



02 Annual Report 2017
Legal and Economic-Financial Information



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

Opinion

We have audited the consolidated financial statements of Abengoa, S.A. (the Parent) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement and notes to the consolidated financial statements for the year then ended.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated equity and consolidated financial position of the Group as at 31 December 2017, and its consolidated results and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs) and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the consolidated financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the information included by the directors in Notes 2 and 4 to the consolidated financial statements, which describe the financial and operating performance in the last three years that gave rise to a consolidated equity deficit of EUR 2,408 million at 31 December 2017, once the effects of the financial and corporate restructuring carried out (detailed in the aforementioned Notes) had been considered. Also, certain Group subsidiaries are involved in court-ordered winding-up, insolvency and bankruptcy proceedings that the directors must resolve. These matters evidence that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The measures implemented by the directors to address the situation described include, as described in the aforementioned Notes, the financial restructuring process, effective 31 March 2017, whereby the Group's debt and the Parent's share capital were restructured, which resulted in certain financial creditors and new investors becoming shareholders, and the establishment of a Revised Viability Plan envisaging, among other measures, the reorganisation of Group companies and businesses in order to achieve the viability thereof.

Consequently, the viability of the Group, the recovery of the assets, the settlement of the liabilities and the fulfilment of the guarantee obligations for the amounts indicated in the accompanying consolidated financial statements and of the financial obligations established in the financing agreements, will depend on the effective application of the measures envisaged in the restructuring agreement and in the Revised Viability Plan, on the performance of the Group companies' operations and on such future decisions as the Group's managers may ultimately take in relation to its net assets. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Measurement of assets classified as held for sale

Description

As described in Note 7, at 31 December 2017 EUR 4,078 million were presented as assets held for sale, in relation to certain business lines and certain construction projects regarded in the Revised Viability Plan approved by the directors as being non-strategic for the continuity of the Group, as well as other assets pledged as security for a portion of the new debt and which the directors expect to sell at short term in order to reduce that debt and, consequently, the associated borrowing costs.

The fair value less costs to sell of the assets affected was estimated on the basis of the calculation of the present value of the future cash flows or, where there were binding offers from third parties, on the basis of such offers.

The analysis conducted requires the application of significant judgements by the directors, particularly in relation to the key assumptions used in the measurement process and, accordingly, we considered this matter to be key in our audit.

Procedures applied in the audit

With regard to the measurement of the assets classified as held for sale, our audit procedures consisted of, among others, the review of the design and implementation of the relevant controls established by the directors that mitigate the risks associated with the valuation of those assets, as well as tests to verify the effectiveness of those controls.

In addition, where the fair value was estimated on the basis of future cash flows, we reviewed the reasonableness of the main assumptions considered by the directors, for which purpose we engaged our valuation experts.

Also, in relation to the offers from third parties received for certain assets, we verified the effective price included in each offer, the offer validity period and its viability, in order to conclude as to the reasonableness of the amount recognised in the Group's consolidated statement of financial position as at 31 December 2017.

Lastly, we evaluated whether the disclosures included in Note 5 to the accompanying consolidated financial statements in connection with this matter are in conformity with those required by the applicable accounting regulations, including the adequate presentation.

Recoverability of deferred tax assets

Description

The consolidated statement of financial position as at 31 December 2017 presents a balance of EUR 376 million under "Deferred Tax Assets".

The Group has an updated tax plan to assess the recoverability of the deferred tax assets, considering certain assumptions related to the estimation of future profits and the applicable tax legislation.

We considered this matter to be key in our audit, since the preparation of this tax plan requires a significant level of judgement by the directors.

Procedures applied in the audit

Our audit procedures included, among others, the review of the design and implementation of the relevant controls established by the directors that mitigate the risks associated with the deferred tax assets recoverability assessment process, and tests on the effectiveness of those controls.

Additionally, we analysed the key assumptions used in the Group's tax plan, their consistency with the Revised Viability Plan and the appropriateness of the treatment of tax legislation, for which we engaged our tax experts.

Lastly, we also assessed the appropriateness of the disclosures provided in the notes to the consolidated financial statements (see Note 24) required by the applicable regulatory financial reporting framework.

Recognition of revenue from engineering and construction contracts

Description

The Group recognised revenue of EUR 1,317 million applying the percentage of completion method to certain engineering and construction contracts.

This revenue recognition method was a key matter in our audit, as it affects a highly significant amount of total revenue and requires the use of estimates with a significant level of judgement by the directors, relating mainly to the expected outcome of the contract, the amount of costs to be incurred at the end of the construction work, the measurement of

Procedures applied in the audit

Our audit procedures included, among others, the performance of tests on the design and implementation of the relevant controls that mitigate the risks associated with the process of recognising contract revenue by reference to the stage of completion, as well as tests on the effectiveness of those controls.

Also, we performed substantive tests which included a detailed and case-by-case analysis of the main projects in order to evaluate the reasonableness of the assumptions and hypotheses used by the

Recognition of revenue from engineering and construction contracts

Description

work completed in the period and the variations that may arise with respect to the initial contract, all of which could impact the revenue recognised in the year.

These judgements and estimates are made by the persons in charge of performing the projects, are subsequently reviewed at the various levels of the organisation, and are submitted to controls designed to ensure the consistency and reasonableness of the criteria applied.

Procedures applied in the audit

directors. To do this, we held meetings with the persons in charge of the projects analysed and discussed with them the main aspects related to each project, obtaining, where applicable, evidence corroborating the explanations obtained. We also analysed the consistency of the estimates made by the directors in 2016 with the actual data for the contracts in 2017.

Also, we performed substantive analytical tests in relation to the performance of the construction work margin, including an analysis of differences and variances between the work performed and the work contracted, projects with negative margins, arrangement of new contracts, age of unbilled amounts for work performed and the implementation of projects put on hold based on the timetable envisaged by the directors.

Lastly, we verified that the notes to the accompanying consolidated financial statements include the related disclosures required by the applicable financial reporting framework. In this connection, Note 2 discloses the fact that the percentage of completion method is used to recognise revenue from engineering and construction contracts, and Note 26 includes additional disclosures regarding the contracts recognised using the percentage of completion method.

Contingencies

Description

As described in Note 23, the Group has provided to third parties bank guarantees and surety bonds to secure various obligations assumed, amounting to EUR 834 million at 31 December 2017.

In addition, the Group has provided various guarantees to third parties through declarations of intent and documented guarantee obligations assumed, amounting to EUR 4,338 million at 31 December 2017.

Also, at 31 December 2017 claims and legal proceedings had been filed against the Group resulting from its business activities, as detailed in Note 22 to the consolidated financial statements.

At year-end the directors estimate the potential impact of these obligations and claims on the consolidated financial statements based on the information available at any given time, taking into account the analysis performed by the legal and financial department and the opinion of their legal advisers.

In view of the possibility of the Group having to settle these obligations due to the restructuring process being performed, of the possible breach of the contractual clauses, and of the fact that the estimates of the potential impact require the application of a significant level of judgement, this matter was considered to be key in our audit.

Procedures applied in the audit

Our audit procedures included, among others, the performance of tests on the design and implementation of the relevant controls that mitigate the risks associated with the processes related to the Group's contingencies, as well as tests on the effectiveness of those controls.

Additionally, we analysed the judgements made by management on the basis of the opinion of its legal and financial department, once we had considered the opinion of its legal advisers and the information available at any given time. To this end, we obtained a list of the guarantees in force at year-end and the information available on the status of the claims and of the main projects giving rise to contingencies, we sent confirmation letters and obtained responses from the lawyers and legal advisers with whom the Group works, with the two-fold purpose of checking the completeness of the recognition of the claims in progress and of validating the probability assigned to each contingency.

We also reviewed the disclosures made in relation to these matters, which are included in Notes 22 and 23 to the consolidated financial statements for 2017, required by the applicable regulatory financial reporting framework.

Other Information: Consolidated Management Report

The other information comprises only the consolidated management report for 2017, the preparation of which is the responsibility of the Parent's directors and which does not form part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility relating to the consolidated management report is defined in the audit regulations in force, which establish two distinct levels thereof:

- a) A specific level that applies to the consolidated non-financial information statement, as well as to certain information included in the Annual Corporate Governance Report, as defined in Article 35.2.b) of Spanish Audit Law 22/2015, which consists solely of checking that the aforementioned information has been provided in the consolidated management report, or, as the case may be, that the consolidated management report contains the corresponding reference to the separate report on non-financial information as provided for in the applicable legislation and, if this is not the case, reporting this fact.
- b) A general level applicable to the other information included in the consolidated management report, which consists of evaluating and reporting on whether the aforementioned information is consistent with the consolidated financial statements, based on the knowledge of the Group obtained in the audit of those consolidated financial statements and excluding any information other than that obtained as evidence during the audit, as well as evaluating and reporting on whether the content and presentation of this section of the consolidated management report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described above, we have checked that the information described in section a) above is provided in the consolidated management report and that the other information in the consolidated management report is consistent with that contained in the consolidated financial statements for 2017 and its content and presentation are in conformity with the applicable regulations.

Responsibilities of the Directors and Audit Committee of the Parent for the Consolidated Financial Statements

The Parent's directors are responsible for preparing the accompanying consolidated financial statements so that they present fairly the Group's consolidated equity, consolidated financial position and consolidated results in accordance with EU-IFRSs and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain, 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.

In preparing the consolidated financial statements, the Parent's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent's audit committee is responsible for overseeing the process involved in the preparation and presentation of the consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit regulations in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is included in Appendix I to this auditor's report. This description, which is on pages 10 and 11, forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

Additional Report to the Parent's Audit Committee

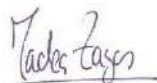
The opinion expressed in this report is consistent with the content of our additional report to the Parent's audit committee dated 7 March 2018.

Engagement Period

The Annual General Meeting held on 30 June 2017 appointed us as auditors for a period of one year from the year ended 31 December 2016, i.e. for 2017.

Previously, we were designated pursuant to a resolution of the Annual General Meeting for the period of one year and have been auditing the consolidated financial statements uninterrupted since the year ended 31 December 2012.

DELOITTE, S.L.
Registered in ROAC under no. S0692



Tadea Zayas Carvajal
Registered in ROAC under no. 20763

7 March 2018

Appendix I to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's directors.
- Conclude on the appropriateness of the use by the Parent's directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent's audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent's audit committee with a statement that we have complied with relevant ethical requirements, including those regarding independence, and we have communicated with it to report on all matters that may reasonably be thought to jeopardise our independence, and where applicable, on the related safeguards.

From the matters communicated with the Parent's audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.



02. Consolidated financial statements

- 02.1 Consolidated statements of financial position
- 02.2 Consolidated income statements
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- 02.4 Consolidated statements of changes in equity

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02. Consolidated financial statements

02.1 Consolidated statements of financial position

Consolidated condensed statements of financial position as of December 31, 2017 and 2016

- Amounts in thousands of euros -

Assets	Note (1)	12/31/2017	12/31/2016
Non-current assets			
Goodwill		-	-
Other intangible assets		63,574	76,097
Intangible assets	8	63,574	76,097
Property, plant & equipment	9	171,410	177,438
Concession assets in projects		158,633	304,038
Other assets in projects		6,039	93,617
Fixed assets in projects (project finance)	10	164,672	397,655
Investments in associates carried under the equity method	11	33,873	823,179
Available for sale financial assets	13	2,316	6,537
Other receivable accounts	15	37,956	57,209
Derivative assets	14	481	1,185
Financial investments		40,753	64,931
Deferred tax assets	24	375,814	615,226
Total non-current assets		850,096	2,154,526
Current assets			
Inventories	16	74,696	99,806
Trade receivables		667,993	688,122
Credits and other receivables		296,784	639,327
Clients and other receivables	15	964,777	1,327,449
Available for sale financial assets	13	2,508	3,715
Other receivable accounts	15	192,355	145,474
Derivative assets	14	101	703
Financial investments		194,964	149,892
Cash and cash equivalents	17	195,870	277,789
		1,430,307	1,854,936
Assets held for sale	7	4,078,194	5,904,492
Total current assets		5,508,501	7,759,428
Total assets		6,358,597	9,913,954

(1) Notes 1 to 33 are an integral part of these Consolidated Condensed Interim financial statements as of December 31, 2017

Consolidated condensed statements of financial position as of December 31, 2017 and 2016

- Amounts in thousands of euros -

Equity and liabilities	Note (1)	12/31/2017	12/31/2016
Equity attributable to owners of the Parent			
Share capital	18	36,089	1,834
Parent company reserves		(5,888,236)	721,964
Other reserves		(1,896)	(41,694)
Fully or proportionally consolidated entities		(1,202,956)	(863,831)
Associates		15,438	18,420
Accumulated currency translation differences		(1,187,518)	(845,411)
Retained earnings		4,171,700	(7,171,830)
Non-controlling interest	18	462,073	555,169
Total equity		(2,407,788)	(6,779,968)
Non-current liabilities			
Project debt	19	11,197	12,563
Borrowings		620,278	6,032
Notes and bonds		858,597	-
Financial lease liabilities		7,511	8,014
Other loans and borrowings		124,845	252,983
Corporate financing	20	1,611,231	267,029
Grants and other liabilities	21	52,275	65,940
Provisions and contingencies	22	53,866	50,819
Derivative liabilities	14	-	5,535
Deferred tax liabilities	24	523,286	172,856
Personnel liabilities	33	8,088	3,234
Total non-current liabilities		2,259,943	577,976
Current liabilities			
Project debt	19	96,754	2,002,941
Borrowings		798,850	2,836,597
Notes and bonds		901,094	3,550,269
Financial lease liabilities		8,466	13,088
Other loans and borrowings		324,118	998,168
Corporate financing	20	2,032,528	7,398,122
Trade payables and other current liabilities	25	1,882,217	2,654,260
Income and other tax payables		128,260	145,546
Derivative liabilities	14	-	11,598
Provisions for other liabilities and charges		23,286	16,942
		4,163,045	12,229,409
Liabilities held for sale	7	2,343,397	3,886,537
Total current liabilities		6,506,442	16,115,946
Equity and liabilities		6,358,597	9,913,954

(1) Notes 1 to 33 are an integral part of these Consolidated Condensed Interim financial statements as of December 31, 2017



02. Consolidated financial statements

02.2 Consolidated income statements

Consolidated income statements as of December 31, 2017 and 2016

- Amounts in thousands of euros -

	Note (1)	12/31/2017	12/31/2016
Revenue	27	1.479.768	1.510.053
Changes in inventories of finished goods and work in progress		615	(10.387)
Other operating income	28	161.869	65.753
Raw materials and consumables used		(773.113)	(978.532)
Employee benefit expenses	29	(344.156)	(440.312)
Depreciation, amortization and impairment charges		(405.011)	(1.900.720)
Other operating expenses	28	(398.052)	(387.793)
Operating profit		(278.080)	(2.141.938)
Financial income	30	21.222	15.692
Financial expense	30	(438.094)	(679.575)
Net exchange differences	30	50.206	9.060
Other financial income/(expense), net	30	6.121.989	(506.958)
Financial expense, net		5.755.323	(1.161.781)
Share of profit (loss) of associates carried under the equity method	11	(72.680)	(587.375)
Profit (loss) before income tax		5.404.563	(3.891.094)
Income tax (expense) benefit	31	(824.726)	(371.566)
Profit for the year from continuing operations		4.579.837	(4.262.660)
Profit (loss) from discontinued operations, net of tax	7	(295.819)	(3.352.377)
Profit for the year		4.284.018	(7.615.037)
Profit attributable to non-controlling interests	18	(793)	(13.115)
Profit attributable to non-controlling interests discontinued operations	18	(5.455)	(904)
Profit for the year attributable to the parent company		4.277.770	(7.629.056)
Weighted average number of ordinary shares outstanding (thousands)	32	14.608.342	1.030.938
Basic earnings per share from continuing operations (€ per share)	32	0,31	(4,15)
Basic earnings per share from discontinued operations (€ per share)	32	(0,02)	(3,25)
Basic earnings per share attributable to the parent company (€ per share)		0,29	(7,40)
Weighted average number of ordinary shares affecting the diluted earnings per share (thou)	32	15.489.112	1.030.938
Diluted earnings per share from continuing operations (€ per share)	32	0,30	(4,15)
Diluted earnings per share from discontinued operations (€ per share)	32	(0,02)	(3,25)
Diluted earnings per share attributable to the parent company (€ per share)		0,28	(7,40)

(1) Notes 1 to 33 are an integral part of these Consolidated Condensed Interim financial statements as of December 31, 2017



02. Consolidated financial statements

02.3 Consolidated statements of comprehensive income

Consolidated statements of comprehensive income of December 31, 2017 and 2016

- Amounts in thousands of euros -

	Nota (1)	12/31/2017	12/31/2016
Profit for the period after income tax		4.284.018	(7.615.037)
Items that may be subject to transfer to income statement:			
Change in fair value of available for sale financial assets		52	(126)
Change in fair value of cash flow hedges		64.206	(55.596)
Currency translation differences		(422.792)	321.040
Tax effect		(14.676)	(5.562)
Net income/(expenses) recognized directly in equity		(373.210)	259.756
Change in fair value of available for sale financial assets		(1.911)	(2.155)
Change in fair value of cash flow hedges		(10.249)	134.987
Tax effect		2.562	(33.747)
Transfers to income statement for the year		(9.598)	99.085
Other comprehensive income		(382.808)	358.841
Total comprehensive income for the period		3.901.210	(7.256.196)
Total comprehensive income attributable to non-controlling interest		74.252	(150.079)
Total comprehensive income attributable to the parent company		3.975.462	(7.406.275)
Total comprehensive income attributable to the parent company from continuing operations		4.230.078	(4.204.415)
Total comprehensive income attributable to the parent company from discontinued operations		(254.616)	(3.201.860)

(1) Notes 1 to 33 are an integral part of these Consolidated condensed interim financial statements as of December 31, 2017



02. Consolidated financial statements

02.4 Consolidated statements of changes in equity

Consolidated statements of changes in equity as of December 31, 2017 and 2016

- Amounts in thousands euros -

	Attributable to the owners of the Company				Total	Non-controlling interest	Total equity
	Share capital	Parent company and other reserves	Accumulated currency translation differences	Retained earnings			
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)
Profit for the year after taxes	-	-	-	4.277.770	4.277.770	793	4.278.563
Other comprehensive income (loss)	-	39.798	(342.107)	-	(302.309)	(75.645)	(377.354)
Total comprehensive income (loss)	-	39.798	(342.107)	4.277.770	3.975.461	(74.252)	3.901.209
Acciones propias	-	78	-	-	78	-	78
Capital increase	34.822	443.560	-	-	478.382	-	478.382
Capital decrease	(567)	567	-	-	-	-	-
Distribution of 2016 profit	-	(7.054.405)	-	7.054.405	-	-	-
Transactions with owners	34.255	(6.610.200)	-	7.054.405	478.460	-	478.460
Scope variations and other movements	-	-	-	11.355	11.355	(18.844)	(7.489)
Scope variations, acquisitions and other movements	-	-	-	11.355	11.355	(18.844)	(7.489)
Balance at December 31, 2017	36.089	(5.890.132)	(1.187.518)	4.171.700	(2.869.861)	462.073	(2.407.788)

