At Abengoa, S.A. ("**Abengoa**" or the "**Company**") it is considered important to maintain policies geared towards proposing long-term professional careers in the Group of which Abengoa is the parent company (the "Group") and, at the same time, promoting the Company and its Group's long-term profitability and sustainability, maintaining reasonable proportionality with the importance of the Company, its economic situation at the given time and the market standards of comparable companies. Abengoa's business transactions and operations are conducted in extremely competitive fields in which the achievement of goals and objectives greatly depend on the quality, work capacity, dedication and business knowledge of the persons holding key positions and leading the organization.

These premises determine the Group's remuneration policy in general, that of the directors, in particular, and especially that of the executives, which should make it possible to attract and retain the most distinguished professionals.

Therefore, the aim of the remuneration policy for members of the Board is as follows:

- Remuneration for the supervisory and collegial decision-making duties performed as members of the Board of Directors should be appropriate to reward the dedication, qualification and responsibility required for the performance of the duties of member of the Board, bearing in mind the duties performed on the Board of Directors and the Committees on which they serve.
- Regarding the remuneration of executive directors for performing their executive duties:
  - (i) Ensure that the overall remuneration package and its structure are competitive in comparison with the international sector and compatible with our vocation of leadership.
  - (ii) Maintain an annual variable component linked to the achievement of specific and quantifiable objectives that are in line with the interests of shareholders.

The remuneration policy for members of the Board of Abengoa set out in this report is based on the Annual Report on Remuneration for Members of the Board for financial year 2014, which was adopted at the ordinary General Shareholders' Meeting of 29 March 2015. In accordance with the transitional provision of Law 31/2014 of 3 December, amending the Spanish Company Law to improve corporate governance, the adoption of the report by the General Shareholders' Meeting determined that the remuneration policy set out in the report was also adopted for the purposes of article 529 novodecies of the Spanish Company Law, effective until financial year 2017 (inclusive).

However, article 39 of the Bylaws of Abengoa – which, among other things, governs Board member remuneration – was altered at that same ordinary General Shareholders' Meeting of 29 March 2015 and at the extraordinary General Shareholders' Meeting of 22 November 2016. Among other changes, the General Shareholders' Meeting of 22 November 2016 resolved to remove the previously available possibility of remunerating Board members by means of a share in the Company's earnings. The remuneration policy reflected in this report accordingly differs from the policy set out in the Annual Report on Remuneration for Members of the Board for financial year 2014 to the extent that it reflects those changes to the Bylaws in connection with remuneration.

The criteria for establishing a director remuneration policy are in conformity with the provisions of the Spanish Company Law (articles 217 to 219, 249 and 529 sexdecies to 529 novodecies), those of the Bylaws (article 39) and those of the Regulations of the Board of Directors (article 20), establishing various criteria depending on whether or not the director performs executive duties:

- Remuneration of members of the Board for their condition as such.
  The position of director is remunerated following the stipulations of article 39 of the Bylaws. Remuneration of members of the Board consists of an amount the total sum of which will be decided by the Company's General Shareholders' Meeting, in accordance with the remuneration policy for members of the Board and on the basis of all or some of the following items, subject to any statutory requirement as to prior approval by the General Shareholders' Meeting:
  - (a) a fixed allocation;
  - (b) attendance allowances;
  - (c) variable remuneration tied to general benchmark indicators or parameters; and
  - (d) severance compensation, provided that severance does not arise from breach of the director's duties.

  In addition, payment may be in the form of shares made over to non-executive directors, such share-based payment being subject to the recipients' continuing to hold the shares (except any they may need to sell to defray the costs of acquiring them) until their departure from the Board.
  At present, from among the various possibilities permitted by Abengoa's internal rules, remuneration to members of the Board in their capacity as such exclusively takes the form of allowances for attendance at meetings of the Board and its Committees.
  The specific determination of the amount due in respect of the above considerations to each of the members of the Board and the form of payment rests with the Board. For that purpose, the Board will have regard to the duties performed by each member within the Board itself and his/her membership of and attendance at the various Committees. Directors will also be reimbursed for costs incurred in the performance of actions entrusted to them by the Board.

Any rights and duties arising from membership of the Board will be compatible with any other rights, duties and indemnities that may attach to a Board member by virtue of any other functions, including executive duties, which he/she performs at the Company.

› Remuneration for the performance of duties at the Company other than those attributed to directorship.
This includes director remuneration for performing executive duties or those of another nature, other than those of supervision and decision-making exercised on a collegial basis on the Board or its Committees.
This remuneration is compatible with their remuneration simply in their capacity as members of the Board of Directors.
The setting of director remuneration for the performance of executive duties rests with the Board. It is to be noted that as from the extraordinary General Shareholders' Meeting of 22 November 2016 the only executive director now in office is the current Executive Chairman, Mr. Gonzalo Urquijo Fernández de Araoz.

The Board, at the proposal of the Appointments and Remuneration Committee, intends to lay before the upcoming ordinary General Shareholders' Meeting, for adoption if thought appropriate, a new remuneration policy for financial year 2018 and subsequent years. The Board likewise intends to propose to the General Shareholders' Meeting that the new remuneration policy also apply in 2017, thus altering the policy set out in this report in accordance with article 529 (3) novodecies of the Spanish Company Law.

A.2. Process to determine the remuneration policy

In accordance with article 28 of the Regulations of the Board of Directors of Abengoa, it falls to the Appointments and Remuneration Committee to propose to the Board the remuneration policy for directors, for senior executive vice presidents or such persons as perform senior management duties and report directly to the Board, for executive committees and for executive directors, such policy subsequently being submitted for approval to the General Shareholders' Meeting. The Appointments and Remuneration Committee must also regularly review the remuneration policy and ensure that the individual remuneration of each such person is proportionate to that paid to the rest of directors and senior executive vice presidents of the Company.

The remuneration policy for members of the Board of Abengoa set out in this report is based on the Annual Report on Remuneration for Members of the Board for financial year 2014. That remuneration policy was prepared, discussed and formulated by the Appointments and Remuneration Commission, with the resulting proposal then being referred to the Board of Directors for subsequent submission to the General Shareholders' Meeting. External advisers were not involved in framing the remuneration policy. However, to set the policy in specific relation to directors who are in office at the time of writing, market benchmarks have been considered, based on information supplied by reputable consultants, as indicated later within this section A.2.

In accordance with the Bylaws and the Regulations of the Board of Directors of Abengoa, a majority of members of the Appointments and Remuneration Committee must be independent directors, and the Committee Chair must be appointed from among the independent directors on the Committee. At present, the Appointments and Remuneration Committee is made up of independent directors exclusively, including the Committee Chair, all of whom have been appointed on the strength of their knowledge, skills and experience in the matters dealt with by the Committee.