Notes 1 to 33 are an integral part of these Consolidated condensed interim financial statements as of December 31, 2017



02. Consolidated financial statements

02.5 Consolidated cash flow statements

Consolidated cash flow statements as of December 31, 2017 and 2016

- Amounts in thousands euros -

	Nota (1)	2017	2016
I. Profit for the period from continuing operations		4,579,837	(4,262,660)
Non-monetary adjustments			
Depreciation, amortization and impairment charges	5	405,011	1,900,720
Finance (income/expenses)		485,163	718,959
Fair value gains on derivative financial instruments	30	(4,753)	1,616
Shares of (profits)/losses from associates	11	72,680	587,375
Income tax	31	824,726	371,566
Changes in consolidation and other non-monetary items		(6,444,494)	428,980
II. Profit for the year from continuing operations adjusted by non monetary items		(81,830)	(253,444)
Variations in working capital and discontinued operations			
Inventories		9,253	66,860
Clients and other receivables		71,984	263,351
Trade payables and other current liabilities		(182,531)	(751,252)
Financial investments and other current assets/liabilities		99,209	344,433
Elimination of flows from discontinued operations		(20,921)	11,164
III. Variations in working capital and discontinued operations		(23,006)	(65,444)
Income tax paid/collected		(2,966)	(1,578)
Interest paid		(90,145)	(83,237)
Interest received		11,168	17,989
Elimination of flows from discontinued operations		45,885	58,074
		(36,058)	(8,752)
A. Net cash provided by operating activities from continuing operations		(140,894)	(327,640)
Acquisition of subsidiaries	11	(27,489)	-
Investment in property, plant & equipment	9 y 10	(39,003)	(60,484)
Investment in intangible assets	8 y 10	(121,730)	(180,278)
Elimination of flows from discontinued operations	7	35,701	68,328
I. Investments		(152,521)	(172,434)
Acquisition of subsidiaries		95,645	490,628
Investment in property, plant & equipment	9 y 10	-	2,602
Investment in intangible assets	8 y 10	-	11,676
Other non-current assets/liabilities		-	53,605
Elimination of flows from discontinued operations	7	-	(380,696)
II. Disposals		95,645	177,815
B. Net cash used in investing activities from continuing operations		(56,876)	5,381
Proceeds from loans and borrowings		1,011,039	487,703
Repayment of loans and borrowings		(888,751)	(496,215)
Elimination of flows from discontinued operations		11,060	223,615
C. Net cash provided by financing activities from continuing operations		133,348	215,103
Net increase/(decrease) in cash and cash equivalents		(64,422)	(107,156)
Cash, cash equivalents and bank overdrafts at beginning of the year	17	277,789	680,938
Translation differences cash or cash equivalent		(15,022)	5,168
Elimination of cash and cash equivalents classified as assets held for sale during the year		(2,475)	25,939
Elimination of cash and cash equivalents classified as discontinued operations during the year		-	(327,100)
Cash and cash equivalents at end of the year		195,870	277,789

(1) Notes 1 to 33 are an integral part of these Consolidated condensed interim financial statements as of December 31, 2017



02. Consolidated financial statements

02.6 Notes to the consolidated financial statements

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Notes to the Consolidated Financial Statements for the year ended December 31, 2017

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 closing of 2017, was made up of 456 companies: the parent company itself, 363 subsidiaries, 76 associates, 16 joint ventures and 143 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 2.2, on March 31, 2017, the Restructuring Completion Date has taken place (Restructuring Completion Date) established in the Restructuring Agreement and the effective application of such Restructuring Agreement 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.

Abengoa's shares are represented by class A and 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 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, 2017, 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 had changed to Atlantica Yield. The ticker "ABY" has been modified on November 11, 2017 by "AY".

Abengoa is an international company that applies innovative technology solutions for sustainability in the energy and environment sectors, developing energy infrastructures (by producing conventional and renewable energy and transporting and distributing energy), providing solutions to the entire water cycle (by developing water desalination and treatment processes and performing hydraulic structures) and promoting new development and innovation horizons (related to renewable energy storage and new technologies for the promotion of sustainability and of energy and water-use efficiency).

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 75 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, biofuel 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 or power purchase agreements. This activity includes the four operational segments of solar power generation plants, water desalination plants, power distribution lines and cogeneration power plants or wind farms. These assets generate low demand risk and thus the Company focuses on operating them as efficiently as possible.

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 for the 2017 and 2016 periods. The classification has been done in accordance with the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations".

Although Note 5.1. provides extensive information on the five Abengoa segments consistently with the historical information that has been reported up to the end of this present period, following the changes that have occurred in the Group's organizational structure during the 2017 period as a result of the Restructuring Agreement (see Note 2.2.1), the Directors have proceeded to redefine the activities and segments of the Group for the reporting of financial information by segments to be conducted from now on.

This new structure has been designed to face the new phase that has started, once the Restructuring Process is completed, and is focused on promoting a more simplified, efficient organization aimed at the development of the traditional Engineering and Construction activity in which the Company has more than 75 years of experience, which will allow to achieve the goals set in the Updated Viability Plan which has served as the base to agree upon the terms and conditions of said Restructuring Agreement.

Hence, Abengoa's activity and its financial information concerning internal and external management will be structured, as of 2018, under the following four operational segments:

- > **Generation:** it integrates all activities related to the energy sector (development, promotion, technology, engineering, procurement, construction and commissioning) on projects of renewable energy power plants (solar thermal, photovoltaic, of hybrid technology, with storage), conventional energy (combined cycles, cogeneration and other thermal power projects, as well as their hybridization with renewable energy sources) and Biomass-to-Energy.
- > **Transmission and Structures:** it includes all activities related to the power transmission and rail sectors on power transmission line and railway projects as well as on installations and structures, specialized in facilities of all types of plants and singular buildings (hospitals, correctional facilities, administrative buildings, etc.)
- > **Water:** it encompasses all activities related to the water sector (development, promotion, technology, engineering, procurement, construction and commissioning) in water desalination, water potabilization and urban and industrial waste water treatment and reuse projects, as well as in hydraulic infrastructures for regulation, distribution and irrigation and hydroelectric power stations.
- > **Services:** it integrates all the Operation and Maintenance (O&M) activities for power generation and water plants, as well as the management of assets, ancillary fabrication and marketing of key products.

Therefore, and although the segment report developed in Note 5.1. includes financial information on the basis of the five segments in which reporting had been done up to now, in view of facilitating the understanding of the Group's financial information during this transitional period, the inclusion of certain additional financial information on the basis of the four prior operational segments previously discussed has been deemed appropriate (see note 5.2.).

These Consolidated Financial Statements were approved by the Board of Directors on March 7, 2018.

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, 2017 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, 2017 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 preparation of the Consolidated Financial Statements has been done according to IFRS-EU regulations and the going concern principle (see Note 2.2.2). 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.

2.2. Restructuring process

2.2.1. Restructuring process situation update

The following summary shows the facts related during 2017 until the publication of the present Consolidated Financial Statements, in relation with the financial restructuring process:

- 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 17, 2017, the Restructuring Agent notified the occurrence of the Restructuring Effective Date. As continuation of which the Company announced a supplemental restructuring accession period, dated from January 18, 2017 to January 24, 2017. After finishing the Supplemental Accession Period, the final percentage of support of the Restructuring Agreement reached the 93.97%.
 - › In light of the situation in Mexico (see Section 2.2.1.e) and in order to accelerate the completion of the Restructuring and begin implementing the Viability Plan as soon as possible, on February 14, 2017, the Company, 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 of the Restructuring Agreement, maintaining the initial structure of the transaction. Such Drawdown Proposal required certain amendments to the Term Sheet, the Restructuring Steps Plan, the Restructuring Agreement and the New Money Financing Commitment Letter, such amendments were required by the Company to all parties of the Restructuring Agreement in the same date.
 - › On February 28, 2017, the Company informed that it obtained the consent of the Majority Participating Creditors required under the Restructuring Agreement to approve the Amendments required to implement the Drawdown Proposal. Such approval allowed the Company to initiate the required steps to close the restructuring and permit the funding of the New Money.
 - › On March 17, 2017 and in accordance with Clauses 9.2.2 and 9.2.3 of the Restructuring Agreement, the Restructuring Documents and New Corporate Governance Documents were approved occurring therefore the Restructuring Document Approval Date, allowing the signing and the execution of the Restructuring Documents and New Corporate Governance Documents and the completion of the Restructuring process.
 - › On March 23, 2017, the Company announced that the Restructuring Documents and the New Corporate Governance Documents were signed although their effectiveness was subjected to the occurrence of the Restructuring Steps Commencement Date, which date was expected to occur once the Escrow Agent received the transaction funds.
 - › On March 28, 2017, the Escrow Agent confirmed that an amount equal to the New Money Financing Commitments was funded into the escrow account and, consequently, the Restructuring Agent confirmed that the Restructuring Steps Commencement Date occurred. The Company executed, on the same date, the share capital increases and the warrants approved by the Extraordinary General Shareholders' Meeting held on November 22, 2016, registering the deeds on March 28, 2017 in the Commercial Registry of Seville.
 - › Consequently, the Company issued one thousand five hundred and seventy seven million nine hundred forty three thousand eight hundred and twenty five (1,577,943,825) new class A shares and sixteen thousand three hundred and sixteen million three hundred sixty nine thousand five hundred and ten (16,316,369,510) new class B shares with a dilution for pre-existing shareholders of 95%. In relation with warrants, the Company issued eighty three million forty nine thousand six hundred and seventy five (83,049,675) class A warrants of the Company and eight hundred and fifty eight million seven hundred fifty six thousand two hundred and ninety (858,756,290) class B warrants of the Company, "Record date" on March 27, 2017.
 - › On March 30, 2017, and in connection with the Class A and Class B shares issued in the above mentioned share capital increase, after having made the relevant filings with the Madrid and Barcelona Stock Exchanges and the Spanish Securities Market Regulator ("CNMV"), the latter positively verified all requirements for the admission to trading in the Madrid and Barcelona Stock Exchanges of the shares, including the verification of the Prospectus, admitting to trading one thousand five hundred and seventy seven million nine hundred forty three thousand eight hundred and twenty five (1,577,943,825) new class A shares and sixteen thousand three hundred and sixteen million three hundred sixty nine thousand five hundred and ten (16,316,369,510) new class B shares with effects March 31, 2017.

Additionally, in connection with the warrants, after having made the relevant filings with the Madrid and Barcelona Stock Exchanges and the Spanish Securities Market Regulator ("CNMV"), the latter positively verified all requirements for the admission to trading of the instruments in the Automated Quotation System Block Market of the Madrid and Barcelona Stock Exchanges (the "AQS"), in the "Warrants, Certificates and Other Products" segment, including the verification of the Prospectus, admitting to trading eighty three million forty nine thousand six hundred and seventy five (83,049,675) class A warrants of the Company and eight hundred and fifty eight million seven hundred fifty six thousand two hundred and ninety (858,756,290) class B warrants of the Company, with effects March 31, 2017. If the conditions for the exercise of the warrants are fulfilled, the Initial Exercise Date of the warrants will be 31 March 2025 and the Final Exercise Date of the warrants will be June 30, 2025.

The Prospectus is available in the Company's website and in the website of the CNMV. In particular, the Company informed that it contains important notices to the market.

On March 31, 2017, the Restructuring Agent confirmed that the Restructuring Completion Date occurred on such date. Related to the above, the fundamental principles of the Restructuring Agreement closed on March 31, were the following:

- (i) The amount of new money lent to the Group amount to €1,169.6 million (including refinancing of the September and December 2015, March and September 2016 facilities). This financing rank senior with respect to the preexisting debt and is divided into different tranches:
 - Tranche I (New Money 1): with two sub-tranches (1A y 1B) for a total amount of €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. Financing entities of this tranche received 30% of Abengoa's new share capital post restructuring.
 - Tranche II (New Money 2): amounts to €194.5 million, with a maximum maturity of 48 months and secured by, among other things, certain assets in the engineering business. Financing entities of this tranche received 15% of Abengoa's new share capital post restructuring.

- Tranche III (New Money 3): 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. Financing entities of this tranche received 5% of Abengoa's new share capital post restructuring.

- New bonding facilities: amount to €307 million. Financing entities of this tranche received 5% of Abengoa's new share capital post restructuring.

The conditions of the New Money Financing are summarized in the following detail table:

Item	Tranche I (NM 1A)	Tranche I (NM 1B)	Tranche II (NM 2)	Tranche III (NM 3)	New bonding facilities
Nominal (in M€)	839	106	195	30	307
Cost	5% Cash + 9% PIK			7% PIK	5%
Maturity / Amortization	47 months			48 months	
Capital participation	30%		15%	5%	

Several covenants obligations have been established into the financing conditions of New Money, including the liquidity ratio (historical and future) and that on December 31, 2017, has been fulfilled by the minimal established (€20 million) being the "Historic Liquidity" of €29 million and the "Projected Liquidity" of €20.3 million. In addition, a financial debt limit of 219 million euros has been established for Corporate Financing which, at December 31, the Company has met.

The financing of New Money counts with the joint and several guarantee of Abengoa, S.A. and of certain Group subsidiaries.

The restructuring for the preexisting debt (Old Money) Standard Restructuring Terms involved a 97% reduction of its nominal value, while keeping the remaining 3% with a 10 year maturity, with no annual coupon or option for capitalization.

Creditors who have adhered to the agreement chose either the conditions laid out previously 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.

- Refinance the 30% remaining of the nominal value of the preexisting debt through new debt instruments (Old Money), replacing the preexisting ones, which rank as senior or junior depending on whether or not such creditor participated in the new money facilities or new bonding facilities. Such instruments 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 can 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.

The conditions of the preexisting debt (Old Money) refinanced summarized in the following detail table:

Item	(Standard Restructuring Terms)	(Alternative Restructuring Terms)	
		Junior Old Money	Senior Old Money
% debt write-offs	97%	70%	70%
Post-debt write-offs nominal (in M€)	12	1,220	1,409
Cost	-	1.5%	1.5%
Maturity / Amortization	10 years	72 months	66 months
Capital participation	-		40%

Among the Old Money financing conditions, there has been certain obligations established in the financing contracts which include that, in the event that the total amount exceeds 2,700 million as a consequence of the potential crystallization of contingent liabilities, a 6 month period shall be available to restructure, by means of capital increases or additional debt reliefs, the aforementioned credits before incurring into a cause for accelerated maturity. Throughout 2017 and up to the publication of the present Consolidated Financial Statements, the 2,700 million limit for the Old Money has not yet been exceeded.

The financing of Old Money counts with the joint and several guarantee of Abengoa, S.A. and of certain Group subsidiaries

(ii) At the end of the restructuring process, the shareholders of the Company at the time, held 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 submitted 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.

- › On April 28, 2017 the notes issued by Abengoa Abenewco 1, S.A.U. in connection with Tranche 2 of the new money financing as well as the notes issued by Abengoa Abenewco 2, S.A.U. in connection with the Senior Old Money and the Junior Old Money were admitted to trading on the Vienna Stock Exchange (Third Market (MTF) of Wiener Boerse).
- › On June 12, 2017, the notes issued by ABG Orphan Holdco S.a.r.l. in connection with Tranche I of the new money financing were admitted to trading on the Irish Stock Exchange.
- › Within the framework of the judicial approval procedure, certain creditors filed challenge claims over the judicial approval of the MRA issued by Seville Commercial Court n. 2 on 8th November 2016. These challenges were declared admissible by the aforementioned judged by order dated 10 January 2017. The hearings of the aforementioned challenges were held on last 13th and 24th of July, the moment at which the trial was remitted for decision.
- › Finally, on 25 September 2017, the Mercantile Court of Seville Nº 2 issued a ruling in regards to the challenges brought forth to the judicial approval (homologación judicial) of the restructuring agreement. On that basis:
 1. The judge resolved against the challenges in relation to the lack of concurrence in the percentages required under the Insolvency Act, and as such agrees to maintain the judicial approval (homologación judicial) of the restructuring agreement and its effects except for the following.
 2. The judge resolved in favor of the challenges in relation to the disproportioned sacrifice caused on the challengers cited in the decision. As stated in the decision, this last point implicates that effects of the restructuring agreement do not apply to these challengers.

The nominal value of the excluded debt which has been claimed by the challengers amounts to approximately €76 million.

The Company considered that the decision did not specify what treatment the excluded debt should receive. On this basis, it requested clarifications and, if applicable, the corresponding ruling supplement to the Court through the necessary channels.

- › Regarding the preceding ruling dated October 30, 2017, the Company was notified on the ruling from the same Court by which they agreed to dismiss the request to supplement the ruling.

This means that the entire debt claimed by the petitioners, this is, the amount of €76 million has been recorded as corporate financing of current liabilities, and also, that the debt amounts subject to said proceedings will not be affected by the restructuring process and will exceed the thresholds expected in the contracts which produce an event of default.

In relation to the foregoing and to provide for such scenario, the Company had already requested the corresponding exemptions established in the financial agreements, this is, the “waivers” under the different financial instruments. These waivers were already obtained on October 27, 2017 and hence, said event of default is considered as not occurring.