The current members of the Appointments and Remuneration Committee – who, in that capacity, are involved in the framing and regular review of the remuneration policy – are:

Pilar Cavero Mestre	Chair	Independent Director
José Luis del Valle Doblado	Member	Independent Director
Ramón Sotomayor Jáuregui	Member	Independent Director
Juan Miguel Goenechea Domínguez	Secretary	Non-Board member

Ms. Cavero was appointed to the Committee at a meeting of the Board of Directors of Abengoa, S.A. held on 22 November 2016, and elected as Chairwoman at a meeting of the Appointments and Remuneration Commission held on that same day; the Secretary was appointed at the meeting of the Board of Directors of Abengoa, S.A. held on 22 November 2016.

At year-end 2016, Mr. Javier Targhetta Roza was a member of the Appointments and Remuneration Committee, but on 26 January 2017 he resigned as a director for personal reasons of a family nature. The Board of Directors, at its meeting of 27 February 2017, unanimously resolved to appoint Mr. José Luis del Valle Doblado as a member of the Appointments and Remuneration Committee to replace Mr. Javier Targhetta Roza.

In the context of the restructuring of Abengoa, and in accordance with the terms of the Restructuring Agreement entered into by the Company on 24 September 2016, the Board of Directors was completely overhauled in number and membership at the extraordinary General Shareholders' Meeting of 22 November 2016. To set remuneration for the new members of the Board of Directors, all of whom are independent except the Executive Chairman, the Appointments and Remuneration Committee relied on information on market benchmarks provided by the specialized firm Spencer Stuart. To determine the terms of the contract with the Executive President, the Committee was also advised by Mercer, a consultancy firm that likewise specializes in remuneration matters.

A.3. Fixed components of remuneration

(a) Remuneration of members of the Board in their capacity as such

The remuneration of Abengoa directors in their capacity as such consists of allowances for attendance at meetings of the Board and of its Committees. The applicable amounts accrue only upon attendance by a director at the meetings of the corresponding body. The detail of these items of remuneration is as follows:

- Allowances for attendance at meetings of the Board: € 8,000 per meeting, capped at € 80,000 per director per annum.
- Allowances for attendance at meetings of the Audit Committee: € 2,500 per meeting, capped at € 10,000 per director per annum.
- Allowances for attendance at meetings of the Appointments and Remuneration Committee: € 2,500 per meeting, capped at € 10,000 per director per annum.
- Allowances for chairmanship of the Audit Committee or of the Appointments and Remuneration Committee: € 2,500 per meeting, capped at € 10,000 per director per annum.

(b) Remuneration of members of the Board for the performance of executive duties

Executive directors are paid a fixed allocation or salary as consideration for the performance of their executive duties, which consists of a fixed annual gross sum apportioned across twelve equal monthly payments.

The amount of such remuneration must lie within the range of usual remuneration for similar positions at comparable companies. This amount is set, as far as practicable, on the basis of market research conducted by external consultants.

Fixed remuneration may be increased annually in accordance with a review conducted by the Board, on the motion of the Appointments and Remuneration Committee and pursuant to the applicable remuneration policy.

As indicated earlier, since 22 November 2016 the only executive director now in office at Abengoa is its Executive Chairman, Mr. Gonzalo Urquijo Fernánder de Araoz, whose fixed remuneration for 2017 comes to € 1,000,000.

Executives directors may also have the benefit of life and/or accident insurance paid for by the Company.

A.4. Variable components of the remuneration systems

At Abengoa, only executive directors are entitled to variable remuneration.

(a) Annual variable remuneration (or bonus)

Annual variable remuneration of executive directors forms part of Abengoa's general remuneration policy for senior management, and partakes of the same general structure as the annual variable remuneration of senior executives. As regards executive directors, it falls to the Board, at the proposal of the Appointments and Remuneration Committee, to set annual targets and their weightings in accordance with the applicable remuneration policy.

Annual variable remuneration (or bonus) for executive directors is tied to the fulfillment of targets. Those targets, in turn, are mainly pegged to Earnings Before Interest, Taxes, Depreciation and Amortization, or "**EBITDA**". Given this framework, at the beginning of the financial year an estimate is made of the total variation range for the variable remuneration that may be due to executive directors.

Variable remuneration takes the form of an annual bonus, and is settled as a lump sum (it accrues for all purposes within the financial period then being settled, as appropriate).

For the purposes of the calculation of annual variable remuneration due to the Executive Chairman, the notional benchmark variable is equal to 100 % of his annual fixed remuneration, which will match the amount of the bonus if 100 % of all targets set for the given year are fulfilled. The annual variable remuneration that actually accrues can range from 80 % to a maximum of 140 % of the notional benchmark variable. At the time of writing, the annual variable remuneration targets for the Executive Chairman and their weightings are yet to be determined by the Board.

In the context of its review of the remuneration policy referred to in section A.1, the Appointments and Remuneration Committee is considering whether or not it is expedient to begin a study on possible variable compensation linked to achieving targets related to the restructuring process the Company is currently immersed in, in order to, in turn, propose to the Board of Directors that any applicable resolutions be adopted, including considering the Executive Chairman as a potential beneficiary of this compensation.

(b) Multiannual variable remuneration

Executive directors, as members of the senior management of Abengoa, are eligible to participate in the multiannual variable remuneration schemes for senior executives adopted from time to time by the Board at the proposal of the Appointments and Remuneration Committee.

At present, there are two extraordinary long-term variable remuneration plans for senior executives, adopted in January 2014 and July 2014, respectively, the terms and conditions of which are set out in section C.1. However, at the time of writing, Mr. Gonzalo Urquijo Fernández de Araoz, the only executive director now in office, was not a participant of either plan. Neither are any rights held under those plans by Mr. Javier Benjumea Llorente, Mr. José Domínguez Abascal or Mr. Antonio Fornieles Melero, who formerly performed executive duties, of which they were relieved in the course of 2016. Mr. Joaquín Fernández de Piérola Marín, who was released from his office of Chief Executive Officer on 22 November 2016 and is now a senior executive manager of the Abengoa Group, would retain rights under those plans in his present capacity, but, as did the other members of senior management who were formerly entitled under those plans, he has waived the rights.

Within the framework of the review of the remuneration policy referred to in section A.1, it is intended to adopt a medium- and long-term incentive plan for senior executives to replace the two plans referred to above. Executive directors would be eligible to take part in the new plan.

A.5. Long-term savings systems

The compensation package for Abengoa directors does not include any long-term savings system.

A.6. Compensation

There is no provision for the payment of any compensation to directors in the event of termination of their positions as such. Compensation will be paid only in the event of termination of executive duties, as indicated in section A.7 below.

A.7. Terms and conditions of contracts entered into with executive directors

Based on proposals by the Appointments and Remuneration Commission, the Board of Directors fixes the remuneration of executive directors for the performance of their executive duties and other basic conditions that must be respected in their contracts, duly approved by the Board of Directors under the terms and conditions set out in article 249 of the Spanish Company Law.

The main terms of the contract entered into by the Company with the Executive Chairman, Mr. Gonzalo Urquijo Fernández de Araoz, the only executive director in office at the time of writing, are outlined below:

a) Permanent

The contract entered into with the Executive Chairman is of indefinite duration, and makes provision for financial compensation in the event of termination of the contractual relationship with the Company, unless such termination is due to voluntary departure, death or disability of the director or to breach of his duties.

b) Exclusivity and non-competition

The Executive Chairman's contract places him under a duty of exclusive dedication to the Company as regards executive functions.

In addition, the contract includes a post-contractual non-competition clause, effective for one year after the end of his relationship with the Company. As consideration for this undertaking, the Executive Chairman will be entitled to compensation in an amount equal to one year of fixed and variable remuneration. If the Executive Chairman resigns of his own free will, the Company reserves the right not to trigger this covenant. If it is acknowledged that the Executive Chairman is entitled to the severance compensation referred to in section (e) below, the compensation for post-contractual non-competition will be deemed to be included in that amount.

If the director dishonours the post-contractual non-competition undertaking, he must pay to the Company a penalty equal to one year's fixed and variable remuneration.

c) Indemnity clauses

The Executive Chairman's contract entitles him to collect an indemnity in an amount equal to two years' fixed and variable remuneration upon termination of the contract, unless such termination is caused by voluntary resignation, death or disability of the director or by a serious and culpable breach of his duties. In events of voluntary resignation, such resignation must be tendered at least three months in advance of its intended effective date. If the director fails to comply with this condition, he must indemnify the Company with an amount equal to his fixed and variable remuneration for a time equal to the period of notice that he failed to give. If it is acknowledged that the director is entitled to severance compensation, one of the two years' remuneration will be deemed to have been received by way of consideration for the non-competition undertaking described in section (b) above.

At the Board meeting of 27 February 2017, at the proposal of the Appointments and Remuneration Committee, targets were set for the Executive Chairman for 2017. It was resolved that entitlement to the variable components of remuneration would be subject to reimbursement (and the Company may demand recovery) if the payment is inconsistent with the terms of performance or was made having regard to data later shown to be inaccurate.

In addition, the Company is considering the question of whether or not to include this provision in the new remuneration policy referred to in section A.1 above, in which event the Executive Chairman's contract would have to be modified.

A.8. Additional remuneration

As of the date of this report, no additional remuneration has accrued as consideration for services rendered other than those attaching to directorships or, as the case may be, to the performance of executive duties.

A.9. Advances, credits and guarantees granted

As of the date of this report, there were no advances, credits or guarantees granted to members of the Board of Directors of Abengoa.

A.10. Remuneration in kind

By way of remuneration in kind, the Executive Chairman benefits from a life and accident insurance policy the premiums for which are paid by the Company.

In addition, all Abengoa directors are covered by a civil liability policy arranged by the Company on market terms.

A.11. Remuneration accrued by directors by virtue of payments made to a third-party entity

No payments were made to any company for the purpose of remunerating the services rendered to Abengoa by external directors.

A.12. Other payable items

There are no other items payable other than those outlined in previous sections.

A.13. Actions put in place to reduce risks

To ensure the effective running of the organization and to guarantee the Company's long-term future, in addition to good strategic planning, it is essential that there is accurate and rigorous management that considers the risks associated with the company's activity itself and anticipates how to mitigate them.

Thus, Abengoa has its own global system for managing risks, included within the common management systems, which means risks can be controlled and identified. It is regularly updated for the purpose of creating a culture of common management, achieving the objectives set in the area and having the capacity to adapt in order to mitigate any threats that may surface in an environment as competitive as the present.

Implementation of this system entails:

- Risk management at all levels of the organization, without exception.
- Full integration with strategy and systems to achieve the targets set.
- Full support of Management to evaluate, follow up and comply with guidelines relating to threat management.

This risk management system is based on three tools:

- Mandatory rules (NOC in Spanish).
- Mandatory processes (POC in Spanish).
- The Universal Risk Model (URM).

Compliance is guaranteed through the checks carried out by the Internal Audit Department and at committee meetings regularly held with senior management and the Chairman.

These tools and common management systems are designed from quality standards aimed at complying with international rules and regulations such as ISO 31000 and the Sarbanes-Oxley Act, and have been certified by companies of international repute.

The Universal Risk Model (URM) is the methodology that Abengoa uses to identify, understand and evaluate the risks that may affect the Company. Its main purpose is to obtain a comprehensive view of them, thereby designing an efficient system that is in line with the business goals and objectives of Abengoa.

The URM consists of over 55 risks that belong to 20 different categories grouped into 4 large areas: financial, strategic, regulatory and operational.

The URM is subject to annual revisions to ensure that the calculations designed for each risk are the most appropriate for the day-to-day operations of the Company.

C. Overall summary of how the remuneration policy was applied during the last financial year

C.1. Remuneration policy applied during 2016: structure and payable items

The structure and components of the remuneration policy applied in 2016 are described below. A distinction is drawn between remuneration of directors in their capacity as such, and remuneration of directors for the performance of executive duties:

Remuneration of members of the Board for their condition as such

The structure and components of the remuneration policy applied in 2016 for directors in their capacity as such were as follows:

- Allowances for attendance at meetings of the Board: €1,254 thousand.
- Allowances for attendance at meetings of the Audit Committee and of the Appointments and Remuneration Committee, and for chairing those committees: €161 thousand.

These are aggregate amounts for all directors.

Remuneration for the performance of duties at the Company other than those attributed to directorship

The structure and components of the remuneration policy applied in 2016 for the performance of executive duties were as follows:

(i) Fixed remuneration

Fixed remuneration paid to directors for the performance of executive duties during 2016 in accordance with the contracts approved by the Board at the proposal of the Appointments and Remuneration Committee came to a total of €1,367,500. This figure includes the amounts for: (a) Mr. Gonzalo Urquijo Fernández de Araoz, current Executive President; (b) Mr. Javier Benjumea Llorente until 30 June 2016, when he ceased to be a director; (c) Mr. José Domínguez Abascal until 1 March 2016, when he was relieved of his executive duties; (d) Mr. Antonio Fornieles Melero until 22 November 2016, when he departed from the Board; and (e) Mr. Joaquín Fernández de Piérola Marín until 22 November 2016, when he ceased to be a director.

(ii) Annual variable remuneration (bonus)

None of the directors who performed executive duties and were relieved of such duties in the course of 2016, i.e., Mr. Javier Benjumea Llorente, Mr. José Domínguez Abascal, Mr. Antonio Fornieles Melero and Mr. Joaquín Fernández de Piérola Marín, has earned any variable remuneration for that year.

Mr. Gonzalo Urquijo Fernández de Araoz joined the Board of Directors and took office as Executive Chairman on 22 November 2016. As indicated in section A.4, as of the date of this report the Board of Directors had not yet set its targets for the purpose of calculating variable annual remuneration, or the weightings of each target. Therefore, the Executive President likewise has earned no variable annual remuneration for the time during which he performed executive duties in 2016. However, his performance during that period may, if appropriate, be taken into account when setting targets for 2017.