During the last quarter, meetings have been held with the challengers for the purposes of negotiating and reaching an agreement on the claimed debt.

b) On the other hand, in relation with the proceedings in Brazil related with the transmission line activity, on the occasion of the mentioned situation of Abengoa, it should be known that:

- › A ruling was issued in the Judicial Recovery process on December 2, 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 on December 31, 2016 at which the Ministry of Mines and Energy, the ANEEL representative and the judicial administrator were called to appear. The creditor’s meeting, initially scheduled on March 31, 2017, was proposed for the end of May 2017.
- › On May 30, 2017 was set Trial for the vote on the reorganization plan of Brazilian companies immersed “Recuperação Judicial” proceedings.
- › On August 16, 2017, a new Plan of Judicial Recovery was presented to be approved in the Creditors’ General Assembly.
- › On August 18, 2017, in the framework of the process of “Recuperação judicial” of Abengoa Concessões (approved by 73.91% of common creditors), Abengoa Construção (approved by 87.65% of common creditors) and Abengoa Greenfield (approved by 100% common creditors), the company’s reorganization plan was approved by the majority of its creditors during the General Meeting of Creditors held on the same date.
- › Notwithstanding the foregoing, in accordance with Brazilian bankruptcy law, the resolutions adopted at the General Meeting of Creditors must be ratified by the competent judicial authority in order to review the legality of the reorganization agreement reached. As of the date of the publication of the present Consolidated Financial Statements, the Company is not aware of the publication of mentioned judicial resolution.
- › On September 19, 2017, the Ministry of Mines and Energy, based on the recommendation of ANEEL, declared the expiration of the 9 concession contracts of greenfield projects. Against that administrative decision, several actions are possible, through administrative and judicial proceedings; however, the approved Judicial Recovery Plan considers this situation and provides alternative measures even if the annulment of that decision is not obtained.
- › On November 8, 2017 the Approval Ruling for the Judicial Recovery is published, by which the plan, to be executed in two years, has been approved.
- › In December, a judgement unfavorable to Abengoa’s interests was pronounced in relation to the appeal filed by ANEEL on the judge’s decision on the Judicial Recovery, by which the expiration proceedings were included in the Judicial Recovery. Abengoa has filed an appeal against this resolution
- › On December 13, brown field assets were awarded to Texas Pacific Group through public auction as provided in the Judicial Recovery for an amount of 482MBRL, subject to conditions precedent.

- c) Additionally, in relation to the proceedings in United States, on occasion as well of the mentioned situation of Abengoa, indicate that:
- › In relation with Chapter 11 proceedings conducted in Missouri, on June 8, 2017, the Eastern District Bankruptcy Court of the Eastern District of Missouri issued the order confirming the approval of the settlement plans for Abengoa Bioenergy Operations, LLC; Abengoa Bioenergy Meramec Renewable, LLC; Abengoa Bioenergy Funding, LLC; Abengoa Bioenergy Maple, LLC; Abengoa Bioenergy Indiana LLC; Abengoa Bioenergy Illinois LLC; Abengoa Bioenergy US Holding LLC; Abengoa Bioenergy Trading US LLC; Abengoa Bioenergy Outsourcing LLC; Abengoa Bioenergy of Nebraska LLC; Abengoa Bioenergy Engineering & Construction LLC; y Abengoa Bioenergy Company LLC.
 - › On February 8, 2018 the United States Bankruptcy Court for the District of Kansas issued an order that confirmed the liquidation plan for Abenoga Bioenergy Biomass of Kansas.
 - › In relation to the Chapter 11 processes conducted in Delaware, during the last month of November, 2017 the Plan approved by all creditors, consisting on a business reorganization for some companies and liquidation for others, and on the restructuring of their debt consisting of a debt write off based on a recovery plan, entered into effect. As the conditions of the new debt agreed upon with the creditors in the restructuring agreement have been substantially modified, the requirements set forth in the IAS 39 "Financial Instruments: Recognition and Measurement" have been applied, derecognizing the debt refinanced at book value, registering the equity instrument to be handed over at fair value and recognizing the difference between both amounts in the Income statement. All of the above has had an impact on the consolidated income statement at December 31, 2017 for € 116 million that have been recognized under Other finance income (see note 30.3).
- d) 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:
- › During 2017 there have not been any new relevant events in addition to the ones mentioned in the 2016 Consolidated Financial Statements on this subject.
 - › At the closing of 2017 no significant event has occurred in relation to the bankruptcy situation of the company.
 - › On January 17, 2018 a meeting was held with the creditors where the Company's definitive liabilities amount was tried to be established. However, no agreement was reached by some of the creditors, leaving it up to the courts to clarify whether there is debt collection rights or not against the Company.
- e) Regarding the declaration of bankruptcy of Abengoa México, S.A. de C.V.
- › In pursuit of reaching an agreement with its creditors, Abengoa Mexico signed last March 2017 a lock-up agreement, supported by 71% of its creditors, by which these creditors are contractually bound to support the reorganisation agreement tentatively expected to be field with the Courts according to the following terms:
 - (i) In relation to common debt, 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 unpaid principal amount will generate new interests with accrual period that will depend 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 waived by creditors. However, the default in payment of the amounts agreed will imply the generation of default interests with a 14% rate during the period of default;
 - (ii) in relation to credits against the bankruptcy estate and secured credits, they will be paid in accordance with the relevant contracts and documents;
 - (iii) in relation to 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.
 - › On June 15, 2017 the Insolvency Agreement signed by the Company and a majority of its creditors was filed by the conciliator of the insolvency proceedings on the Sixth Court in Civil Affairs of Mexico City.

The Agreement has been signed by 95.696% of its total creditors according to Mexican Bankruptcy Law. In relation solely to common creditors, 82.966% of adherence has been reached. The mentioned Agreement, applicable to all creditors of Abengoa Mexico once approved, provides for a restructuring of the debt contracted with all its creditors at nominal value and with a fair treatment of them. As for terms, the debt would start to be settled in March 2018 and would end in December 2021.

- › On June 28, 2017, the Sixth Court in Civil Affairs of Mexico City issued a judicial decision suspending the approval of the insolvency agreement pending the resolution of appeals against the resolution of the awards of claims presented by different creditors. Against that resolution of suspension were presented both by Abemex, as by the conciliator and by different creditors, , appeals favorably resolved and by virtue of which the Sixth Court in Civil Affairs of Mexico City issued a favorable ruling to approve the insolvency agreement on January 22, 2018.
- › Likewise, certain creditors have filed appeals against the aforementioned insolvency agreement approval ruling. Notwithstanding the above, these appeals do not entail the suspension of the approved agreement effects , which will become effective as planned.
- › At last, and in relation with the approval of the insolvency agreement issued by the Sixth Court in Civil Affairs of Mexico City, said ruling implies the exit from the insolvency procedure in which the Company had entered and remained since December 2016.

This ruling has occurred after Abengoa Mexico reached a final accession percentage to the Insolvency Agreement of 95.696% of its total creditors, being this document presented by the conciliator to the Court handling the case on June 15, 2017.

This ruling requires all Abengoa Mexico creditors to be bound to the Insolvency Agreement, and orders the conciliator to cancel the registry entries made with reason of the insolvency and the company's insolvency status concludes, among other matters.

f) In relation to the Judicial Recovery process in Brazil on Abengoa Bioenergía Brasil, the following should be noted.

- › On 8th September 2017, Abengoa Bioenergía Brasil was informed by the Court of Santa Cruz das Palmeiras (Brazil) of a bankruptcy petition by a creditor of the company. On September 25, 2017, the company presented response and request of judicial rehabilitation which will allow the company restructuring and, therefore, negotiate with its creditors.

g) At last, in relation to the restructuring processes conducted in Peru, Chile and Uruguay

- › On October 14, 2016 Abengoa Perú entered into a restructuring framework agreement with a group of companies representing 100% of its financial debt with said entities that allows them to suspend compliance with its obligations and establish the terms and conditions under which Abengoa Peru may meet its payment obligations.
- › Likewise, on September 28, 2017 Abengoa Chile reached an agreement with a group of creditor banks (Banco de Crédito e Inversiones; Banco Consorcio; Itaú Corpbanca; Scotiabank Chile and Baco Security) and, on June 29, 2017 and September 1, 2017 with Banco Do Brasil New York branch and Banco do Brasil Chile for the totality of their financial debt with said entities, which allows Abengoa Chile to replan and extend their owed obligations.
- › Finally, Teyma Uruguay; Teyma Forestal; Consorcio Ambiental del Plata; Operación y Mantenimiento Uruguay; and Eterey entered into an agreement with a pool for financial entities on August 24, 2017 and with Banco do Brasil New York branch on June 1, 2017, which refinanced 100% of their financial debt with said entities.

2.2.2. Going concern

With the Restructuring Agreement described in section 2.2.1. completed, the company will develop the Updated Viability Plan agreed 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 envisages to focuses the activity in the energy and environmental sectors. This business will be combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has developed a competitive advantage, mainly technological, which allows for higher value creation in projects. The aforementioned Updated Viability Plan, will allow for Abengoa's sustainable growth, based on the following five principles:

- 1) A multidisciplinary team and a multifunctional working culture.
- 2) Experience in engineering and construction, specially our proven experience in business development in markets with high growth potential, such as energy and water.
- 3) Technological skills in our target markets, mainly in solar energy and water.
- 4) A more efficient organization with a competitive level of general expenses.
- 5) A financial approach in line with the current circumstances in which financial discipline and a rigorous evaluation of financial risks are paramount.

The circumstances of the Group during 2017, which has been affected by a strong limitation of financial resources for more than two years, have significantly influenced the evolution of the business not only in terms of a general 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.

Consequently, the parent company, Abengoa, S.A., has incurred in losses since 2015, which has caused a significant decrease in Equity and, as a consequence, at December 31, 2016 presented a negative net equity. In the opinion of the parent company's, Abengoa S.A., Directos, the intended measures in the effective application of the Restructuring Agreement have allowed to restore the equity balance once the positive impact derived from debt write-offs, capital increases has been recognized in the income statement and in the Net equity and, in addition has provided the Group with the necessary financial resources to restore market trust and the continuance with its in a competitive and sustainable manner in the future.

Based on the foregoing, Abengoa's Directors have considered appropriate to prepare this Consolidated Financial Statements for the year ended December 31, 2017, based on the going concern basis. Abengoa's Directors have applied the International Financial Reporting Standards ('IFRS') consistently with the 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, 2017 in accordance with the existing information as of the date of preparing these Consolidated Financial Statements .

2.2.3. Restructuring process accounting impacts

As indicated on section 2.2.1. , on March 31, 2017, the Financial Restructuring of the Group was completed and, therefore, the Company recognized at that date all the related accounting impacts. From an accounting perspective, the Restructuring Agreement is subject to IFRIC 19 "Cancellation of financial liabilities with equity instruments", derecognizing a portion of the debt to be cancelled at book value, recognizing the refinanced debt at fair value and registering the equity instrument to be handed over at fair value and recognizing the difference between such both amounts in the Income statement. The issued Equity instruments should be firstly recognized and valued on the date in which the liability or a part of it is cancelled.

When evaluating the newly issued equity instruments, the IFRS 13 "Fair value measurement" has been applied and, consequently, the market price in the Spanish Stock Exchanges on the date in which the Restructuring process was completed and the liability was written off has been taken as reference, this means on March 31, 2017. This market price was €0.055 per each class A share, and €0.024 each class B share. Applying such amount to the capital increase of Abengoa (1,577,943,825 class A shares and 16,316,369,510 class B shares, which correspond to 95% of Capital share), the fair value of the new shares accounted for in the Consolidated Equity has been €478 million.

For the portion of debt to be refinanced, and given that the conditions of the debt to be refinanced have been substantially modified after the Restructuring agreement, IAS 39 "Financial instruments, recognition and measurement" has been applied, derecognizing the portion of the debt to be refinanced at book value, registering the equity instrument to be handed over at fair value and recognizing the difference between both amounts in the Income statement.

Regarding the cancellation of the liabilities subject to the Standard Restructuring Terms (amounts payable to creditors who have not signed the Restructuring Agreement), since there is no obligation to deliver equity instruments in order to cancel 97% of the liabilities, the terms of IAS 39 have been applied 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 has been recorded at its fair value and recognizing an impact on the Income Statement for the difference between both amounts.

All the aforementioned adjustments caused a positive impact in the consolidated Net Equity of Abengoa of €6,208 million (€5,727 million in the income statement and €35 million in capital share and €443 million in share premium). The following table shows the breakdown of such impacts (in million euros):

Concept	Amount
Decrease of debt to be refinanced at its carrying amount	8,330
Increase of refinanced debt at its fair value	(1,943)
Increase of equity instruments	478
Related expenses (commissions, fees, etc.)	(138)
Tax impact	(519)
Total impacts in Net Consolidated Equity	6,208

It is important to highlight that the previous positive impact on the consolidated Equity of Abengoa exclusively try to portrait the economic impact of Abengoa's financial debt restructuring, and therefore it does not intend to reflect the future financial situation of Abengoa which, in its Director's opinion, and once the Restructuring Agreement has been implemented, will depend on the fulfilment of the Updated Viability Plan together with the Group's capacity to generate resources from its operations and the access to sufficient liquidity in the market to continue with the activity in a competitive and sustainable manner.

2.3. Application of new accounting standards

- a) Standards, interpretations and amendments that have not yet entered into force, but which may be adopted in advance of the years beginning after January 1, 2017.

The standards indicated below, which application is not yet mandatory, the Group has not adopted in advance:

- › IFRS 9 'Financial Instruments'. This Standard will be effective from January 1, 2018 under IFRS-EU.
- › IFRS 15 'Ordinary revenues proceeding 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.

In this sense, in relation of the impacts that could have the changes introduced in those rules, indicate the following:

- › IFRS 9, "Financial Instruments", the main changes identified that could lead to a review of processes, internal controls and systems and an impact on the consolidated financial statements of the Group are summarized below:
 - (i) Accounting for hedges; the standard aims to align the application of hedge accounting with the Group's risk management by establishing new requirements with a principle-based approach.
 - (ii) Impairment of financial assets; the standard replaces a models of losses incurred in IAS 39 with an expected loss for the next 12 months or for the life of the instruments in the light of the significant increase in risk.

(iii) Classification and valuation of financial assets; the standard establishes a new classification to reflect the business model where the main classification categories are: a) assets at amortized cost (assets to maturity to receive the contractual flows: principal and interest), b) assets at fair value against results (assets to trade) and c) assets at fair value against equity (when the previous business models are given). Therefore, the categories of instruments held for sale are eliminated from IAS 39.

Although the Company is still developing the complete "expected loss" model, a preliminary assessment and estimation of the provision for impairment required due to the application of this new "expected loss" model on the financial assets has been carried out. This is a first-time application adjustment that will be registered on the transition date. Said analysis has led to the conclusion that the impact on the Group's consolidated annual accounts would not be significant.

With regard to information systems, the current systems will be maintained and certain controls included in them will have to be adapted.

- › IFRS 15, "Ordinary revenues proceeding from contracts with Customers", will substitute from the annual exercise initiated on January 1, 2018 the following procedure in effect nowadays:
 - IAS 18 "Income from ordinary activities"
 - IAS 11 "Construction contracts"
 - IFRIC 13 "Customer Loyalty Programmes"
 - IFRIC 15 "Agreements for the Construction of real estate"
 - IFRIC 18 "Transfers of assets from customers"
 - SIC-31 "Revenue- Barter Transactions Involving Advertising Services"

According to IFRS 15, revenue should be recognised in such a way that the transfer of goods or services to customers is disclosed at an amount that reflects the consideration to which the entity expects to be entitled in exchange for such goods or services. This approach is based on five steps:

- Step 1: Identify the contract or contracts with a customer.
- Step 2: Identify the obligations under contract.
- Step 3: Determine the Price of transaction.

- Step 4: Allocate the Price of transaction among the contract obligations.
- Step 5: Recognize revenues when (or as) the entity complies with each of the obligations.

The main changes identified that could lead to a review of processes, internal controls and systems and an impact on the Consolidated financial statements of the Group are summarized below:

(i) Identification of the different performance obligations in long-term contracts and assignment of price to each obligation; the standard could mainly affect the long-term contracts of the Engineering and Construction activities related to the execution of turnkey projects where the performance is now recognized based on a single performance obligation and, under the new rule, the result could be recognized based on the different performance obligations that can be identified with the consequent effect that this new criterion could imply by the difference in the recognition of income, as long as the margin of those obligations already performed is different from the one currently performed performance obligation.

(ii) Approval in the recognition of income for modifications of the contract and items subject to claim; the standard establishes explicit approval by the client, rather than the probability of approval requirement of the current standard, and could lead to differences in revenue recognition that can only be recorded when the customer approves and not when it is probable that the client to accept the change. In addition, and in the case of modifications or claims in which the client has approved the scope of the work, but their valuation is pending, the income will be recognized for the amount that is highly probable that does not produce a significant reversal in the future.

(iii) Identification and recognition of the costs of obtaining a contract (IFRS 15 p.91) and costs of compliance with a contract (IFRS 15, p.95); The standar specifies that only those costs identified as incremental can be capitalized, being necessary a detailed analysis of the expectations of recovery of the same.

(iv) Contract combination (IFRS 15 p.17): the estándar states that two or more contracts made at a close point in time with the same client will be accounted as a single contract provided certain criteria are met (interdependence of the Price, joint negotiation or existence of a single compliance obligation).

A preliminary assessment has been carried out under the estimation that the expected impact of the application of this standard in the Group's consolidated annual accounts will not mean that revenue recognition significantly differs from the one applied at present, and hence, the impact on the consolidated annual accounts will not be relevant. The first-time application adjustment will be registered on the transition date

- › With regard to information systems, the current systems will be maintained and certain controls included in them will have to be adapted.
- b) Standards, amendments and interpretations applied to existing standards that can not be adopted in advance or have not been adopted to date by the European Union at the date of the publication of the present consolidated financial statements.
- › IFRS 10 (Amendment) "Consolidated Financial statements" y IAS 28 (Amendment) "Selling Assets between an investor and his joint business" in relation to the treatment of the sale or contribution of goods between an investor and its associate or joint venture. The application of these modifications has been delayed without a defined date of application.
 - › 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, and have not been adopted by the EU yet.
 - › IAS 7 (Amendment) "Disclosure Initiative".
 - › IAS 12 (Amendment) "Recognition of deferred tax assets for unrealized losses".
 - › IFRS 15 (Amendment) Clarifications to IFRS 15, "Revenue from contracts with customers."
 - › IFRS 2 (Amendment) "Classification and valuation of share-based payment transactions"
 - › IFRS 4 (Amendment) "Applying IFRS 9" Financial Instruments "with IFRS 4 insurance."
 - › Improvements to IFRS Cycle 2014 - 2016 (published December 8, 2016). These improvements are applicable for annual periods beginning on or after 1 January 2018 under the EU have not yet been adopted by the European Union.
 - › IAS 40 (Modification) "Transfer of investment property"
 - › IFRIC 22 Transactions and advances in foreign currency establishing the "transaction date" to purposes of determining the exchange rate applicable in transactions with currency foreign. This rule will apply for annual periods beginning on or after 1 January of 2018 under the EU-IFRS. It has not yet been adopted by the European Union.

- › IFRIC 23 "Uncertainty about tax treatment". Interpretation which classifies the criteria for registration and valuation of IFRS 12 when there is uncertainty about the acceptability by the fiscal authority of an instrument used by the company. Pending adoption by the EU.

The Group is in the process of analyzing the impacts that the new legislation could have on its consolidated financial statements.

2.4. 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 2017 (2016) 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 through 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 this 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 the 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, circumstances that justify that the multiple agreements should be accounted as a single transaction may exist.