(iii) Extraordinary variable remuneration plans for senior management

As indicated in section A.4, there are currently two long-term variable remuneration plans for senior management, in which some executive directors took part in 2016. However, the directors who are now members of senior management have waived their rights under those plans.

These plans do not involve remuneration that is linked to the Company share price within the meaning of article 219 of the Spanish Company Law. However, the entitlement to receive such remuneration, but not the amount per se, is conditional on the class B shares of the Company rising to certain quoted prices. This requirement may be disapplied by the Appointments and Remuneration Committee if warranted by exceptional circumstances in the securities markets.

1. Extraordinary variable remuneration plan for senior management approved in January 2014

This plan, which replaces and supersedes the earlier extraordinary plan approved in February 2011, was approved by the Board of Directors of the Company in January 2014, in accordance with the proposal of the Appointments and Remuneration Committee.

One of the beneficiaries formerly under the plan was the former CEO and current senior executive manager Mr. Joaquín Fernández de Piérola Marín, among other senior executives. The plan will mature on 31 December 2017.

Entitlement to this remuneration is subject to the following conditions:

a) the beneficiary must remain an employee until the end of the plan;
b) the beneficiary must be entitled to receive an annual bonus in each financial year within the period in question;
c) the extent of fulfillment (of targets) must be 20% per annum, in addition to the requirement that the beneficiary remains as an employee of the Company until 31 December 2017;
d) the consolidated budget of the Business and/or the Abengoa Group for 2017 must have been fulfilled in accordance with the Strategic Plan in effect at the given time.
e) the average price of Abengoa class B shares over the last three months of 2017 must remain above a certain value.

If a plan beneficiary loses that status before the end of the plan (whether voluntarily or as a result of dismissal for cause), he/she will lose his/her entitlement to any payment under the plan.

If a beneficiary dies, the plan terminates, and his/her heirs are entitled, depending on the seniority of the decedent executive, to the entire amount or the vested amount to which he/she would have been entitled for the financial period ended before his/her death.

If a beneficiary retires by virtue of reaching retirement age or of a declaration of absolute permanent disability (preventing him/her from doing any other kind of work) before the end of the term of effect of the plan, he/she will be entitled to the amount that vested during fully completed financial periods as of the date of retirement, provided that the rest of stipulated conditions are satisfied.

At year-end 2016, no expense was recognized in respect of the plan, because it was believed that the stipulated conditions were unlikely to be satisfied, in view of the Company's present state of affairs, which led to the filing of the notice required under article 5 bis of the Insolvency Law (**Ley 22/2003, de 9 de julio, Concursal**) and to the financial restructuring process in which the Company has been involved until early 2017. However, if the plan were ever implemented, the executive directors who took part in 2016 and who today are members of senior management (Mr. Joaquín Fernández de Piérola) would not be entitled to any amount, because they have waived their rights under those plans.

2. Extraordinary variable remuneration plan for senior management approved in July 2014

This plan was approved by the Board of Directors of the Company in July 2014, in accordance with the proposal of the Appointments and Remuneration Committee.

One of the beneficiaries formerly under the plan was the former CEO and current senior executive manager Mr. Joaquín Fernández de Piérola Marín, among other senior executives. The duration of the plan is five years (2014-2018), such that it will mature on 31 December 2018.

Entitlement to this remuneration is subject to the following conditions:

a) the beneficiary must remain an employee until the end of the plan;
b) where an executive's remuneration is wholly or partly linked to the fulfillment of personal targets, the beneficiary must have been entitled to the annual bonus;
c) the extent of fulfillment (of targets) must be 20% per annum, in addition to the requirement that the beneficiary remains as an employee of the Company until 31 December 2018;
d) the average price of Abengoa class B shares over the last three months of 2018 must remain above a certain value.

If the executive's employment terminates (voluntarily or by dismissal), the plan terminates and no remuneration accrues.

If a beneficiary dies, the plan terminates, and his/her heirs are entitled, depending on the seniority of the decedent executive, to the entire amount or the vested amount to which he/she would have been entitled for the financial period ended before his/her death.

If a beneficiary retires by virtue of reaching retirement age or of a declaration of absolute permanent disability (preventing him/her from doing any other kind of work) before the end of the term of effect of the plan, he/she will be entitled to the amount that vested during fully completed financial periods as of the date of retirement, provided that the rest of stipulated conditions are satisfied.

At year-end 2016, no expense was recognized in respect of the plan, because it was believed that the stipulated conditions were unlikely to be satisfied, in view of the Company's present state of affairs, which led to the filing of the notice required under article 5 bis of the Insolvency Law and to the financial restructuring process in which the Company has been involved until early 2017. However, the executive directors who took part in 2016 and who today are members of senior management (Mr. Joaquín Fernández de Piérola) would not be entitled to any amount, because they have waived their rights under those plans.

(iv) Exceptional compensation due to the former Executive Chairman

The contract with the former Executive Chairman, Mr. José Domínguez Abascal, entitled him to receive as exceptional compensation for 2016 an amount equal to his gross fixed annual remuneration of € 700,000, subject to the following conditions being satisfied in the course of 2016:

- agreement to be reached with financial and/or trade creditors in the process of restructuring of the Company balance sheet; and/or
- as the case might be, agreement to be reached with investors for their entry into Abengoa's shareholder structure, or otherwise shoring up the Company's equity and/or resolving the Company's present financial position; and

in both cases or in either case, a declaration of insolvency of the Company in 2016 to be avoided, or, if not avoided, such insolvent status to be lifted within 2016.

On 7 March 2016, at the proposal of the Appointments and Remuneration Committee, the Board determined that, as of the date of Mr. Domínguez's departure from office as Executive Chairman of Abengoa, the conditions of entitlement to that remuneration had not been satisfied, and therefore no payment would be made.

(v) Indemnities

None of the directors who performed executive duties and were relieved of such duties in the course of 2016, i.e., Mr. Javier Benjumea Llorente, Mr. José Domínguez Abascal, Mr. Antonio Fornieles Melero and Mr. Joaquín Fernández de Piérola Marín, has earned any amount by way of severance compensation or of consideration for post-contractual non-competition undertakings.

See section E "Other information of interest", Note 1 to section C.1.

(vi) Remuneration in kind

In 2016, the Executive Chairman, Mr. Gonzalo Urquijo Fernández de Araoz, and, until their respective departures as executive directors, Mr. Javier Benjumea Llorente, Mr. José Domínguez Abascal, Mr. Antonio Fornieles Melero and Mr. Joaquín Fernández de Piérola Marín, were beneficiaries of life and accident insurance paid for by the Company.

The premiums paid came to a total of € 874.

(vii) Other items Advances, credits and guarantees. Payments to third parties. Additional remuneration

In 2016, none of the directors of Abengoa earned any remuneration for the performance of executive duties in respect of items other than those enumerated in sections (i) to (vi) above.

In 2016 no advances, credits or guarantees were granted to directors; no payments were made to any entity as consideration for services provided to Abengoa by external directors; and no additional remuneration was paid to directors as consideration for services rendered other than those attaching to their position as directors or, as the case may be, the performance of executive duties.