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 2.7. 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, 2017 and 2016, in the 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 JV partners into a single proposal in order to obtain the most favorable technical assessment possible. JV 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 JV.

The partners' shares in the JV 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 JV's partners acts as project manager does not affect its position or share in the JV. The JV'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 JV 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 JV'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 JV's assets upon completion of the project.

JV 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 JV. 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 JV'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 JV on a line by line basis.

As of December 31, 2017 and 2016 there are no significant material contingent liabilities in relation to the Group's shareholdings in the JV, 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.

2.5. 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 2.10). 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;
- › the Directors intend 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.

2.6. 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 2.7), 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.

2.7. 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:

2.7.1. 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 2.9, 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 use.

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'.

2.7.2. 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 2.5 and 2.6.

2.8. 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.

2.9. 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 2.2.1, 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.

2.10. Impairment of non-financial assets

At 31 December 2017, the non-financial assets not classified as held for sale are not significant because, given the current situation of the company described in Note 2.2.1., 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).

Regardless of the above, the details of the main accounting standards used to analyze the impairment of other non-financial assets not classified as held for sale are given below.

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.

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 estimated discount rates are representative of the weighted cost of capital of each type of project, concession or intangible asset, and according to the country in which they are located. For its calculation, Abengoa has considered the typology of the projects or concessions, the financial leverage, the conditions of the debt, and the time horizon of the projects

The main assumptions used in calculating the value in use are:

- › 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 11%.

The use of such financial projections is justified by these concessional assets which are characterized by a contractual structure (framework agreement) that allows 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 based on the capital asset pricing model (CAPM) using consistent hypothesis for all assets and considering every evaluated asset's own nature when estimating the beta coefficient.

- › Cash flows of CGUs abroad are calculated in the functional currency of said cash generating units and are updated through discount rates that take the country risk into consideration, usually by using the local 10-year bond as reference. When said information is not available, the euro risk-free rate plus the inflation differential of both currencies plus the country risk premium obtained from external reference sources is used.
- › 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.

2.11. 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 2.7.1.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, 2017 and 2016 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.

2.12. 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 through 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.

2.13. 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 liabilities.
- › 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. unlisted prices) or indirectly (derived from valuation models).
- › Level 3: Fair value is measured based on unobservable inputs for the asset or liability.

In the event that price rates 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.

2.14. 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.

2.15. 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.

2.16. 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. As indicated in Note 2.3 relative to the application of the new IFRS 9, that will be applicable from January 1, 2018.

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).

2.17. 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.

2.18. 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.

2.19. 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.

2.20. 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.

2.20.1. 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.

2.20.2. 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.

2.21. 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.

2.22. 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

2.23. 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 the increase in the provision as a result of the passage of time is recognised as an interest expense.

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. Contingencies are not recognized in the Consolidated Statements of Financial Position unless they have been acquired in a business combination.

2.24. 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 states 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 2016, 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", despite their original commercial economic substance.

2.25. 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.

2.26. 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 been settled yet 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 Note 2.6 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 2.7), 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 it is 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. Revenue recognition, as well as, the main characteristics of these contracts are detailed in Note 2.7.

2.27. 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.

2.28. 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 the business from a business activity and geographic perspective. As described in Note 5, the CODM reviews the business by grouping 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.

2.29. 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.

2.30. Severance payments

Severance payments are made to employees in the event that the Company terminates their employment contract.

With regard to extinctive collective measures, the Company carried out in 2017, 13 Employment Regulatory Records that have led to objective dismissals with severance payments

2.31. 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. Continuing operations remain under continuing operations and, otherwise, they are classified as discontinued operations.

Further information is provided on Non-current assets held for sale and discontinued operations in Note 7.

2.32. 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

The preparation of these 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:

- › Valuation of assets classified as held for sale.
- › Revenue and expense from construction contracts.
- › Income taxes and recoverable amount of deferred tax assets.
- › Guarantees provided to third parties.
- › Extinguishing Financial Liabilities with Equity Instruments (IFRIC 19).

Some of these critical accounting policies require the development 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 2.2.2 regarding the application of the going concern basis of accounting Abengoa's Consolidated Financial Statements, 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 come into operation yet or that have an indefinite useful life are not amortized and are tested for impairment on an annual basis or whenever 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. 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 2.10), adjusted for the specific risks associated to the business unit to which the cash generating unit belongs.

At the 2017 year-end no impairment expense have been recognized for intangible assets with indefinite useful life or significant intangible assets. At the 2016 year-end the company recognized impairment expense amounting to €163 million..

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 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 analyze 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 analyze the impairment of assets held for sale are detailed in Note 7 of this report.

At the 2017 year end, the company recognised an expense for impairment losses in the value of assets held for sale in the amount of €317 million (€4,122 million in 2016) 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 2.26.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 2.6 about Property plant and equipment, in the internal asset construction projects outside the scope of IFRIC 12 of Service Concession Arrangements (see Note 2.7), 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 closing of 2017, there is an expense due to the deferred tax assets impairment amounted to €416 million (€369 million in 2016).

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 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 2.12 and 2.13 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, requires a complex judgment to estimate the contractual breaches that may exist 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 2017 year-end, a financial liability in the amount of €227 million was recognised (€368 million in 2016) (see Notes 20.5)

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 2.2. 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 euro as of December 31, 2017, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been a loss of €44,191 thousand (loss of €24,707 thousand on 2016) mainly due to the US Dollar net liability position of the Group in companies with euro as functional currency and an increase of zero thousands euro (increase of €25 thousand in 2016) 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, 2017 and 2016 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.

At December 31, 2017, due to the current situation of the Group, the aforementioned has not been met.

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, 2017, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been a loss of €184 thousand (a profit €1,515 thousand in 2016) mainly due to the increase in time value of hedge interest rate options (caps and collars) and a decrease of €85 (€2,331 thousand in 2016) 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, 2017 and 2016 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, 2017 and 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.

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.

- Clients and other receivables (see Note 15).
 - 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, 2017 and 2016.

- > **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 2017, no significant amounts in arrears are susceptible to be disclosed in addition to the information required by IFRS 7.

On the other hand, as indicated in Note 2.3 on the application of the new IFRS 9 accounting note, "Financial instruments" as of January 1, 2018, the company has made a preliminary assessment and estimate of the accuracy by impairment required by the application of the new "expected loss" model on financial assets without any material impact having arisen with respect to the current model

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 fixed assets in project (see Notes 2.7 and 19).
- › Corporate Financing, used to finance the activities of the remaining companies which are not financed under the aforementioned financing model. Up to March 31, 2017, Abengoa, S.A. managed the activity of the remaining subsidiaries which are not financed under the Group's Corporate Financing modality, centralizing the cash surplus of the remaining companies to distribute it according to the different needs of the Group. As of that date, and due to the restructuring process mentioned in Note 2.2.1., this management process is now conducted by Abengoa Abenewco 1, S.A.U.

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.

As said in Note 2.2.1, upon conclusion of the financial restructuring agreement, it is the Director's belief that the ability to maintain Abengoa, S.A., the parent company's balance in the equity accounts and to provide Abengoa with sufficient liquidity as required to recover the market confidence to continue its activity in a competitive and sustainable manner in the future will be contingent upon the compliance with the Updated Viability Plan associated to the Group's ability to generate cash from operations.

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 said in Note 2.2.1, upon conclusion of the financial restructuring agreement, it is the Director's belief that the ability to maintain Abengoa, S.A., the parent company's balance in the equity accounts and to provide Abengoa with sufficient liquidity as required to recover the market confidence to continue its activity in a competitive and sustainable manner in the future will be contingent upon the compliance with the Updated Viability Plan associated to the Group's ability to generate cash from operations.

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 activities in the energy and water sectors, with more than 75 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, biofuel 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 or power purchase agreements. This activity includes the four operational segments of solar power generation plants, water desalination plants, power distribution lines and cogeneration power plants or wind farms. These assets generate low demand risk and thus the Company focuses on operating them as efficiently as possible.
 - › 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, 2017 and 2016. The classification has been done in accordance with the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations".
- › Although this note provides extensive information on the five Abengoa segments consistently with the historical information that has been reported up to the end of this present period, following the changes that have occurred in the Group's organizational structure during 2017 period as a result of the Restructuring Agreement (see Note 2.2.1.), the Directors have proceeded to redefine the activities and segments of the Group for the reporting of financial information by segments to be conducted from now on.

This new structure has been designed to face the new phase that has started, once the Restructuring Process is completed, and is focused on promoting a more simplified, efficient organization aimed at the development of the traditional Engineering and Construction activity in which the Company has more than 75 years of experience, which will allow to achieve the goals set in the Updated Viability Plan which has served as the base to agree upon the terms and conditions of said Restructuring Agreement.

Hence, Abengoa's activity and its financial information concerning internal and external management will be structured, as of 2018, under the following four operational segments:

- › Generation: it integrates all activities related to the energy sector (development, promotion, technology, engineering, procurement, construction and commissioning) on projects of renewable energy power plants (solar thermal, photovoltaic, of hybrid technology, with storage), conventional energy (combined cycles, cogeneration and other thermal power projects, as well as their hybridization with renewable energy sources) and Biomass-to-Energy.
- › Transmission and Structures: it includes all activities related to the power transmission and rail sectors on power transmission line and railway projects as well as on installations and structures, specialized in facilities of all types of plants and singular buildings (hospitals, correctional facilities, administrative buildings, etc.).
- › Water: it encompasses all activities related to the water sector (development, promotion, technology, engineering, procurement, construction and commissioning) in water desalination, water potabilization and urban and industrial waste water treatment and reuse projects, as well as in hydraulic infrastructures for regulation, distribution and irrigation and hydroelectric power stations.
- › Services: it integrates all the Operation and Maintenance (O&M) activities for power generation and water plants, as well as the management of assets, ancillary fabrication and marketing of key products.

Therefore, and although the segment report developed in this note includes financial information on the basis of the five segments in which reporting had been done up to now, in view of facilitating the understanding of the Group's financial information during this transitional period, the inclusion of certain additional financial information on the basis of the four operational segments previously discussed has been deemed appropriate (see note 5.2.)

- > 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 2017 and 2016:

Item	Revenue		EBITDA	
	2017	2016	2017	2016
Engineering and construction				
Engineering and construction	1,316,624	1,367,278	24,904 (*)	(326,653) (*)
Total	1,316,624	1,367,278	24,904	(326,653)
Concession-type infrastructure				
Solar	60,160	37,141	43,902	21,492
Water	46,883	58,932	31,257	40,722
Transmission lines	-	1,447	-	(221)
Cogeneration and other	56,101	45,255	26,868	23,442
Total	163,144	142,775	102,027	85,435
Total	1,479,768	1,510,053	126,931	(241,218)

(*) Includes construction cost provisions of projects given the situation of the Company for an amount of €245 million at December 31, 2016 and fees by independent professional services advisors to the restructuring process for an amount of €52 million at December 31, 2017. (€55 million in 2016)

The reconciliation of segment EBITDA with the profit attributable to owners of the parent is as follows:

Line	2017	2016
Total segment EBITDA	126,931	(241,218)
Amortization and depreciation	(405,011)	(1,900,720)
Financial expenses net	5,755,323	(1,161,781)
Share in profits/ (losses) of associates	(72,680)	(587,375)
Income tax expense	(824,726)	(371,566)
Profit (loss) from discontinued operations, net of tax	(295,819)	(3,352,377)
Profit attributable to non-controlling interests	(6,248)	(14,019)
Profit attributable to the parent company	4,277,770	(7,629,056)

b) The assets and liabilities by segment as of December 31, 2017 and December 31, 2016 are as follows:

Item	Engineering and construction	Concession-type infrastructure				Industrial production	Balance as of 12.31.17 (3)
	Eng. and const.	Solar	Water	Trans.	Cog. and other	Biofuels (2)	
Assets allocated							
Intangible assets	61,811	-	1,697	-	66	-	63,574
Property plant and equipment	171,237	173	-	-	-	-	171,410
Fixed assets in projects	1,018	3,869	50,775	9,985	99,025	-	164,672
Current financial investments	194,964	-	-	-	-	-	194,964
Cash and cash equivalents	195,870	-	-	-	-	-	195,870
Subtotal allocated	624,900	4,042	52,472	9,985	99,091	-	790,490
Unallocated assets							
Non-current and associated financ. invest. (1)	-	-	-	-	-	-	40,753
Deferred tax assets	-	-	-	-	-	-	375,814
Other current assets	-	-	-	-	-	-	1,073,346
Assets held for sale	-	513,082	338,805	1,570,436	1,263,108	392,763	4,078,194
Subtotal unallocated							5,568,108
Total Assets							6,358,597

Item	Engineering and construction	Concession-type infrastructure				Industrial production	Balance as of 12.31.17 (3)
	Eng. and const.	Solar	Water	Trans.	Cog. and other	Biofuels (2)	
Liabilities allocated							
L-T and S-T corpor. financing	3,586,741	1,623	-	54,858	497	-	3,643,759
L-T and S-T project debt	1,220	1,409	11,530	-	93,792	-	107,951
L-T and S-T lease liabilities	15,977	-	-	-	-	-	15,977
Subtotal allocated	3,603,938	3,032	11,530	54,858	94,289	-	3,767,687
Unallocated liabilities							
L-T and S-T Other loans and borrowings	-	-	-	-	-	-	-
L-T grants and other liabilities	-	-	-	-	-	-	52,275
Provisions and contingencies	-	-	-	-	-	-	23,286
L-T derivative financial instruments	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	523,286
L-T personnel liabilities	-	-	-	-	-	-	8,088
Other current liabilities	-	-	-	-	-	-	2,048,366
Liabilities held for sale	-	522,919	203,661	1,002,708	221,346	392,763	2,343,397
Subtotal unallocated							4,998,698
Total liabilities							8,776,585
Equity unallocated							(2,407,788)
Total liabilities and equity unallocated							2,590,910
Total liabilities and equity							6,358,597

(1) Includes Atlantical Yield, Plc in the item "Assets held for sale"

(2) This segment has been discontinued in the Profit and Loss and the Cash Flow Statements December 31, 2017

(3) 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'.

Item	Engineering and construction	Concession-type infrastructure				Industrial production	Balance as of 12.31.16 (2)
	Eng. and const.	Solar	Water	Trans.	Cog. and other	Biofuels (1)	
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 December 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."

Item	Engineering and construction	Concession-type infrastructure				Industrial production	Balance as of 12.31.16 (2)
	Eng. and const.	Solar	Water	Trans.	Cog. and other	Biofuels (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	3,886,537
Subtotal unallocated							8,264,418
Total liabilities							16,693,922
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.

The criteria used to obtain the assets and liabilities by 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 lines of activity of the Group.
- › Related to 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), the segment distribution will remain in order to keep showing the final destination of funds. As of December, 2017, and with the corporate debt already restructured, net debt has been allocated to the segment of Engineering and Construction as it will be the activity in which Abengoa will focus over the next few years as established in the Updated Viability Plan.

- c) The investments in intangible assets, property, plant and equipment and fixed assets in projects for the years, 2017 and 2016 is as follows:

Item	2017	2016
Engineering and construction		
Engineering and construction	3,302	16,738
Total	3,302	16,738
Concession-type infrastructure		
Solar	348	9,264
Water	4,609	11,387
Transmission lines	4,950	7,366
Cogeneration and other	111,824	127,678
Total	121,730	155,695
Total investments by segments	125,033	172,433
Discontinued operations	35,701	68,328
Total	160,734	240,761

- d) The distribution of depreciation, amortization and impairment charges by segments for the years 2017 and 2016 is as follows:

Item	2017 (1)	2016 (1)
Engineering and construction		
Engineering and construction	51,244	842,376
Total	51,244	842,376
Concession-type infrastructure		
Solar	95,198	585,824
Water	173,751	33,525
Transmission lines	-	19,015
Cogeneration and other	84,818	419,980
Total	353,767	1,058,344
Total	405,011	1,900,720

(1) Includes an impairment recognized during the year 2017 classified as Depreciation, amortization and impairment charges in the Consolidated Income Statement amounted to €-312 million, (€-1,796 million in 2016)

5.2. Additional Financial Segment Reporting

- › As discussed in Note 1 of this report, following the changes that have occurred in the Group's organizational structure during the 2017 period as a result of the Restructuring Agreement (see Note 2.2), the Directors have proceeded to redefine the activities and segments of the Group for the reporting of financial information by segments to be conducted from now on.

Hence, Abengoa's activity and its financial information concerning internal and external management will be structured, as of 2018, under the following four operational segments:

- › Generation.
- › Transmission and Infrastructures.
- › Water.
- › Services.

As a result, to facilitate the understanding of the group's financial information in accordance with the current business activities and segmentation, a cross-benchmark assessment of the main amounts in the profit and loss statement between the five traditional segments and the future four operational ones has been included below.

› Sales between the traditional and future segments at the end of the 2017 and 2016 period:

Item	Engineering and Construction	Concession-type infrastructure			2017
	Engineering and Construction	Solar	Water	Cog. and others	
Generation	630,132	-	-	-	630,032
Transmission and infrastructure	449,963	-	-	-	449,963
Water	33,454	-	-	-	33,454
Services	203,075	60,160	46,883	56,101	366,219
Total	1,316,624	60,160	46,883	56,101	1,479,768

Item	Engineering and Construction	Concession-type infrastructure			2017
	Engineering and Construction	Solar	Water	Cog. and others	
Generation	440,911				440,911
Transmission and infrastructure	627,351				627,351
Water	33,034				33,034
Services	265,982	37,141	58,932	46,702	408,757
Total	1,367,278	37,141	58,932	46,702	1,510,053

› Ebitda between the traditional and future segments at the end of the 2017 and 2016 period:

Item	Engineering and Construction	Concession-type infrastructure			2017
	Engineering and Construction	Solar	Water	Cog. and others	
Generation	5,534	-	-	-	5,534
Transmission and infrastructure	3,867	-	-	-	3,867
Water	332	-	-	-	332
Services	15,171	43,902	31,257	26,868	117,198
Total	24,904	43,902	31,257	26,868	126,931

Item	Engineering and Construction	Concession-type infrastructure			2016
	Engineering and Construction	Solar	Water	Cog. and others	
Generation	(175,833)				(175,833)
Transmission and infrastructure	(128,051)				(128,051)
Water	(38,192)				(38,192)
Services	15,423	21,492	40,722	23,221	100,858
Total	(326,653)	21,492	40,722	23,221	(241,218)

5.3. Information by geographic areas

a) The revenue distribution by geographical region for the years, 2017 and 2016 is as follows:

Geographical region	2017	%	2016	%
- North America	194,947	13%	359,090	24%
- South America (except Brazil)	324,237	22%	238,520	16%
- Brazil	45,864	3%	98,843	7%
- Europe (except Spain)	148,370	10%	160,384	11%
- Other regions	618,965	42%	440,429	29%
- Spain	147,385	10%	212,787	14%
Consolidated Total	1,479,768	100%	1,510,053	100%
Outside Spain amount	1,332,383	90%	1,297,266	86%
Spain amount	147,385	10%	212,787	14%

- b) The net book value of Intangible assets and Property, plant and equipment by geographical region as of December 31, 2017 and 2016 is as follows:

Geographic region	Balance as of 12.31.17	Balance as of 12.31.16
Spain	146,720	115,786
- North America	24,419	29,624
- South America (except Brazil)	22,317	27,496
- Brazil	39,942	64,421
- Europe (except Spain)	1,095	1,179
- Other regions	491	15,029
Foreign market	88,264	137,749
Total	234,984	253,535

- c) The net book value of fixed assets in projects by geographic region as of December 31, 2017 and 2016 is as follows:

Geographic region	Balance as of 12.31.17	Balance as of 12.31.16
Spain	1,601	86,200
- North America	-	673
- South America (except Brazil)	98,482	237,829
- Brazil	7,261	7,261
- Europe (except Spain)	-	-
- Other regions	57,328	65,692
Foreign market	163,071	311,455
Total	164,672	397,655

Note 6.- Changes in the composition of the Group

6.1. Changes in the consolidation group

- a) In 2017 a total of 6 subsidiaries (7 in 2016), zero associates (4 in 2016) and 2 joint ventures (0 in 2016), 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 2017 and 2016.

In addition, during 2017, 2 joint ventures (JV) were included in the consolidation perimeter, (1 in 2016), with partners which do not belong to the Group, that have commenced their activity or have started to undertake a significant level of activity during 2017.

The amounts set out below represent the Group's proportional interest in the assets, liabilities, revenues and profits of the JV with non Group partners, which have been included in the Consolidated Financial Statements in 2017 and 2016:

Item	2017	2016
Non-current assets	35,168	29,463
Current assets	127,242	92,383
Non-current assets liabilities	19,725	12,458
Current liabilities	142,685	109,388

Item	2017	2016
Revenue	45,486	70,729
Expenses	(48,845)	(16,204)
Profit (loss) after taxes	(3,359)	54,525

- b) During the year ended December 31, 2017 a total of 166 subsidiaries were no longer included in the consolidation perimeter (57 in 2016), 6 associates (3 associates in 2016) and 10 joint ventures (8 in 2016), 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 6.2.b).

During 2017, 52 joint ventures (JV) are no longer included in the consolidation perimeter (19 in 2016), which do not belong to the Group, for partners which do not belong to the Group for having ceased their activities or having become non-significant; its net income, proportional to the participation, during the year 2017 has been zero (null amount in 2016)

Within the companies that have ceased to form part of the consolidation perimeter are certain United States companies over which control over them has been lost due to the various open procedures of Chapter 11 and the beginning of their corresponding liquidation processes, once approved by the judge after having reached the majority support of the creditors (see note 2.2). As a result of the loss of control, and based on the provisions of IFRS 10, Abengoa's consolidated income statement has been reclassified, within the income statement of discontinued operations, a loss of 80 million euros corresponding to the amounts recognized in other comprehensive income related to these companies and that correspond mainly to the cumulative translation differences that were maintained in consolidated equity until the date of loss of control.

- c) Additionally, during 2016, 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 through the equity method, are currently consolidated through the global integration method once obtained the control of the company.

6.2. Main acquisitions and disposals

a) Acquisitions

- › There were no significant acquisitions during the years 2017 and 2016.

b) Disposals

- › During 2017, there were not significant disposals with the exception of the sale of the bioethanol business in Europe and the Norte III combined cycle power plant as part of the Divestment plan established in the Updated Viability Plan, detailed as follows:
 - › On March 16, 2017, Abengoa Bioenergía Inversiones, S.A. (the "Seller"), subsidiary of Abengoa, S.A., entered into a sale and purchase agreement (the "Agreement") with a company controlled by private equity fund Trilantic Europe (the "Purchaser"), which governs the sale of the bioethanol business of Abengoa in Europe through the transfer of shares of Abengoa Bioenergy France, S.A., Biocarburantes de Castilla y León, S.A., Bioetanol Galicia, S.A., Ecocarburantes Españoles, S.A. and Ecoagrícola, S.A. The sale and purchase agreement was made effective in June 1, 2017 once certain conditions precedent have been fulfilled (among others, the approval of the transaction by the Spanish Anti-trust Authority).

- › The transaction amount (enterprise value) is €140 million, including debt and working capital assumed by the Purchaser and minority interests. The cash received amounted to €81 million, with an effect on the Abengoa's consolidated income statement of €20 million and recognized under "Profit for the Year from Discontinued Operations", although there is an amount outstanding to be received subject to certain conditions whereby the total cash amount to be received could reach €111 million.
- › Finally, on September 1, 2017, Abengoa has reached an agreement with the consortium formed by Macquarie Capital and Techint Engineering & Construction for the sale of the 907 MW combined cycle Norte III, in the state of Chihuahua (Mexico), signed with the Federal Electricity Commission (CFE) and retaining the same scope and price for the sale of the energy originally agreed upon Abengoa will maintain the execution of part of Norte III, corresponding to the water treatment plant.
- › The transaction has had a positive net effect of €33 million on Abengoa's results (an income in the operating profit 66 million from the sale and a financial expense 33 million for the execution of the given corporate guarantees and the application of the alternative restructuring conditions)
- › On the other hand, on May 24, 2017, Abengoa has reached an agreement with Prana Capital, the Infrastructure and Energy division of Artha Capital, a Mexican pension fund manager, in which the later will invest financial resources to complement the capital provided by Abengoa towards this important project. This union has the goal of advancing the construction of this 139 km aqueduct which will supply potable water to more than one and a half million habitants in an efficient, sustainable and secure way, from the El Zapotillo dam to the towns of Los Altos de Jalisco and up to the city of León.

In particular, Abengoa and Prana have signed a binding alliance in which the fund will provide complementary capital for the development of the infrastructure; while Abengoa will continue to have 20% project ownership and shall remain responsible for the engineering and construction of this key project for the company. In addition to the completion of the works, Abengoa will also be responsible for the supply, operation, maintenance of the infrastructure for a period of 25 years.

The agreement was subject to the main parties of the project (Conagua, Banobras, Sapal, Abengoa and Prana) reaching an agreement as to the key milestones that had to be achieved to ensure the execution of the project.

As of August 25, 2017, the company Concesionaria del Acueducto el Zapotillo S.A. de CV has communicated to the grantor the resignation without responsibility of the concession, beginning a period of negotiation between both parties to evaluate the possible scenarios contemplated in this situation for what it put on hold the agreement previously above-mentioned.

The potential impacts derived from everything previous have been considered in the valuation of the concessional asset once classified as assets held for sale (see Note 7).

- > On November 1st, 2017 Abengoa S.A. has entered into a sale purchase agreement with Algonquin Power & Utilities Corp., a growth-oriented renewable energy and regulated electric, natural gas and water utility company (the "Purchaser", "Algonquin" or "APUC"), for the sale of a stake of 25% of the issued share capital of Atlantica Yield plc. ("AY"). The sale will become effective once certain conditions precedent have been fulfilled, among others, the approval of the transaction by certain regulatory authorities as well as the Company's creditors (the "25% Sale").

The agreed purchase price of 24.25 USD per share is subject to certain deductions included in the agreement as well as transaction costs. In addition, the parties have further agreed an earn-out mechanism by which Abengoa will benefit from 30% of the first 2.00 USD of Atlantica Yield's share price revaluation, implying a maximum additional amount of 0.60 USD per share. The earn-out structure will be triggered on the first anniversary of the closing of the transaction.

As part of the transaction, the Company has also granted the Purchaser an option to acquire the remaining 16.5% of the Company's stake in AY under the same conditions and at the same price, subject to the US Department of Energy approval, during a period that expires 60 days following completion of the 25% Sale, as well as a right of first refusal to be exercised during the first quarter of 2018.

Within the conditions precedent required to close the transaction, the Company is in process of obtaining a waiver from the U.S. Department of Energy (DOE) which will allow reducing Abengoa's current participation percentage up to 16% in the first instance. To reach this goal, an agreement has been reached by and between Abengoa S.A. (Abengoa), Arizona Solar One (the company behind the Solana Project) and the DOE, among others, wherefore Abengoa acknowledged a debt derived from the obligations that it secured under the parent company's guarantee agreement and, more specifically, under the production guarantee for the Engineering, Procurement and Construction Contract (EPC), and which are considered as accrued as of today.

Within the conditions precedent required to close the transaction, the Company is in process of obtaining a waiver from the U.S. Department of Energy (DOE) which will allow reducing Abengoa's current participation percentage up to 16% in the first instance. To reach this goal, an agreement has been reached by and between Abengoa S.A. (Abengoa), Arizona Solar One (the company behind the Solana Project) and the DOE, among others, wherefore Abengoa acknowledged a debt derived from the obligations that it secured under the parent company's guarantee agreement and, more specifically, under the production guarantee for the Engineering, Procurement and Construction Contract (EPC), and which are considered as accrued as of today.

The recognition of the debt associated to the financial guarantees of said agreement executed with Arizona Solar One and the DOE has negatively impacted the consolidated profit and loss account for an amount of 94 million of euros which has been registered under "Other loans and borrowings" (see note 20.5).

Additionally, on November 1st, 2017, the Company and Algonquin have entered into a memorandum of understanding ("MOU") to, among other things, jointly incorporate a global utility infrastructure company with the purpose of identifying, developing, constructing, owning and operating a portfolio of global utility infrastructure projects ("AAGES").

The incorporation of AAGES provides an opportunity to leverage on the strengths of each of the partners, and help pursuing their mutual and complementary interests. For Abengoa it is an opportunity to strengthen its core EPC and O&M businesses while for Algonquin AAGES will be their international project development platform. In addition, AAGES will provide AY with an ongoing pipeline of compelling asset investment opportunities.

At the closing of 2017, the Company has obtained the required consents from its creditors to close the sale. Closing of the transaction remains subject to fulfillment of the remaining conditions precedent set forth in the agreement.

- > On the other hand, on February 18, 2017 the Company signed a agreement to sell its stake (56%) in BDDG, the company that owns the Company's water desalination plant in Accra (Ghana), with AquaVenture Holdings, a leader in Water-as-a-Service™ (WAASTM) solutions.

The plant, which uses reverse osmosis technology and has been in operation since 2015, has a production capacity of approximately 60,000 m³/day of water, sufficient to provide water to around 500,000 inhabitants in Accra and its surroundings. The desalinated water is supplied to Ghana Water Company Limited (GWCL, Ghana's national water company). The base price of this divestiture is of approximately US \$26 millions, being subject to potential adjustments at closure.

This operation is expected to be fully closed in the second quarter of 2018, following the fulfillment of certain conditions which include the restructuring of the water sale contract with GWLC or the effective consent of BDDG's financing banks to the operation.

- › Lastly, and within the judicial recovery process initiated in Brazil on the transmission line activity, on December 13, 2017 the transmission lines in operation were awarded to the North-American company TPG Capital, previously named Texas Pacific Group, for an amount of 482 millions of Brazilian Real (121 millions of euros). The transaction is subject to authorization from the power regulatory agency Agencia Nacional de Energía Eléctrica (Aneel), the National Bank for Economic and Social Development (BNDES), the Banco da Amazônia bank and bond holders .
- › 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 70 MW 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 Excellence 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 plant of 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 2.2.1), 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 2.2.1), 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, 2015 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 2017, the two asset transfer contributions to such JV were made by Abengoa (one corresponds t to 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 US \$ 450 million 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.

6.3. Business combinations

- There are no new significant business combinations in the Group in FY 2017 and 2016.

Note 7.- Non-current assets held for sale and discontinued operations

The asset divestment plan started at the end of 2014, and reinforced by Abengoa's Board of Directors on September 23, 2015, included certain assets which had not been sold at that date, as well as the new assets which had been incorporated. Based on this divestment 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) with the purpose of creating a single asset divestment plan.

7.1. Assets in the asset divestment plan

The table below shows the included assets of such plan which as of December 31, 2017, were classified as non-current assets and liabilities held for sale in the Consolidated statement 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 2017 (2)
Solar Power Plant One (SPP1) (1)	Combined cycle in Algeria	150 MW	160,648
Hospital de Manaus / Concecutex (1)	Concessions in Brazil and Mexico	300 camas / 10.000 personas	134,722
Khi Solar One (1)	Solar plant in South Africa	50 MW	199,114
Xina Solar One (1)	Solar plant in South Africa	100 MW	87,718
Tenés / Ghana / Chennai (1)	Desalination plants	360.000 m3/día	259,493
Abent 3T y ACC4T (1)	Cogeneration plants in Mexico	840 MW	399,997
Atacama 2 (1)	Solar platform in Chile	280 MW	16,286
ATN 3, S.A. (1)	Transmission line in Peru	355 km	68,888
ATE IV-VIII, XVI-XXIV, Manaus y Norte Brasil (1)	Transmission lines in Brazil	9.750 km	1,338,272
Bioetanol (1)	Bioethanol plants in Brazil	235 ML	241,482
Atlantica Yield, Plc.	41.47% share	-	627,050
Zapotillo	Drinking Water Pipeline	139 km	-

(1) Circumstances and events that have occurred outside the control of the company since August 2015 (see Note 2.1) are delaying the divestment process. However, the intention of the Management continues to be the disposal of these companies according to the Updated Viability Plan approved by the Shareholders' Meeting in August 2016.

(2) The net book value of the asset includes property, plant and equipment, fixed assets in projects and investments in associates. Additionally, and in the cases in which it applies, the impairments accumulated up to December 31, 2017 coinciding with the fair value detailed in Note 7.2. For the detail of the rest of assets and liabilities classified as held for sale (see Note 7.3).

7.2. Asset impairment analysis

a) Changes in classification:

During 2017, the most significant changes correspond to the investment on Atlantica Yield and on Zapotillo concessional asset, given that, once initiated their corresponding divestment process, have been classified under the heading of assets and liabilities held for sale in the Consolidated statement of financial position given the compliance of all the requirements of the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations'.

In accordance to such IFRS 5, non-current assets (or group of assets for their disposal) classified as held for sale, should be recorded at the lower of their book value and their fair value less cost to sale.

In order to determine the fair value of the investment in Atlantica Yield, and given that its shares are listed on the NASDAQ Global Select Market, the market price of \$ 21,20 per share of December 31, 2017 has been taken as reference. Given that the fair value is higher than the book value, no adjustments have been registered.

b) Asset impairment analysis:

On December 31, 2017 an impairment loss has been recognized on assets classified as held for sale and discontinued operations which amounted €317 million as a difference between net book value and fair value less the cost of sale.

The main impairment expenses recognized in the Consolidation Income Statement as of December 31, 2017 are due to changes in key assumptions regarding considered at the closing of the year 2016. Fundamentally, they have affected the concessional asset of Khi Solar One with an impairment of €99 million due to the updating of the inputs related to the production of the plant and the application of potential penalties; the concessional asset of Ghana, with an impairment of €14 million due to the updating of the expected sale price after the offer received by a third party, the Abent 3T concessional asset, with an impairment of €71 million after the updated of macroeconomic variables as well as a 3 months delay to the commencement of operations; and, lastly, the Zapotillo concessional asset, with an impairment of €161 million due to start of negotiations for its sale, which has resulted in a change in its accounting classification and to be valued at its fair value, based on the assumptions and requirements of IFRS 5, considering the potential impacts derived from the communication resignation without responsibility for the concession.

c) Asset fair value analysis:

The main criteria that have been applied in the analysis of the held-for-sale assets' fair value is as follows

> Khi

The Khi solar thermal power plant in South Africa has been accounted at its fair value less cost to sale given its amount is lower than the book value. Such fair value has been obtained from its recovery value after its sale through a discounted cash flow analysis applying a discount rate of 10.4%, and no growth rate.

Khi solar thermal power plant, which entered into operation at the end of 2016, has signed PPAs for 20 years, which determine most of the key variables of the project. This plant revenue is 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 are based on already signed contracts which match with the plant lifetime.

The main change in the key hypothesis in comparison with those assumed at December 31, 2016 comes from the facts and circumstances that took place during 2017 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 related penalties.

A sensitivity analysis has been carried out, especially in relation to the power plant's long-term production capacity. 5% of additional or lower production has a 13M€ impact in the valuation.

The change in the considered key hypothesis has supposed an impairment loss of €99 million due to the difference between the book value and its fair value less cost to sell.

> Zapotillo

The Zapotillo aqueduct concessional asset in Mexico has been recorded at its fair value less costs to sale, as this amount is lower than its carrying amount. Said fair value has been obtained from the expected recovery value following the current situation of the project, where Acueducto Zapotillo, S.A. de CV, the concessionaire, informed the grantor of the no-liability withdrawal from the concession, which led to a negotiation period between both parties to evaluate the possible scenarios considered under this situation, thus suspending the aforementioned agreement (see Note 6.2. b).

The main change in the key hypotheses considered with respect to those of December 31, 2016 has precisely been triggered by the aforementioned information concerning the no-liability withdrawal notified by the concessionaire.

This change in the key hypothesis considered has resulted in the recognition, at the end of the 2017, of an impairment loss for € 161 million.

> Cogeneration plants

The assets linked to the generation plants in Mexico (Abent 3T and ACC4T) were recognised, at the closing of 2017, 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 10.7% and 9.2% for Abent 3T and ACC4T co-generation plants, respectively, without applying growth rates.

During 2017, the macroeconomic variables had a significant impact in the valuation because the Mexican peso has depreciated an 8%, and the Mexican risk-free rate has increased.

Additionally, the main change in key assumptions, in comparison to exercise 2016, it has been the use of a more conservative beta, in line with a higher risk perception of the asset, for an international purchaser without presence in Mexico.

This change in the considered key hypotheses has resulted in the recognition, at the end of the year 2017, of an impairment loss for €71 million.

> Ghana

The asset related to the desalination plant in Accra, Ghana, has been recorded at its fair value less costs to sale as this amount is lower than its carrying amount.

Its fair value was obtained from the recovery value expected after its sale, obtained from the proposal price received within the mentioned asset's sale process.

The main change in the key hypothesis considered with respect to the 2016 period has been the progress of the negotiations with the third party within the sale process and the corresponding proposal received.

This change in the key hypothesis considered has resulted in the recognition, at the end of the 2017, of an impairment loss for €14 million.

> Bioethanol

The assets connected with the 1G bioethanol plants in Brazil have been recognised at fair value less the cost of sale, since this was less than the book value.