See section E "Other information of interest", Note 2 to section C.1.

D. Breakdown of individual remuneration accrued by each director

D.1. Breakdown of individual remuneration accrued by directors

a) Remuneration accrued at Abengoa, S.A. (in thousands of euros):

Name	Type	Period	Salary	Fixed remuneration	Attendance fees	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership of Board committees	Indemnities	Other items	Total 2016	Total 2015
Felipe Benjumea Llorente [1]	Executive	01/01/15-23/09/15										15,671
Aplidig, S.L. [1]	Executive	01/01/15-19/015										2,804
Manuel Sánchez Ortega [1]	Executive	01/01/15-27/07/15										8,388
María Teresa Benjumea Llorente [1]	Proprietary	01/01/15-10/10/15										43
Fernando Solís Martínez Campos [1]	Proprietary	01/01/15-10/10/15										57
Carlos Sundheim Losada [1]	Proprietary	01/01/15-10/10/15										57
Santiago Seage Medela [1]	Executive	18/05/15-27/11/15										594
Javier Benjumea Llorente [2]	Executive	01/01-30/06	60		51						111	2,600
José Borrell Fontelles [3]	Independent	01/01-22/11			145			40			185	300
Mercedes Gracia Díez [3]	Independent	01/01-22/11			145			40			185	200
Ricardo Martínez Rico [3]	Independent	01/01-22/11			100						100	130
Alicia Velarde Valiente [3]	Independent	01/01-22/11			136			40			176	150
Ricardo Hausmann [3]	Independent	01/01-22/11			229						229	280
José Joaquín Abaurre Llorente [3]	Proprietary	01/01-22/11			100						100	150
José Luis Aya Abaurre [4]	Proprietary	01/01-12/02			20						20	150
Inayaba, S.L. [3] [5]	Proprietary	07/03-22/11			80						80	–
Claudi Santiago Ponsa [6]	Proprietary	01/01-25/05			36						36	78
Ignacio Solís Guardiola [3]	Proprietary	01/01-22/11			71						71	78
Antonio Fornieles Melero [3] [7]	Independent/Executive	01/01-22/11	509		29			10			548	195
José Domínguez Abascal [8]	Executive/External	01/01-18/04	119								119	175
Joaquín Fernández de Piérola Marín [3] [9]	Executive	01/01-22/11	571								571	23
Gonzalo Urquijo Fernández de Araoz [10]	Executive	22/11-31/12	108		16						124	
Manuel Castro Aladro [11]	Independent	22/11-31/12			16			3			19	
José Wahnon Levy [11]	Independent	22/11-31/12			16			5			21	
Pilar Cavero Mestre [11]	Independent	22/11-31/12			16			10			26	

Name	Type	Period	Salary	Fixed remuner-ation	Attend-ance fees	Short-term variable remunera-tion	Long-term variable remunera-tion	Remuneration for membership of Board com-mittees	Indemni-ties	Other items	Total 2016	Total 2015
José Luis del Valle Doblado (17)	Independent	22/11-31/12			16			3			19	
Javier Targhetta Roza (17)	Independent	22/11-31/12			16			5			21	
Ramón Sotomayor Jáuregui (17)	Independent	22/11-31/12			16			5			21	
Total			1,367	0	1,254	0	0	161	0	0	2,782	32,123

Note (1): Mr. Felipe Benjumea Llorente, Aplidig, S.L., Mr. Manuel Sánchez Ortega, Ms. María Teresa Benjumea Llorente, Mr. Fernando Solís Martínez Campos, Mr. Carlos Sundheim Losada and Mr. Santiago Seage Medela ceased to be directors of Abengoa in the course of 2015. Specifically:

- Mr. Felipe Benjumea Llorente tendered his resignation as a director of Abengoa in a letter addressed to the Board and dated 23 September 2015, as a result of his having been removed from the Executive Chairmanship and as part of a range of undertakings given by the Company to certain banks. That Mr. Felipe Benjumea should resign was a non-negotiable condition imposed by the underwriting and financing banks in the context of a capital increase which the Company needed to undertake. Later, during the third quarter of 2015 and up until 1 March 2016, he acted as an adviser to the Board under a consultancy contract entered into with Abengoa. The contract terminated on the latter date. Mr. Benjumea Llorente has waived his entitlement to any amount he might otherwise have been paid under the contract.
- Aplidig, S.L., represented by Mr. José B. Terceiro Lomba, resigned as a director of Abengoa on 19 January 2015.
- Mr. Sánchez Ortega resigned as CEO of Abengoa on 18 May 2015, when he was replaced by Mr. Santiago Seage Medela. Later, on 27 July 2015, he also resigned as a director of the Company. Until his resignation as a director of Abengoa on 27 July 2015, Mr. Sánchez Ortega performed a range of duties intended to ease the transition to the leadership of the new CEO of the Company, under a commercial service provision contract.
- Ms. Benjumea Llorente resigned as a director of Abengoa on 18 May 2015. She later rejoined the Board on 27 July 2015. Finally, on 10 October 2015, at the extraordinary General Shareholders' Meeting held on that date, she again resigned as a director of Abengoa.
- Mr. Solís Martínez-Campos tendered his resignation as a director of Abengoa on 10 October 2015 at the extraordinary General Shareholders' Meeting held on that day.
- Mr. Sundheim Losada tendered his resignation as a director of Abengoa on 10 October 2015 at the extraordinary General Shareholders' Meeting held on that day.
- Mr. Seage Medela was appointed member of the Board and CEO of Abengoa on 18 May 2015, replacing Mr. Sánchez Ortega. He later resigned as CEO of Abengoa and as a director on 27 November 2015.

In 2016, no remuneration accrued to the persons referred to above either in their capacity as directors or for the performance of executive duties. The data on their remuneration is limited to 2015, and is presented in aggregate form for purposes of comparison.

Note (2): Mr. Javier Benjumea Llorente was removed from his position as a director at the General Shareholders' Meeting held on 30 June 2016.

Note (3): Mr. Antonio Fornieles Melero, Mr. Joaquín Fernández de Piérola Marín, Ms. Alicia Velarde Valiente, Ms. Mercedes Gracia Díez, Mr. José Borrell Fontelles, Mr. Ricardo Hausmann, Mr. Ricardo Martínez Rico, Mr. José Joaquín Abaurre Llorente, Inayaba, S.L. (represented by Ms. Ana Abaurrea Aya) and Mr. Ignacio Solís Guardiola tendered their respective resignations as directors on 22 November 2016.

Note (4): Mr. José Luis Aya Abaurre died on February 2016.

Note (5): Inayaba, S.L. was appointed as a proprietary director of Abengoa on 7 March 2016, replacing Mr. Aya Abaurre. Inayaba, S.L. appointed as its natural-person representative Ms. Ana Abaurrea Aya.

Note (6): Mr. Claudi Santiago Ponsa resigned as a director on 25 May 2016.

Note (7): Mr. Fornieles Melero was appointed as an independent director of Abengoa on 19 January 2015, replacing Aplidig, S.L. Subsequently, on 1 March 2016, Mr. Fornieles Melero was appointed as Executive Chairman of the Board of Abengoa to replace Mr. José Domínguez Abascal.

Note (8): Mr. Domínguez Abascal was appointed as a proprietary director and as non-executive Chairman of the Board of Abengoa on 23 September 2015, replacing Mr. Felipe Benjumea Llorente. Later, on 27 November 2015, the Board of Abengoa delegated to Mr. Domínguez Abascal all powers that are delegable under the law and the Bylaws. Later, on 1 March 2016, Mr. Domínguez Abascal was removed from the Executive Chairmanship of the Board of Abengoa. He was replaced by Mr. Fornieles Melero, and from that date onward held the status of external director.

Note (9): Mr. Fernández de Piérola Marín was appointed as a director and senior executive manager of Abengoa, replacing Mr. Seage Medela, on 27 November 2015. Until his appointment as director and senior executive manager, Mr. Fernández de Piérola Marín had been chairman of the board of Abengoa México, S.A. de C.V. Later, on 1 March 2016, Mr. Fernández de Piérola Marín was appointed Chief Executive Officer of Abengoa.

Note (10): Mr. Urquijo Fernández de Araoz was appointed as an independent adviser to the Board of Abengoa, without a directorship, on 10 August 2016. Later, on 22 November 2016, he was appointed as an executive director and as Chairman of the Board of Abengoa, replacing Mr. Antonio Fornieles Melero.

Note (11): Mr. Castro Aladro, Mr. Wahnon Levy, Mr. Cavero Mestre, Mr. del Valle Doblado, Mr. Targhetta Roza and Mr. Sotomayor Jáuregui were appointed as independent directors of Abengoa on 22 November 2016, replacing the previous members of the Board of Directors, who resigned on that day.

As indicated in previous sections, the Company does not have in place any share-based payment scheme or long-term savings scheme. As of the date of this report, furthermore, there were no advances, credits or guarantees granted to members of the Board of Directors of Abengoa.

In 2016, the Company paid € 0.874 thousand for life and accident insurance premiums covering the following executive directors:

Name / type	2016	2015
Felipe Benjumea Llorente / Executive	–	0.4
Manuel Sánchez Ortega / Executive	–	0.3
Javier Benjumea Llorente / Executive	0.213	0.5
Santiago Seage Medela / Executive	–	0.2
José Domínguez Abascal / Executive	0.123	0.5
Antonio Fornieles Melero / Executive	0.293	–
Joaquín Fernández de Piérola Marín / Executive	0.203	0.1
Gonzalo Urquijo Fernández de Araoz / Executive	0.042[1]	–
Total	0.874	2.1

Note (1): The figure for Mr. Urquijo is estimated, because the respective invoice has not yet been received.

b) Remuneration accrued by the directors of Abengoa, S.A. for membership of Boards in other Group companies (in thousands of euros):

Name	Type	Accrual period 2016	Salary	Fixed remuneration	Attend-ance fees	Short-term variable remunera-tion	Long-term variable re-muneration	Remuneration for membership of Board committees	Indemnities	Other items	Total 2016	Total 2015
Javier Benjumea Llorente [1]	Executive	01/01-30/06									–	52[2]
Total			–	–	–	–	–	–	–	–	–	52

Note (1): Mr. Benjumea Llorente resigned as a director of Abengoa Bioenergía, S.A. on 29 January 2016, and has not earned remuneration in any form in that respect in 2016.

Note (2): The total figure accrued in 2016 is shown, although as of the date of issue of this report the amount of € 13 thousand for allowances relating to Abengoa Bioenergía, S.A. board meetings in 2015 is still pending payment.

c) Summary of the remuneration (in thousands of euros):

		Remuneration accrued at the Company				Remuneration accrued at Group companies				Totals		
Name	Type	Total remu-neration in cash	Value of shares granted	Gross gain on share options exercised	Total 2016 company	Total remu-neration in cash	Value of shares granted	Gross gain on share options exercised	Total 2016 Group	Total 2016	Total 2015	Contribution to the savings scheme during the financial year
Felipe Benjumea Llorente	Executive	–	–	–	–	–	–	–	–	–	15,671	–
Aplidig, S.L.	Executive	–	–	–	–	–	–	–	–	–	2,804	–
Manuel Sánchez Ortega	Executive	–	–	–	–	–	–	–	–	–	8,388	–
María Teresa Benjumea Llorente	Proprietary	–	–	–	–	–	–	–	–	–	61	–
Fernando Solís Martínez Campos	Proprietary	–	–	–	–	–	–	–	–	–	57	–
Carlos Sundheim Losada	Proprietary	–	–	–	–	–	–	–	–	–	57	–
Santiago Seage Medela	Executive	–	–	–	–	–	–	–	–	–	594	–
Javier Benjumea Llorente	Executive	111	–	–	111	–	–	–	–	111	2,652	–
José Borrell Fontelles	Independent	185	–	–	185	–	–	–	–	185	300	–
Mercedes Gracia Díez	Independent	185	–	–	185	–	–	–	–	185	200	–
Ricardo Martínez Rico	Independent	100	–	–	100	–	–	–	–	100	130	–
Alicia Velarde Valiente	Independent	176	–	–	176	–	–	–	–	176	150	–
Ricardo Hausmann	Independent	229	–	–	229	–	–	–	–	229	280	–
José Joaquín Abaurre Llorente	Proprietary	100	–	–	100	–	–	–	–	100	150	–
José Luis Aya Abaurre	Proprietary	20	–	–	20	–	–	–	–	20	150	–
Inayaba, S.L.	Proprietary	80	–	–	80	–	–	–	–	80	–	
Claudi Santiago Ponsa	Proprietary	36	–	–	36	–	–	–	–	36	78	–
Ignacio Solís Guardiola	Proprietary	71	–	–	71	–	–	–	–	71	78	–
Antonio Fornieles Melero	Independent/ Executive	548	–	–	548	–	–	–	–	548	195	–
José Domínguez Abascal	Executive/External	119	–	–	119	–	–	–	–	119	175	–
Joaquín Fernández de Piérola Marín	Executive	571	–	–	571	–	–	–	–	571	23	–
Gonzalo Urquijo Fernández de Araoz	Executive	124	–	–	124	–	–	–	–	124	–	–
Manuel Castro Aladro	Independent	19	–	–	19	–	–	–	–	19	–	–
José Wahnon Levy	Independent	21	–	–	21	–	–	–	–	21	–	–
Pilar Cavero Mestre	Independent	26	–	–	26	–	–	–	–	26	–	–
José Luis del Valle Doblado	Independent	19	–	–	19	–	–	–	–	19	–	–
Javier Targhetta Roza	Independent	21	–	–	21	–	–	–	–	21	–	–
Ramón Sotomayor Jáuregui	Independent	21	–	–	21	–	–	–	–	21	–	
Total		2,782	–	–	2,782	–	–	–	–	2,782	32,193	–

D.2. Relationship between remuneration and profit/loss of the Company

Remuneration of executive directors at Abengoa is linked to Company performance through the variable components described in sections A.4 and C.1:

- annual variable remuneration (bonus) is linked to the fulfillment of targets chiefly tied to EBITDA and such other benchmarks as the Board may adopt at the proposal of the Appointments and Remuneration Committee; and
- multiannual variable remuneration, which in 2016 was structured as participation in extraordinary variable remuneration plans for senior management, likewise described in sections A.4 and C.1. Those plans will mature on 31 December 2017 and 31 December 2018, respectively.