The calculation of fair value is based on the anticipated recovery value after the sale, considering the prices of the offers received in the process involving those assets, within the recovery plan considered in the judicial recovery procedure initiated in Brazil (see Note 2.1) for these Bioenergy assets.

There have not been substantial changes in the key hypothesis considered with respect to the hypothesis at the end of the 2016 period.

> Transmission lines in Brazil.

The assets related to transmission lines in Brazil were accounted at the closing of 2017 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 recovery proceedings underway in Brazil (see Note 2.1) for lines under construction.

There have not been substantial changes in the key hypothesis considered with respect to the hypothesis at the end of the 2016 period.

> Solar plant 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 recoverable value takes into account the current situation of the construction of these plants, which are in hibernation.

There have not been substantial changes in the key hypothesis considered with respect to the hypothesis at the end of the 2016 period.

> 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 that overlap with the lifetime of the plant.

The recovery value has been obtained through a discounted cash flow analysis applying a weighted average cost of capital of 10.0%. No growth rate has been applied.

A sensitivity analysis has been carried out, especially in relation to Algeria's country risk premium, and hence, to the discount rate used. A 1% variation in the country risk premium or in the discount rate entails a €2.5 million impact in the valuation.

There have not been substantial changes in the key hypothesis with respect to those at the closing of 2017 period.

› Concecutex

The Centro Cultural Mexiquense de Oriente Cultural (Concecutex) in Mexico is a concession for 21 years in public-private partnership by which, after constructing and supplying the equipment for the building, the maintenance and management thereof will be performed throughout the life of the contract in exchange for a fee.

The asset related to Concecutex has been recorded at its fair value less costs to sale as this amount is lower than its carrying amount.

The main change in the key hypothesis considered with respect to the 2016 period has been the progress of the negotiations with the third party within the sale process and the corresponding proposal received.

This change in the key hypothesis considered has resulted in the recognition, at the end of the 2017, of an impairment loss for €5 million.

› Hospital Manaus

The Manaus Hospital in Brazil is a concession for 20 years in public-private partnership by which, after constructing and supplying the equipment for the building, the maintenance and management thereof will be performed throughout the life of the contract in exchange for a fee.

Hospital Manaus has been recorded at its fair value less costs to sale as this amount is lower than its carrying amount.

As the company that owns the Manaus Hospital is a subsidiary of Abengoa Construção Brasil, which is under judicial recovery, it has been considered not to have a recoverable equity book value, as in the 2016 period.

› Xina Solar One

The solar thermal power plant in South Africa has signed a 20 years PPA that determines the majority of key variables of the project. Revenues are based on the PPA, which establishes the price of selling electricity during most 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 9.6% without any growth rate.

The plan started its operations in August 2017, reaching the expected production goals. The recoverable value calculated is higher in a 137% at the book value of 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 lower than 70% of the production baseline in order to have a repercussion on the recovery of the asset.

› Tenés / Chennai

The Tenés and Chennai desalination plants located in Algeria and India have both signed PPAs for 25 years, which determine most of the key variables for each project. The revenues from these plants are based on the 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 overlap with the plant lifetime.

In relation with Tenes, the recovery value has been obtained through a discounted cash flow analysis applying a discount rate of 10.3% and no growth rate. There has not been material changes in key assumptions in comparison with exercise 2016.

A sensitivity analysis has been carried out, especially in relation to Algeria's country risk premium, and hence, to the discount rate used. A 1% variation in the country risk premium or in the discount rate entails a €3.7 million impact in the valuation.

In relation with Chennai, 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.

There have not been substantial changes in the key hypothesis considered with respect to the hypothesis at the end of the 2016 period

› ATN3

The ATN3 transmission line in Peru 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.

There have not been substantial changes in the key hypothesis considered with respect to the hypothesis at the end of the 2016 period.

7.3 Detail of assets held for sale

At 31 December 2017 and 2016, 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 12.31.17	Balance as of 12.31.16
Property plant and equipment (*)	532	227,589
Fixed assets in projects (*)	2,795,925	4,033,198
Investments in associates (*)	737,213	104,542
Financial investments	68,293	257,586
Deferred tax assets	63,786	554,328
Current assets	412,445	727,249
Project debt	(1,656,941)	(2,136,622)
Corporate financing	(66,640)	(439,951)
Other non-current liabilities	(322,505)	(490,615)
Other current liabilities	(297,311)	(819,349)
Total net assets and liabilities held for sale	1,734,797	2,017,955

(*) The net book value of the asset detailed in note 7.1

At December 31, 2017 and 2016 the Atlantica Yield, a consolidated company using the equity method, consolidated assets and liabilities are the following:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Fixed assets in projects	7,563,241	8,477,328
Investments in associates	46,468	52,304
Financial investments	39,771	71,859
Deferred tax assets	137,556	192,917
Other Non-current assets	1,745	2,725
Current assets	951,193	994,443
Project debt	(4,560,773)	(5,703,783)
Other non-current liabilities	(2,388,655)	(2,052,010)
Other current liabilities	(211,661)	(172,979)
Total net assets and liabilities	1,578,885	1,862,804

The amount of other comprehensive income amounted to a loss of €52 million at December 31, 2017 (€80 million at 31 December 2016).

The income statement of Atlantica Yield at the closing of fiscal years 2017 and 2016 is shown below:

Item	2017	2016
Revenue	894,699	878,376
Other operating income	71,730	59,238
Operating expenses	(560,093)	(573,864)
I. Operating profit	406,336	363,750
II. Financial expense, net	(397,820)	(366,744)
III. Share of profit/(loss) of associates carried under the equity method	4,748	6,007
IV. Profit before income tax	13,264	3,013
V. Income tax benefit	(106,327)	(1,506)
VI. Profit for the period from continuing operations	(93,063)	1,507
VII. Profit attributable to minority interests	(6,137)	(5,895)
VIII. Profit for the period attributable to the Parent Company	(99,200)	(4,388)

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 €36 million and €707 million to guarantee the performance of certain concession projects for the generation of solar thermal power, wind power and electric transmission lines.

7.4. Details of discontinued operations

a) Brazilian transmission lines segment

- At December 31, 2017 and 2016, 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 12.31.17	Balance as of 12.31.16
Revenue	146,217	131,531
Other operating income	3,599	15,889
Operating expenses (*)	(207,293)	(1,055,945)
I. Operating profit	(57,477)	(908,525)
II. Financial expense, net	(468)	(94,525)
III. Share of profit/(loss) of associates carried under the equity method	184	204
IV. Profit before income tax	(57,762)	(1,002,846)
V. Income tax benefit	(940)	(4,488)
VI. Profit for the period from continuing operations	(58,701)	(1,007,334)
VII. Profit attributable to minority interests	(476)	(484)
VIII. Profit for the period attributable to the Parent Company	(59,177)	(1,007,818)

- › Additionally, the details of the cash flow statements of the companies that own the concession assets of the Brazilian transmission lines at December 31, 2017 and 2016 which were reclassified under the heading of discontinued operations are as follows:

Item	12.31.17	12.31.16
Profit for the year from continuing operations adjusted by non monetary items	51,771	90,483
Variations in working capital	13,684	(48)
Interest and income tax received / paid	(44,510)	(44,285)
A. Net cash provided by operating activities	20,945	46,149
B. Net cash used in investing activities	-	(24,582)
C. Net cash provided by financing activities	-	(21,157)
Net increase/(decrease) in cash and cash equivalents	20,945	411
Cash, cash equivalents and bank overdrafts at beginning of the year	37,893	29,844
Translation differences cash or cash equivalent	(7,250)	7,639
Cash and cash equivalents at end of the year	51,588	37,893

b) Bioenergy segment

- › At December 31, 2017 and 2016, 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	2017	2016
Revenue	170,306	1,005,337
Other operating income	(71,889)	40,970
Operating expenses (*)	(197,648)	(3,030,421)
I. Operating profit	(99,231)	(1,984,114)
II. Financial expense, net	(104,697)	(106,347)
III. Share of profit/(loss) of associates carried under the equity method	-	-
IV. Profit before income tax	(203,928)	(2,090,461)
V. Income tax benefit	(33,188)	(254,582)
VI. Profit for the period from continuing operations	(237,116)	(2,345,043)
VII. Profit attributable to minority interests		(420)
VII. Profit attributable to minority interests	(237,116)	(2,345,463)

- › Additionally, the details of the cash flow statements of the bioenergy business at December 31, 2017 and 2016 which were reclassified under the heading of discontinued operations are as follows:

Item	12.31.17	12.31.16
Profit for the year from continuing operations adjusted by non monetary items	(167,767)	(194,725)
Variations in working capital	7,237	(11,116)
Interest and income tax received / paid	(1,374)	(13,789)
A. Net cash provided by operating activities	(161,704)	(219,629)
B. Net cash used in investing activities	(35,701)	336,950
C. Net cash provided by financing activities	(11,060)	(202,458)
Net increase/(decrease) in cash and cash equivalents	(208,666)	(85,137)
Cash, cash equivalents and bank overdrafts at beginning of the year	226,979	297,257
Translation differences cash or cash equivalent	(2,387)	14,859
Cash and cash equivalents at end of the year	15,926	226,979

Note 8.- Intangible assets

8.1. The detail of variations in 2017 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, 2016	55,507	350,004	147,481	552,992
Additions	-	358	-	358
Disposals and decreases	-	(12,522)	(1,720)	(14,242)
Translation differences	-	(2,118)	(496)	(2,614)
Total cost as of December 31, 2017	55,507	335,722	145,265	536,494
Accumulated Amortization and Impairment	Goodwill	Development assets	Other	Total
Total amort. as of December 31, 2016	(55,507)	(350,004)	(71,384)	(476,895)
Additions (amortization)	-	-	(10,588)	(10,588)
Disposals	-	14,022	-	14,022
Translation differences	-	260	418	678
Change in consolidation	-	-	81	81
Reclassifications	-	-	(218)	(218)
Total accum Amort. and Impairment as of December 31, 2017	(55,507)	(335,722)	(81,691)	(472,920)
Net balance at December 31, 2017	-	-	63,574	63,574

8.2. 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)
Reclassifications	-	(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 corresponded 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 were 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 was an impairment loss of such assets in the Consolidated Income Statement, classified as profit from discontinued operations (see Note 7.3)

Additionally, there had 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.

8.3. 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 2017:

Cost	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Total balance as of December 31, 2016	166,642	145,846	2,336	65,185	380,009
Additions	61	136	17	549	763
Disposals and decreases	(32,265)	(7,726)	-	(8,307)	(48,298)
Translation differences	(3,400)	(10,712)	(6)	-	(14,118)
Reclassifications	162,633	691	19	1,437	164,780
Transfer to assets held for sale	(33,777)	-	-	-	(33,777)
Total Balance as of December 31, 2017	259,894	128,235	2,366	58,864	449,359

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, 2016	(70,984)	(65,711)	-	(65,876)	(202,571)
Additions (amortization)	(4,490)	(4,396)	-	(2,760)	(11,646)
Additions (impairment)	-	-	-	(6,447)	(6,447)
Disposals and decreases	8,706	4,798	-	3,982	17,486
Translation differences	1,008	3,412	-	1,064	5,484
Reclassifications	(80,255)	-	-	-	(80,255)
Total accum. Amort. and Impairment as of December 31, 2017	(146,015)	(61,897)	-	(70,037)	(277,949)

Net balance at December 31, 2017	113,879	66,338	2,366	(11,173)	171,410
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The most significant variation in the 2017 period mainly corresponds to the decrease produced by the sale of the company Abentel Telecomunicaciones, the sale of the Inabensa Bharat factory in India and Abengoa Concessões Brasil Holding offices. In addition to the above, an increase has been registered due to the reclassification made to property, plant and equipment from fixed assets in projects with respect to Centro Tecnológico Palmas Altas.

Lastly, an impairment has been recognized in Other Fixed Assets not assigned to Abengoa's business due to the uncertainty in its future recovery given the current situation of the company

9.2. The detail and the evolution in each category included in the assets in projects as of December 31, 2016 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, 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
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The most significant variation during the period ended December 31, 2016, mainly corresponded 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. In this way, and in accordance with the IFRS 10 – Consolidated Financial Statements, the loss of control over this Company had 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 had been recorded at fair value. Given the situation of bankruptcy of the company, the investment fair value had 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, at the end of 2016, the parent company Abengoa Bioenergía, S.A. held a liability with the company Abengoa Bioenergy Netherlands, B.V. product of the management of the centralized treasury of the Group, amounting to € 96 million (classified in “Other loans and borrowings”). This debt has been affected by the restructuring process of Abengoa, described in note 2.2.1, and therefore at the closing of 2017 only 3% of it is recorded after the write-off.

Additionally to the aforementioned, there was 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 were 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 2.2.1) 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.

9.3. 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, 2017 was zero euros (zero euros in 2016).

9.6. At the closing of 2017 and 2016, Property, Plant and Equipment include the following amounts where the group is a lessee under a finance lease:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Capitalized finance-lease cost	2,773	2,998
Accumulated depreciation	(841)	(701)
Net carrying amount	1,932	2,297

9.7. The cost of land included in the land and buildings subcategory amounted to €75,254 thousand at December 31, 2017 (€17,515 thousand in 2016).

9.8. The table below sets out the information related to those assets constructed by the Group during 2017 and 2016 classified under the heading Property, plant and equipment of the Consolidated Statement of Financial Position:

Item	12.31.17	12.31.16
Property, plant and equipment constructed by the Group (accumulated)	47,276	47,276
Revenue generated by property, plant and equipment constructed by the Group	23,840	16,901
Operating result of property, plant and equipment constructed by the Group	9,814	5,691

9.9. The book value of Property, 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 2017:

Cost	Intangible assets	Financial assets	Total
Total as of December 31, 2016	10,243	313,747	323,990
Additions	13,905	36,718	50,623
Disposals and decreases	-	(4,685)	(4,685)
Translation differences	(21)	(12,747)	(12,768)
Transfer to assets held for sale	(843)	(196,005)	(196,848)
Total as of December 31, 2017	23,284	137,028	160,312

Accumulated Amortization and Impairment	Intangible assets	Financial assets	Total
Total accum. amort. as of December 31, 2016	(19,952)	-	(19,952)
Additions (amortization)	(24)	-	(24)
Translation differences	3	-	3
Transfer to assets held for sale	18,294	-	18,294
Total accum Amort. and Impairment as of December 31, 2017	(1,679)	-	(1,679)

Net balance at December 31, 2017	21,605	137,028	158,633
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The most significant variation during the twelve months period ended December 31, 2017, mainly corresponds as a consequence of the classification of the assets and liabilities related to of the Zapotillo aqueduct project in Mexico under the heading of non-current assets and liabilities, since all of the suppositions and requirements of IFRS 5 "non-current assets held for sale and discontinued operations" had been met.

Such decrease has been offset with an increase derived from the slight progress in Unidad Punta de Rieles concession.

b) The following table shows the evolution in each category of 'Concession assets in projects' for the year 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
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The most significant variation during the period ended December 31, 2016, mainly corresponded 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 complied 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. Given that the carrying amount was greater than fair value less cost to sell (taking into account as a reference the purchase offer to estimate the fair value) there was an impairment expense in the Income Statement, included as profit (loss) from discontinued operations.

Capitalized interest cost in project assets for the year ended December 31, 2017 amounts to zero euros (zero euros in 2016).

> Appendix VII to these Consolidated Financial Statements includes certain information on project companies included within the scope of IFRIC 12, service concession agreements.

10.2. Other assets in projects

a) The table below shows the detail and movement in 'Other assets in projects' for 2017:

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, 2016	166,879	11,942	18	3,386	716	182,941
Additions	30	-	-	-	-	30
Disposals and decreases	-	(903)	-	(40)	(362)	(1,305)
Translation differences	(96)	(552)	-	(28)	-	(676)
Change in consolidation	(1,034)	(6,341)	1	(133)	-	(7,507)
Reclassifications	(162,292)	(691)	(17)	(1,440)	(255)	(164,695)
Transfer to assets held for sale	-	-	-	-	-	-
Total as of December 31, 2017	3,487	3,455	2	1,745	99	8,788

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, 2016	(82,719)	(5,285)	-	(996)	(324)	(89,324)
Additions (amortization)	(10)	(49)	-	-	-	(59)
Aumentos (deterioro)	-	-	-	-	70	70
Disposals and decreases	-	-	-	-	-	0
Translation differences	-	352	-	24	-	376
Change in consolidation	881	2,465	-	103	-	3,449
Reclassifications	81,830	-	-	691	218	82,739
Transfer to assets held for sale	-	-	-	-	-	-
Total accum. Amort. and Impairment as of December 31, 2017	(18)	(2,517)	-	(178)	(36)	(2,749)

Net balance at December 31, 2017	3,469	938	2	1,567	63	6,039
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The most significant variation in the 2017 period mainly corresponds to the decrease produced by the reclassification of "Property, Plant and Equipment", given the compliance with all " of the property, plant and equipment related to Centro Tecnológico Palmas Altas (see Note 9.2), as well the to the decrease produced by the control lost on Iniciativas Hidroeléctricas.

b) The table below shows the detail and movement in 'Other assets in projects' for the year 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)
Additions (impairment)	(63,234)	-	-	-	-	(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
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The most significant variation during the year 2016 mainly corresponded 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 was 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 had been recognized an impairment charge for such assets in the Consolidated Income Statement, classified as profit (loss) from discontinued operations.

Finally, there was 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 had been registered as depreciation, amortization and impairment charges in the Engineering and Industrial Construction segment.

In accordance with the information made available by the Directors, no significant losses were registered during the 2016 period due to impairment of elements in other assets in projects.

- c) During the years 2017 and 2016 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 2017 and 2016, there are no biological assets.

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 2017 and 2016 classified under the fixed assets in projects heading of the Consolidated Statement of Financial Position (concessions and other assets in projects):

Item	12.31.17	12.31.16
Fixed assets in projects constructed by the Group (accumulated)	164,672	397,655
Revenue generated by fixed assets in project constructed by the Group	85,917	52,285
Operating result of fixed assets in project constructed by the Group	41,674	(36,471)

Note 11.- Investments in associates

11.1. The detail of the main categories included in financial investment as of December 31, 2017 and 2016 is as follows:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Associates	30,744	816,793
Joint Ventures	3,129	6,386
Total Investments accounted for using the equity method	33,873	823,179

The evolution in investments accounted by the equity method during 2017 and 2016:

Investments accounted by the equity method	12.31.17	12.31.16
Initial balance	823,179	1,197,691
Equity contributions	-	-
Changes in consolidation	(6,371)	(4,498)
Reclassification to assets held for sale	(627,050)	(49,766)
Distribution of dividends	(1,304)	(373)
Impairments	(23,384)	(330,778)
Translation differences and Others	(90,344)	11,172
Share of (loss)/profit	(41,431)	(269)
Saldo final	33,873	823,179

The most significant variations of investments in associates and joint ventures during 2017 correspond to classify the assets and liabilities related of Atlantica Yield under the heading of non-current assets and liabilities, since all of the suppositions and requirements of IFRS 5 "non-current assets held for sale and discontinued operations" had been met (see Note 7.1).