In 2016, the process of restructuring the Company has affected its business, performance and share price. Hence, in connection with multiannual variable remuneration, the Company has not recognized any provision for payments to directors under those plans, on the basis that the requirements for any such payments to crystallize are unlikely to be satisfied. As to annual variable remuneration, for the reasons indicated in section C.1, no bonus has accrued for the benefit of any director in connection with his/her performance of executive duties in 2016.

D.3. Result of advisory voting of the General Shareholders' Meeting regarding the annual report on remuneration of the previous financial year

	Number	% of total
Votes cast	4,925,363,405	53.5733 %

	Number	% of votes cast
Votes in favour	4,834,923,576	98.1638 %
Votes against	89,796,575	1.8231 %
Abstentions	643,254	0.0131 %

E. Other information of interest

Note 1 to section C.1. – **Remuneration policy applied during 2016: structure and payable items**

As to the absence of severance compensation or consideration for post-contractual non-competition undertakings accruing for the benefit of directors who performed executive duties and were relieved of them in 2016, the following disclosures are now made:

- The commercial contract with the former Chief Executive Officer, Mr. Joaquín Fernández de Piérola Marín, entitled him to compensation equal to 100 % of the remuneration received by Mr. Joaquín Fernández de Piérola Marín in the immediately preceding financial year, in the event of early termination of his contractual relationship with the Company– if not triggered by breach of his duties and obligations in his capacity as CEO and not due exclusively to his own volition–. That amount was also recognized by way of consideration for post-contractual non-competition.

  These two forms of indemnity were incompatible, hence, if the director were to receive the indemnity for early termination, he would not be entitled to the consideration for the non-competition undertaking. Breach of the obligation of non-competition would at all events entail the return of the indemnity amount by the executive director, regardless of the basis on which such indemnity was received.

  On 22 November 2016, Mr. Fernández de Piérola Marín resigned from his directorship, and all his functions and powers were revoked. On that same day, the Board appointed him as senior executive manager of the Group, while also (i) terminating his contract as an executive director, and (ii) entering into a fresh contract having regard to his capacity as senior executive manager. This being so, because the relationship between the company and Mr. Fernández de Piérola continued, no severance compensation accrued for his benefit.

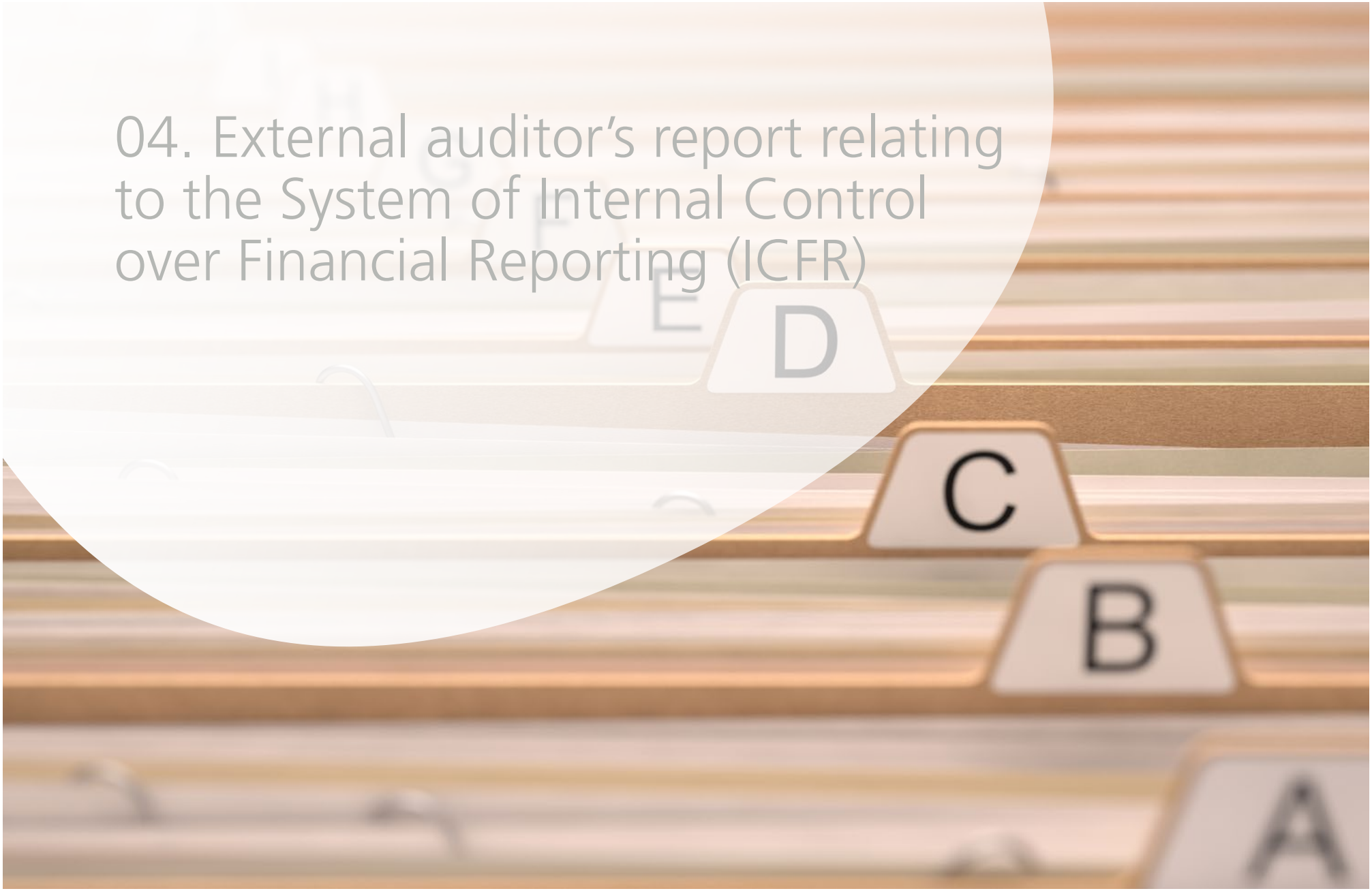
- Under the commercial service provision contract entered into with the former Executive Chairman Mr. José Domínguez Abascal, he was entitled, if the Company were to remove him, either to severance compensation for early termination and post-contractual non-competition – which in Mr. Domínguez Abascal's case would come to an amount equal to 100 % of the remuneration accrued during the immediately preceding financial year – or to his being restored to his former position of employment. After his termination as Executive Chairman, Mr. Domínguez Abascal elected to be restored to his former position of employment.