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 2017 and 2016:

Company	Typology	% share	Book value	Equity	Assets	Revenues	Profit/loss 2017
Rioglass Solar Holding y filiales	Asoc.	15.00	11,083	120,810	183,073	117,220	(3,885)
Others	-	-	22,790	-	-	-	-
Total 2017			33,873	120,810	183,073	117,220	(3,885)

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

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, 2017 related to investments in associates amounts to €10,906 thousand (€15,142 thousand as of December 31, 2016).

11.4. At the closing of 2017, there is no significant shareholder interest as to break down its assets, liabilities and Profit and Loss Statement, except for the Atlantica Yield's interest which has been broken down in detail in note 7.3 due to its classification as an asset held-for-sale.

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 12.31.17
Available-for-sale financial assets	13	-	-	-	4,824	4,824
Derivative financial instruments	14	-	242	340	-	582
Financial accounts receivables	15	230,311	-	-	-	230,311
Clients and other receivables	15	964,777	-	-	-	964,777
Cash and cash equivalents	17	195,870	-	-	-	195,870
Total Financial assets		1,390,958	242	340	4,824	1,396,364
Project debt	19	107,951	-	-	-	107,951
Corporate financing	20	3,643,759	-	-	-	3,643,759
Trade and other current liabilities	25	1,882,217	-	-	-	1,882,217
Total Financial liabilities		5,633,927	-	-	-	5,633,927

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

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 unquoted 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, 2017 and 2016 (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 12.31.17
Non-hedging derivatives	-	242	-	242
Hedging derivatives	-	340	-	340
Available-for-sale	-	-	4,824	4,824
Total	-	582	4,824	5,406

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)

Level 2 corresponds to the finance derivative portfolio designated as cash flow hedges, within which the most significant type is the interest rate cap (see Note 14).

The "Non-hedging derivatives" classification includes the fair value of derivative financial instruments which, being derivatives that have been contracted for the purposes of covering market risk (interest rate, foreign currency and inventories), they do not meet all the requirements set forth by IAS 39 to be designated as hedging instruments from an accounting perspective. The variation corresponds to the interest rate maturity.

Level 3 variation corresponds to a derecognition as a result of the sale of the investments in Canal de Navarra and Mediación Bursátil, the liquidation of Siema Factory Holding AG, and of the divestment in the Delaney, Colorado River Project (see Note 13).

The following table shows the changes in the fair value of level 3 assets for the years 2017 and 2016:

Movements	Amount
Beginning balance as of December 31, 2015	20,501
Gains and losses recognized in Equity (see Note 13.1)	(126)
Change in consolidation, reclassifications and translation differences	(10,123)
Total as of December 31, 2016	10,252
Gains and losses recognized in Equity (see Note 13.1)	52
Change in consolidation, reclassifications and translation differences	(5,480)
Total as of December 31, 2017	4,824

During the presented periods 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 2017 and 2016:

Available for sale financial assets	Balance
At December 31, 2015	46,399
Additions	7,884
Gain/Losses transferred to equity	(126)
Derecognitions	(43,905)
At December 31, 2016	10,252
Gain/Losses transferred to equity	52
Derecognitions	(5,480)
At December 31, 2017	4,824
Less: Non-current portion	2,316
Current portion	2,508

The most significant variations in the held-for-sale financial assets correspond to the derecognition resulting from the sale of the investment in Canal de Navarra, the liquidation of Siema Factory Holding AG, and to the divestment in the Delaney, Colorado River Project.

13.2. The following table shows entities which, in accordance with the current regulation, were not consolidated in the years 2017 and 2016 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 €1,520 thousand (€4,652 thousand in 2016).

Non-current financial assets	2017 % Holding	2016 % Holding
Norpost	10.00	10.00
Soc. Con. Canal Navarra		10.00

Current financial assets	2017 % Holding	2016 % Holding
OMEL (antigua Comeesa)	5.31	5.31
Chekin	14.28	14.28
Mediación Bursátil, S.V.B., S.A.		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 significant.

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, 2017 and 2016 is as follows:

Item	Note	12.31.17		12.31.16	
		Assets	Liabilities	Assets	Liabilities
Exchange rate derivatives – cash flow hedge	14.2.a	-	-	700	262
Exchange rate derivatives – non-hedge accounting	14.2.c	-	-	-	295
Interest rate derivatives – cash flow hedge	14.3.a	340	-	1,188	10,515
Interest rate derivatives – non-hedge accounting	14.3.c	242	-	-	6,061
Total		582	-	1,888	17,133
Non-current part		481	-	1,185	5,535
Current part		101	-	703	11,598

Information about the valuation techniques of derivative financial instruments is described in Notes 2.12 and 12.

The most significant variation in the 2017 period corresponds to the maturity of Abengoa, S.A.'s interest rate floor derivatives.

The fair value of derivative financial instruments designated as hedge instruments that has been transferred to profit and loss for the 2017 period reached a profit of 10,249 thousands of euros (a loss of 134,987 thousands of euros at December 31, 2016).

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 €115 thousand (loss of €141 thousand as of December 31, 2016).

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, 2017 and 2016:

Exchange Rates	12.31.17		12.31.16	
	Collections	Payments	Collections	Payments
Dinar Kuwaiti (Kuwait)	-	-	1,132	-
Dollar (USA)	-	-	236,706	1,089
Pound Sterling (UK)	-	-	-	4
Total	-	-	237,838	1,093

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, 2017 and 2016:

Exchange Rates	12.31.17		12.31.16	
	Collections	Payments	Collections	Payments
Dinar Kuwaiti (Kuwait)	-	-	(106)	-
Dollar (USA)	-	-	(295)	74
Pound Sterling (UK)	-	-	-	2
Total	-	-	(401)	76

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 2017 and 2016:

Notionals	12.31.17		12.31.16	
	Collections	Payments	Collections	Payments
Up to 1 year	-	-	1,132	1,093
Total	-	-	1,132	1,093

The table below shows a breakdown of the fair value amount maturities of exchange rate derivatives designated as cash flow hedges at the closing of 2017 and 2016 year end:

Fair Value Maturity	12.31.17		12.31.16	
	Collections	Payments	Collections	Payments
Up to 1 year	-	-	(106)	544
Total	-	-	(106)	544

The net amount of the fair value of exchange rate derivatives designated as cash flow hedges transferred to the Consolidated Income Statement in 2017 and 2016 has been of €-199 thousand and €-50,748 thousand, respectively.

The ineffective amount recognized in the Consolidated Income Statement for the years 2017 and 2016 with respect to exchange rate derivatives designated as cash flow hedges amounts to €-370 thousand and €0.5 thousand, respectively.

The after-tax gains/losses accumulated in equity from exchange rate derivatives designated as cash flow hedges at December 31, 2017 amounted to €0 (zero euros thousand in 2016) (see Note 18.3).

b) Fair value hedges

The group does not have any exchange rate derivatives designated as fair value hedges at the closing of 2017 and 2016.

c) Non-hedge accounting derivatives

The detail of the notional amount maturities at the end of 2017 and 2016 is the following.

Notionals	12.31.17		12.31.16	
	Collections	Payments	Collections	Payments
Between 1 and 2 years			236,706	-
Total			236,706	-

The breakdown at the closing of 2017 and 2016 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:

Fair value	12.31.17		12.31.16	
	Collections	Payments	Collections	Payments
Between 1 and 2 years			(295)	-
Total			(295)	-

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 2016).

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 2017 and 2016 year end:

Notionals	12.31.17		12.31.16	
	Cap / Collar	Swap	Cap / Collar	Swap
Up to 1 year	1,998	-	279,490	-
Between 1 and 2 years	999	-	43,779	-
Between 2 and 3 years	77,045	-	83,615	-
Subsequent years	-	-	492,202	11,472
Total	80,042	-	899,086	11,472

The table below shows a breakdown of the fair values maturities of interest rate derivatives designated as cash flow hedges at the 2017 and 2016 year end:

Fair value	12.31.17		12.31.16	
	Cap / Collar	Swap	Cap / Collar	Swap
Up to 1 year	3	-	(5,314)	-
Between 1 and 2 years	37	-	-	-
Between 2 and 3 years	300	-	84	-
Subsequent years	-	-	994	(5,091)
Total	340	-	(4,236)	(5,091)

The net amount of the fair value transferred to the Consolidated Income Statement of the financial year 2017 and 2016 due to interest rate derivative financial instruments designated as flows hedges amounted to € 11,380 thousand and €-45,502 thousand respectively

The ineffective portion recognized in the Consolidated Income Statement for the 2017 and 2016 periods with respect to exchange rate derivatives designated as cash flow hedges amounts to €-5,284 thousands and 0.5 thousands of euros, respectively.

The after-tax profit/loss accumulated in equity at the end of the 2017 and 2016 periods from interest rate derivatives designated as cash flow hedges amounts to 1,378 and -41,354 thousands of euros, respectively (see Note 18.3).

The net fair value of the time value component recognized in profit and loss for the 2017 and 2016 period from derivative financial instruments classified as cash flow hedges has been 10,496 and 1,711 thousands of euros, 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 2017 and 2016.

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 2017 and 2016:

	12.31.17	12.31.16
Notionals	Floor	Floor
Up to 1 year	1,853,223	400,000
Between 1 and 2 years	380,532	-
Between 2 and 3 years	45,647	-
Subsequent years	107,715	-
Total	2,387,117	400,000

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 2017 and 2016:

	12.31.17	12.31.16
Fair value	Floor	Floor
Up to 1 year	98	(6,061)
Between 1 and 2 years	-	-
Between 2 and 3 years	8	-
Subsequent years	134	-
Total	240	(6,061)

At the end of the years 2017 and 2016, 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 €115 thousand and €141 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, 2017, the main commodities prices change risk for the Group is related to the price of gas and steel (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

By the end of the 2017 and 2016 periods, the Group does not have derivative financial instruments designated as commodity price cash flow hedges.

The net fair value transferred to profit and loss for the 2017 and 2016 period from derivative financial instruments classified as cash flow hedges has been 0 and -38,737 thousands of euros, respectively.

b) Non-hedge accounting derivatives

At the end of the years 2017 and 2016, the Group does not hold non-hedge accounting derivative financial instruments related to commodity prices.

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, 2017 and 2016 is as follows:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Trade receivables	528,403	606,673
Unbilled revenues	211,849	379,120
Bad debt provisions	(70,326)	(73,737)
Tax receivables	203,543	318,461
Other debtors	91,308	96,932
Total	964,777	1,327,449

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, in certain cases it was not possible 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 2.2.1).

The balances with related parties at the closing of 2017 and 2016 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 of December 31, 2017 and 2016 are as follows:

	Balance as of 12.31.17	Balance as of 12.31.16
Algerian dinar	563	574
Dirhams (Morocco)	15,848	19,300
American dollar	308,322	244,904
New peruvian sol	14,282	33,758
Argentinian peso	7,941	7,003
Chilean peso	27,955	21,722
Mexican peso	21,172	16,736
Uruguayan peso	13,026	11,035
South African rand	9,251	8,885
Brazilian real	87,007	105,571
Indian rupee	3,724	31,585
Saudi riyal	29,297	31,736
Chinese yuan	-	4,958
Polish zloty	15,951	922
Others	73,033	55,067
Total	627,372	593,756

- d) The following table shows the maturity detail of trade receivables as of December 31, 2017 and 2016:

Maturity	Balance as of 12.31.17	Balance as of 12.31.16
Up to 3 months	287,181	459,367
Between 3 and 6 months	15,783	10,554
Over 6 months	225,439	136,752
Total	528,403	606,673

- 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 12.31.17	Balance as of 12.31.16
Trade receivables subject to non-recourse factoring by the bank	125,539	336,131
Trade receivables subject to recourse factoring by the bank	9,428	3,370
Trade receivables covered by credit insurance	1,519	424
Trade receivables in cash or by transfer	223,396	164,041
Trade receivables UTE/Public Entities/Other accounts	168,521	102,707
Total trade receivables	528,403	606,673

- f) The evolution in the bad debt provision for 2017 and 2016 is the following:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Initial Balance	(73,737)	(63,707)
Provision for receivables impairment	(6,021)	(32,160)
Receivables written off during the year as uncollectible	1,930	3,081
Reversal of unused amounts	4,248	21,695
Transfer from assets held for sale	-	269
Change in consolidation	-	25
Translation differences and other movements	3,254	(2,940)
Total	(70,326)	(73,737)

- 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 2017 financial year, approximately €16 million (€14 million in 2016) were non-recourse factored.

As of December 31, 2016 accumulated collections amounted to €413 million, 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. This factoring line of credit has been cancelled during the 2017 period.

The finance cost in the 2017 fiscal year derived from factoring operations amounted to €16 million (€16 million in 2016).

- h) The breakdown of Tax receivables as of December 31, 2017 and 2016 is as follows:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Income and other taxes receivable	104,714	129,905
Social Security debtors	458	206
VAT charged	68,869	141,629
Withholdings tax and income tax advance	29,502	46,721
Total tax receivables	203,543	318,461

15.2. Receivable accounts

The following table shows a breakdown of financial accounts receivable as of December 31, 2017 and 2016:

Description	Balance as of 12.31.17	Balance as of 12.31.16
Loans	28,925	45,062
Fixed-term deposits and down payments and lease deposits	9,031	12,147
Other financial assets	-	-
Total non-current portion	37,956	57,209
Loans	5,946	18,684
Fixed-term deposits and down payments and lease deposits	185,962	126,310
Other financial assets	447	480
Total current portion	192,355	145,474

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 current financial investments during 2017 mainly correspond to the financial accounts receivable from the related to the current Escrow account of the new financing obtained in the restructuring process (New Money) that will be released to be used in the construction of the A3T concession once certain conditions precedent (see Note 2.1.1.a).

The company Directors estimates that it will be solved in the short term.

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, 2017 and 2016 are detailed in Note 33.2.

Note 16.- Inventories

16.1. Inventories as of December 31, 2017 and 2016 were as follows:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Goods for sale	1,757	1,560
Raw materials and other supplies	27,439	32,259
Work in progress and semi-finished products	577	36
Projects in progress	6,844	5,374
Finished products	15,560	17,600
Advance Payments to suppliers	22,519	42,977
Total	74,696	99,806

Inventories for entities located outside Spain were €34,594 thousand (€64,419 thousand in 2016).

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, 2017 and 2016:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Cash at bank and on hand	193,980	272,464
Bank deposit	1,890	5,325
Total	195,870	277,789

At the end of the year 2017 cash and cash equivalents pledged is included for various concepts for an amount of €0.4 million (€0.2 million in 2016).

The following breakdown shows the main currencies in which cash and cash equivalent balances are denominated:

Currency	12.31.17		12.31.16	
	Domestic companies	Non-domestic companies	Domestic companies	Non-domestic companies
Euro	43,905	16,140	89,914	14,860
US dollar	28,348	27,791	23,891	82,841
Swiss franc	4,091	9	2,596	66
Peso (Chile)	593	2,398	516	2,358
Rupee (Indian)	96	82	2,675	728
Argentinian peso	10	2,921	-	3,102
Mexican Peso	3	18,645	9	1,378
Peruvian sol	198	4,240	-	1,096
Algerian dinar	6,542	-	2,829	-
Brazilian real	-	813	-	1,044
South african rand	18	6,326	3,413	9,731
Shekel	-	192	812	198
Pound Sterling	20,446	-	10,834	1
Others	644	11,419	13,405	9,492
Total	104,894	90,976	150,894	126,895

Note 18.- Shareholders' equity

18.1. Share capital

- › As of December 31, 2017 the share capital amounts to €36,088,747.70 corresponding to 18,836,119,300 shares completely subscribed and disbursed, divided into two distinct classes, as follows:
 - › 1,632,400,194 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').
 - › 17,203,719,106 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 affords its holder privileged economic rights established as stated in article 8 of the Company's by-laws ('Class B Shares' and, together with class A shares, 'Shares with Voting Rights').

- › 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 semi-annually.
- › In accordance with notifications received by the company and in compliance with reporting requirements to communicate shareholding percentages (voting rights), shareholders with a significant holding as of June 30, 2017 are as follows:

Shareholders	Significant shares	
	Direct Share %	Indirect Share %
Banco Popular Español, S.A. (*)	3.63	-
Banco Santander, S.A.	0.34	3.63

- › 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.
- › In relation to the above, following the completion of the twentieth liquidity window on January 15, 2017, the Company carried out on January 23, 2017, a reduction of capital share by the amount of €1,507.89 converting 76,156 Class A shares into new Class B shares
- › With respect to the foregoing, after closing the 21th conversion period dated April 15, 2016, the Company carried out on April 26, 2017, a reduction of capital share by the amount of €301,900.16 converting 15,247,483 Class A shares into new Class B shares.
- › Additionally, after closing the 22th conversion period dated July 15, 2017, the Company carried out on July 15, 2017, a reduction of capital share by the amount of €166,094.74 converting 8,388,623 Class A shares into new Class b shares.

- › Following the completion of the 23rd conversion period on October 15, 2017, the Company the carried out on October 24, 2017, a reduction of capital share by the amount of €98,152.56 converting 4,957,200 Class A shares into new Class B shares.
- › Lastly, after the completion of the 24th conversion period on December 31, 2017, the Company has carried out, subsequent to the period end on January 12, 2018, a reduction of capital share by the amount of €222,885.53 converting 11,256,845 Class A shares into new Class B shares.
- › On the other hand, within the Group's financial restructuring framework ended on March 31, 2017 and whose agreements were approved at the reconvened General Meeting of Shareholders on November 22, 2016, the Company carried out, on March 28, 2017, an increase of capital by offsetting credits for an amount of 34,822,150.402 euros through the issue of 1,577,943,825 Class A shares and 16,316,369,510 Class B shares for the purposes of offsetting the credits of the restructuring-participating companies that had opted for the application of the Alternative Restructuring Terms. Likewise, on that same date, the Company issued 83,049,675 warrants over Class A shares and 858,756,290 warrants over Class B shares that were granted to the shareholders from immediately prior the execution of the aforementioned capital increase for that period, if applicable, in compliance with their own terms.
- › As a consequence of said operations, Abengoa's capital stock at March 7, 2018, amounts to 35,865,862.17 euros represented by 18,836,119,300 fully-paid and subscribed shares, divided into two distinct classes, as follows: 1,621,143,349 Class A shares and 17,214,975,951 Class B shares.. The distribution of the Parent Company's profit and loss in the 2016 period approved by the General Meeting of Shareholders in June 30, 2017 has been charged to Loss from Previous Periods.