Note 2 to section C.1. – **Remuneration policy applied during 2016: structure and payable items**

Mr. Urquijo Fernández de Araoz, before he was appointed as a director, was appointed as an independent adviser to the Board of Abengoa on 10 August 2016, and therefore entered into the appropriate contract with the Company. On 22 November 2016, he was appointed as an executive director and as Chairman of the Board of Abengoa, replacing Mr. Antonio Fornieles Melero. On that same day, the consultancy contract by which he was formerly tied to the Company was terminated. The total amount received by Mr. Urquijo Fernández de Araoz in that capacity as an independent advisor came to a gross figure of € 17,000.

This annual remuneration report was adopted unanimously by the Company's Board of Directors at its meeting held on 27 February 2017.

04. External auditor's report relating to the System of Internal Control over Financial Reporting (ICFR)



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Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

AUDITOR'S REPORT ON THE INFORMATION RELATING TO THE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) OF ABENGOA, S.A. FOR THE YEAR 2016

To the directors of Abengoa, S.A.,

As requested by the Board of Directors of Abengoa, S.A. ("the Entity") and in accordance with our proposal-letter of 16 January 2017, we have applied certain procedures to the information relating to the ICFR system included in section F) of the accompanying Annual Corporate Governance Report ("ACGR") of Abengoa, S.A. for 2016, which summarises the internal control procedures of the Entity in relation to its annual financial reporting.

The Board of Directors is responsible for adopting the appropriate measures in order to reasonably guarantee the implementation, maintenance and supervision of an adequate internal control system and for making improvements to that system and for preparing and establishing the content of the accompanying Information relating to the system of ICFR.

It should be noted in this regard, irrespective of the quality of the design and operativity of the internal control system adopted by the Entity in relation to its annual financial reporting, that the system can only permit reasonable, but not absolute, assurance in connection with the objectives pursued, due to the limitations inherent to any internal control system.

In the course of our audit work on the financial statements and pursuant to Technical Auditing Standards, the sole purpose of our assessment of the internal control of the Entity was to enable us to establish the scope, nature and timing of the audit procedures to be applied to the Entity's financial statements. Therefore, our assessment of internal control performed for the purposes of the aforementioned audit of financial statements was not sufficiently extensive to enable us to express a specific opinion on the effectiveness of the internal control over the regulated annual financial reporting.

For the purpose of issuing this report, we applied exclusively the specific procedures described below and indicated in the *Guidelines on the Auditor's Report on the Information relating to the System of Internal Control over Financial Reporting of Listed Companies*, published by the Spanish Securities and Exchange Commission (CNMV) on its website, which establish the work to be performed, the minimum scope thereof and the content of this report. Since the work resulting from such procedures has, in any case, a reduced scope that is significantly less extensive than that of an audit or a review of the internal control system, we do not express an opinion on the effectiveness thereof, or on its design or operating effectiveness, in relation to the Entity's annual financial reporting for 2016 described in the accompanying information on the ICFR system. Therefore, had we applied procedures additional to those established in the aforementioned Guidelines or performed an audit or a review of the internal control over the regulated annual financial reporting, other matters or aspects might have been disclosed which would have been reported to you.

Also, since this special engagement does not constitute an audit of financial statements and is not subject to the audit regulations in force in Spain, we do not express an audit opinion in the terms provided for in those regulations.

The procedures applied were as follows:

1. Perusal and understanding of the information prepared by the Entity in relation to the ICFR system -disclosure information included in the consolidated management's report- and assessment of whether this information addresses all the information required in accordance with the minimum content described in section F, relating to the description of the ICFR system, of the model Annual Corporate Governance Report established in CNMV Circular no. 7/2015, of 22 December 2015.

2. Inquiries of personnel in charge of preparing the information detailed in point 1 above for the purpose of: (i) obtaining an understanding of the process that goes into drawing up the information; (ii) obtaining information that permits an evaluation of whether the terminology used complies with the framework definitions; and (iii) obtaining information on whether the control procedures described are in place and functioning at the Entity.

3. Review of the explanatory documentation supporting the information detailed in point 1 above, including mainly the documentation furnished directly to the personnel in charge of preparing the information describing the ICFR system. In this respect, the aforementioned documentation includes reports prepared by the Internal Audit Department, senior executives or other internal or external experts providing support functions to the Audit Committee.

4. Comparison of the information detailed in point 1 above with the knowledge of the Entity's system of ICFR obtained as a result of the application of the procedures carried out as part of the audit of its financial statements.

5. Perusal of minutes of meetings of the Board of Directors, the Audit Committee and of other committees of the Entity in order to assess the consistency between the ICFR issues addressed therein and the information detailed in point 1 above.

6. Obtainment of the representation letter concerning the work performed, duly signed by the personnel in charge of the preparation of the information detailed in point 1 above.

The procedures applied to the Information relating to the system of ICFR did not disclose any inconsistencies or incidents that might affect the Information.

This report has been prepared exclusively in the context of the requirements established in Article 540 of the Companies Act and in CNMV Circular no. 7/2015, of 22 December 2015, for the purposes of the description of the ICFR system in Annual Corporate Governance Reports.

DELOITTE, S.L.

Manuel Arranz Alonso

28 February 2017

Deloitte, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª. C.I.F.: B-79104469.
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ABENGOA

Management's Reports on Responsibility for Financial Statements and Internal Control over Financial Reporting

Management's Report on Responsibility for Financial Statements

As members of the company management, we are responsible for the preparation of the financial statements as of December 31, 2016, which have been prepared in accordance with international financial reporting standards and present fairly the Company's financial position, results of operations and cash-flows. The consolidated annual accounts include some amounts that are based on best estimates and judgments made by the company.

The consolidated financial statements, as of December 31, 2016, have been audited by the Company's independents registered public accounting firm, Deloitte, S.L. The purpose of their audit is to express an opinion, which is included in this Annual Report, as to whether the consolidated financial statements as of December 31, 2016 present fairly, in all material respects, the Company's financial position, results of operations and cash flows.

Management's Reports on Internal Control over Financial Reporting

The Company's Management is responsible for establishing and maintaining effective internal control over financial reporting. This system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements under generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2016. In making this assessment, it used the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on its assessment and those criteria, management concluded that the Company maintained effective internal control over financial reporting as of December 31, 2016.

The Company's internal control over financial reporting, as of December 31, 2016, has been audited by Deloitte S.L., an independent registered public accounting firm, as stated in their report which is included herein.

There have been no changes in internal controls over financial reporting that occurred during the period covered by this consolidated financial statements that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Gonzalo Urquijo Fernández de Araoz
Executive Chairman

Víctor Manuel Pastor Fernández
Chief Financial Officer

27 February, 2017

Mod. G-1 Registro Mercantil de Sevilla. Hoja 29211, Folio 107, Tomo 47 de Sociedades - C.I.F. A-41-002288

ZeroEmissions