18.2. Parent company reserves

The following table shows the amounts and evolution of the Parent Company Reserves in the years 2017 and 2016:

	Balance as of 12.31.16	Distribution of 2016 profits	Capital increase/decrease	Other movements	Balance as of 12.31.17
Share premium	1,115,740	-	443,560	-	1,560,300
Revaluation reserve	3,679	-	-	-	3,679
Other reserves of the parent company:	-	-	-	-	-
- Unrestricted reserves	612,820	-	567	78	613,465
- Legal reserves	(1,011,275)	(7,054,405)	-	-	(8,065,680)
Total	721,964	(7,054,405)	444,127	78	(5,888,236)

	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

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.

The amount corresponding to 'Other movements' for the years 2017 is mainly part of operations carried out with treasury shares.

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. 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.

On September 28, 2015, operations were temporarily suspended under the liquidity agreement that in respect of its Class A shares was entered into by the Company with Santander Investment Bolsa, Sociedad de Valores, S.A.U. on 10 January 2013. On June 5, 2017 the Liquidity Agreement in respect of Class A shares was terminated because the Company did not have the intention to continue to operate with treasury shares.

As of December 31, 2017 treasury stock in its entirety amounted to 5,519,106 shares class A.

Regarding the operations carried out during the period, the number of treasury shares purchased amounted to 34,704 class B shares and zero class A shares, while transferred treasury shares reached 143,374 and 34,704 Class A and Class B shares, respectively.

The proposed distribution of the year 2017 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 2017 and 2016:

Item	Hedging reserves	Available-for-sale financial assets reserves	Total
Balance as of December 31, 2016	(40,871)	(823)	(41,694)
- Gains/ (losses) on fair value for the year	63,928	52	63,980
- Transfer to the Consolidated Income Statement	(10,249)	(1,911)	(12,160)
- Tax effect	(11,430)	(592)	(12,022)
Balance as of December 31, 2017	1,378	(3,274)	(1,896)

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)

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 2017 and 2016 is as follows:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Currency translation differences:		
- Fully and proportionally consolidated companies	(1,202,956)	(863,831)
- Associates	15,438	18,420
Total	(1,187,518)	(845,411)

The increase in the accumulated currency translation differences during the year 2017 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 2017 and 2016 fiscal years are as follows:

Item	Balance as of 12.31.16	Dist. of 2016 profit	2017 profit	Other movements	Balance as of 12.31.17
Reserves in full & proportionate consolidated entities	340,987	(501,971)	-	67,110	(93,873)
Reserves in equity method investments	116,239	(72,680)	-	(55,755)	(12,196)
Parent company dividends and reserves	-	(7,054,405)	-	7,054,405	-
Total reserves	457,226	(7,629,056)	-	7,065,760	(106,070)
Consolidated profits for the year	(7,615,037)	7,615,037	4,284,018	-	4,284,018
Profit attributable to non-controlling interest	(14,019)	14,019	(6,248)	-	(6,248)
Profit attributable to the parent company	(7,629,056)	7,629,056	4,277,770	-	4,277,770
Total retained earnings	(7,171,830)	-	4,277,770	7,065,760	4,171,700

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)

The Reserves in full and proportionate consolidated entities and equity method investments are as follows:

Business unit	Balance as of 12.31.17		Balance as of 12.31.16	
	F.C/P.C	E.M.	F.C/P.C	E.M.
Engineering and construction	3,557,099	(11,346)	988,408	124,178
Concession-type infrastructure	(389,580)	(850)	440,142	(7,939)
Industrial production (*)	(3,261,393)	-	(1,087,563)	-
Total	(93,874)	(12,196)	340,987	116,239

(*) Discontinued activity

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 2017 of Non-controlling interest are set out in the table below:

Company	Balance as of 12.31.16	Change in consolidation	Variations (1)	Profit and loss in 2017	Balance as of 12.31.2017
LAT Brasil en operación	455,493	-	(106,697)	(832)	347,964
Solar Power Plant One	22,185	-	(5,680)	3,680	20,185
Abengoa Bioenergy France	26,723	(26,723)	-	-	-
Société d'Eau Déssalée d'Agadir	9,554	-	123	(564)	9,113
Khi Solar One	17,396	-	1,754	(9,364)	9,786
Tenes Lylmyah	-	-	46,584	6,062	52,646
Zona Norte Engenharia	-	-	20,008	2,788	22,796
Other	23,818	(393)	(27,488)	3,646	(417)
Total	555,169	(27,116)	(71,396)	5,416	462,073

(1) Variaciones caused by increases/decreases of capital share, mainly currency transactions and changes in the consolidation method applied

At the end of the 2017 period, the decrease in Non-Controlling Interest corresponds to the increase of the negative translation differences mainly as a result of the depreciation of the Brazilian Real against the euro and to Abengoa Bioenergy France's exit from the consolidation group derived from the sale of the Bioenergy business in Europe (see note 6.2.b.).

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 Power Plant One	22,551	-	(2,083)	1,717	22,185
Abengoa Bioenergy 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) Variaciones caused by increases/decreases of capital share, mainly currency transactions and changes in the consolidation method applied

At the year-end 2016, the most significant variation of non-controlling interest mainly related the increase of translation differences given the appreciation of the Brazilian real, against the euro.

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 2017 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 Energia, S.A. and ATE XIII, Norte Brasil Transmissora de Energia, S.A.) for an amount of €348 million (€455 million in 2016).

In relation to the affiliates ATE XI, Manaus Transmissora de Energia, S.A. and ATE XIII Norte Brasil Transmissora de Energia, S.A. the detail of the assets and liabilities at year ended 2017 and 2016 are the following:

Item	ATE XI, Manaus Transmissora de Energia, S.A.	ATE XIII, Norte Brasil Transmissora de Energia, S.A
	Balance as of 12.31.17	Balance as of 12.31.17
Non-current assets	498,415	726,023
Current assets	35,959	51,241
Non-current assets liabilities	188,244	300,383
Current liabilities	59,330	44,003
Equity	286,800	432,878

Item	ATE XI, Manaus Transmissora de Energia, S.A.	ATE XIII, Norte Brasil Transmissora de Energia, S.A
	Balance as of 12.31.16	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

At the end of the year ended on December 31, 2017 and 2016, the income statement of the affiliates ATE XI, Manaus Transmissora de Energia, S.A. and ATE XIII Norte Brasil Transmissora de Energia, S.A. are the following

Item	ATE XI, Manaus Transmissora de Energia, S.A.	ATE XIII, Norte Brasil Transmissora de Energia, S.A
	2017	2017
Revenue	49,264	83,920
Operating expenses	(28,810)	(44,405)
I. Operating profit	20,454	39,515
II. Financial expense, net	(18,363)	(29,833)
IV. Profit before income tax	2,091	9,682
V. Income tax benefit	(688)	34
VI. Profit for the period from continuing operations	1,403	9,716
VIII. Profit for the period attributable to the Parent Company	1,403	9,716

Item	ATE XI, Manaus Transmissora de Energia, S.A.	ATE XIII, Norte Brasil Transmissora de Energia, S.A
	2016	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

On the basis of the above, during the year 2017 the profit and loss attributable to the non-controlling interest of the companies ATE XI, Manaus Transmissora de Energia, S.A. and ATE XIII Norte Brasil Transmissora de Energia, S.A. amounted to €-0.7 and €-4.7 million respectively. And during the year 2016 amounted to €0.9 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, 2017 and 2016, the detail of the cash flow statements of the companies ATE XI, Manaus Transmissora de Energia, S.A. and ATE XIII Norte Brasil Transmissora de Energia, S.A are the following:

Item	ATE XI, Manaus Transmissora de Energia, S.A. 2017	ATE XIII, Norte Brasil Transmissora de Energia, S.A 2017
Profit for the year from continuing operations	1,403	9,716
I. Profit for the year from continuing operations adjusted by non monetary items	20,088	33,457
II. Variations in working capital	(1,662)	(12,416)
III. Interest and income tax received / paid	688	(34)
A. Net cash provided by operating activities	19,114	21,007
I. Investments/Disposals	457	98
B. Net cash used in investing activities	457	98
I. Proceeds from loans and borrowings	23,060	38,329
II. Repayment of loans and borrowings	(36,859)	(46,675)
III. Other finance activities	-	-
C. Net cash provided by financing activities	(13,799)	(8,346)
Net increase/(decrease) in cash and cash equivalents	5,772	12,759
Cash, cash equivalents and bank overdrafts at beginning of the year	11,881	15,387
Translation differences cash or cash equivalent	(2,196)	(3,353)
Cash and cash equivalents at end of the year	15,457	24,793

Item	ATE XI, Manaus Transmissora de Energia, S.A. 2016	ATE XIII, Norte Brasil Transmissora de Energia, 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

Also, during the years 2017 and 2016 the affiliate companies ATE XI, Manaus Transmissora de Energia, S.A. and ATE XIII Norte Brasil Transmissora de Energia, 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.

The details of project debt applied to projects, for both non-current and current liabilities, as at December 31, 2017 and December 31, 2016 is as follows:

Project debt	Balance as of 12.31.17	Balance as of 12.31.16
Project finance (Non-recourse project financing)	107,951	171,596
Project bridge loan (Non-recourse project financing in process)	-	1,843,908
Total project debt	107,951	2,015,504
Non current	11,197	12,563
Current	96,754	2,002,941

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 12.31.16	12,563	2,002,941	2,015,504
Increases (emisiones)	11,631	30,218	41,849
Decreases (reimbursement)	(367)	(4,005)	(4,372)
Currency translation differences (*)	(764)	(9,205)	(9,969)
Changes in consolidation and reclassifications (*)	(4,579)	(145,865)	(150,444)
Transfer to liabilities held for sale (*)	(7,287)	(252)	(7,359)
Reclassification for enforceable financing (*)		(1,777,078)	(1,777,078)
Balance as of 12.31.17	11,197	96,754	107,951

(*) No monetary movements

At the closing of 2017, the total amount of project finance has decreased mainly by the debt write-offs made in financing of projects (see Note 2.2.1) in the financial restructuring process (bridge loans with corporate guarantee).

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 liabilities 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. 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.

19.2. 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 €0 million relating to project financing in 2017 (€14 million in 2016).

19.3. Appendix IX of these Notes to the Consolidated Financial Statements contains a detail of the Project companies financed by project debt as of the end of 2017.

19.4. At December 31, 2017, the cancellation of project financing has been scheduled as follows:

2018	2019	2020	2021	2022	Subsequent	Total
96,754	1,152	1,137	1,171	1,412	6,325	107,951

19.5. Current and non-current loans with credit entities include amounts in foreign currencies for the total of €107,670 thousand (€461,690 thousand in 2016).

The equivalent in euros of the most significant foreign-currency-denominated debts held by the Group are as follows:

	12.31.17		12.31.16	
	Non-domestic companies	Domestic companies	Non-domestic companies	Domestic companies
Dirham (Morocco)	11,530	-	11,180	-
Dollar (USA)	4,498	-	7,170	306,704
Peso (Mexico)	-	-	7,540	-
Peso (Uruguay)	91,642	-	63,910	-
Peso (Chile)	-	-	-	-
Real (Brazil)	-	-	65,186	-
Total	107,670	-	154,986	306,704

19.6. The amount of accrued and not paid financial expenses related to projects amounts to €12 thousand at December 31, 2017 (€4,536 thousand as of December 31, 2016) 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, 2017 and 2016 is as follows:

Non-current	Balance as of 12.31.17	Balance as of 12.31.16
Credit facilities with financial entities	620,278	6,032
Notes and bonds	858,597	-
Finance lease liabilities	7,511	8,014
Other loans and borrowings	124,845	252,983
Total non-current	1,611,231	267,029
Current	Balance as of 12.31.17	Balance as of 12.31.16
Credit facilities with financial entities	798,850	2,836,597
Notes and bonds	901,094	3,550,269
Finance lease liabilities	8,466	13,088
Other loans and borrowings	324,118	998,168
Total current	2,032,528	7,398,122
Total corporate financing	3,643,759	7,665,151

At the period ended December 31, 2017, the corporate financing has decreased mainly due to the write off made in the Restructuring process (see Note 2.2.1).

Item	Long-term Corporate Financing	Short-term Corporate Financing	Total
Balance as of 12.31.16	267,029	7,398,122	7,665,151
Increases	-	986,022	986,022
Decreases (reimbursement)	-	(859,244)	(859,244)
Currency translation differences (*)	(69,811)	(62,846)	(132,657)
Changes in consolidation and reclassifications (*)	-	77,398	77,398
Restructuring (*)	1,414,013	(5,506,924)	(4,092,911)
Balance as of 12.31.17	1,611,231	2,032,528	3,643,759

(*) No monetary movements

20.2. Credit facilities with financial entities

a) The following table shows a list of credit facilities with financial entities:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Syndicated loan	-	717,087
ICO financing	-	31,044
Instalaciones Inabensa S.A. financing	208	276,036
Abener Energía S.A. financing	27,764	398,758
Teyma, Gestión de Contratos de Construcción e Ing S.A financing	130	112,388
Abener Teyma Mojave General Partnership financing	-	66,998
Centro Morelos 264, S.A. de C.V financing	833	110,086
Centro Tecnológico Palmas Altas financing	77,398	-
European Investment Bank financing	-	77,699
Revolving credit agreement September 15 (€125 million)	-	178,000
Working capital line December 15 (€106 million)	-	118,519
Working capital line March 16 (€137 million)	-	150,793
Working capital line September 16 (\$211 million)	-	200,852
Working capital line November 2017	40,000	-
Remaining loans	212,019	404,369
New Money 1	314,136	-
New Money 2	191,224	-
Old Money	555,416	-
Total	1,419,128	2,842,629
Non-current	620,278	6,032
Current	798,850	2,836,597

In relation to the New Money, all financial obligations established in the different financing contracts has been met as of December 31, 2017 (see Note 2.2.1.a).

The New Money and Old Money debt have a par value of 301 million of euros and 182 million of USD, and 833 million of euros and 236 million of dollars, respectively.

On November 27, 2017 Abengoa Abenewco obtained new financing, amounted to €40 million, remaining €10 million pending of disposal, which has a joint guarantee from Abengoa, S.A. and certain subsidiary group companies.

Diverse compliance obligations have been established within the New Money financing conditions. These include current ratio (historical and forecasted) which, at December 31, 2017 has been met by the minimum threshold established (20 million of euros), being the "Historic Liquidity" of 29 million euros and the "Projected Liquidity" of 20.3 million euros. In addition, a debt limit of 219 million euros has been established for Corporate Financing which, at December 31, the Company has met. Regarding the Old Money financing conditions see Note 2.2.1.

b) At December 31, 2017, the cancellation of corporate financing has been scheduled as follows:

	2018	2019	2020	2021	2022	Subsequent years	Total
Instalaciones Inabensa SA financing	208	-	-	-	-	-	208
Abener Energia SA financing	25,162	2,250	-	-	-	352	27,764
Teyma, Gestión de Contratos de Construcción S.A financing	130	-	-	-	-	-	130
Abener Teyma Mojave General Partnership financing	-	-	-	-	-	-	-
Centro Morelos 264, S.A. de C.V financing	833	-	-	-	-	-	833
Centro Tecnológico Palmas Altas financing	77,398	-	-	-	-	-	77,398
Working capital November 2017	40,000	-	-	-	-	-	-
Other loans	149,759	28,668	9,691	10,890	12,796	215	252,019
New Money 1	314,136	-	-	-	-	-	314,136
New Money 2	191,224	-	-	-	-	-	191,224
Old Money	-	-	-	-	295,994	259,422	555,416
Total according to Contract	798,850	30,918	9,691	10,890	308,790	259,989	1,419,128

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, 2017 includes debts denominated in foreign currencies in the amount of €667,176 thousand (€709,394 thousand in 2016).

The most significant amounts of debt in foreign currencies with financial entities are as follows:

Currency	12.31.17		12.31.16	
	Non-domestic companies	Domestic companies	Non-domestic companies	Domestic companies
Dollar (USA)	251,193	299,788	406,668	191,166
Peso (Argentina)	-	-	-	-
Peso (Chile)	20,426	-	14,964	-
Peso (Colombia)	-	-	-	-
Peso (Mexico)	17,775	-	59,282	-
Real (Brazil)	71,701	-	27,388	-
Rand (South Africa)	-	-	-	-
Rupee (Indian)	-	-	7,445	-
Sol (Peru)	-	-	-	-
Yuan (China)	-	-	1,226	-
Rial (Oman)	6,293	-	1,255	-
Total	367,388	299,788	518,228	191,166

- d) Interest expenses with financial credit entities accrued and not due reach to €12,861 thousand as of December 31, 2017 (€45,917 thousand in 2016) and is included under 'Short-term borrowings'.
- e) Real estate pledged against mortgages corporate financing as of December 31, 2017 is not significant, except for the CTPA financing.
- 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 2017 was 9%, (7% in 2016).

20.3. Notes and bonds

a) The notional value of notes and bonds as of December 31, 2017 and 2016 is as follow:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Exchangeable notes Atlantica Yield	-	571
Convertible notes Abengoa 2017 and 2019	-	166,500
Ordinary notes Abengoa	10,600	2,970,925
Commercial paper Abengoa Mexico	102,363	106,799
Euro-Commercial Paper Program (ECP)	-	58,470
New Money 1	758,781	-
New Money 2	29,625	-
Old Money	858,322	-
Total	1,759,691	3,303,265
Non Current	858,597	-
Current	901,094	3,303,265

In relation to the New Money, all financial obligations established in the different financing contracts have been met as of December 31, 2017 (see Note 2.1.1.a).

The New Money and Old Money debt have a par value of 712 million of euros and 993 million of euros, and 717 million of USD, respectively.

At December 31, 2017, the bonds' market value is 106% for New Money 1; 40% for New Money 2; between 16%-17% for the Senior Old Money and between 9%-10% for the Junior Old Money.

b) As of December 31, 2017, the cancellation of notes and bonds is expected to be carried out in accordance with the following schedule:

Item	2018	2019	2020	2021	2022	Subsequent
Ordinary notes Abengoa	10,325					275
Commercial paper Abengoa Mexico	102,363	-	-	-	-	
New Money 1	758,781					
New Money 2	29,625					
Old Money					456,234	402,088
Total	901,094	-	-	-	456,234	402,363

c) The balance of interest payable related to notes and bonds accrued and not paid is €6,924 thousand as of December 31, 2017 (€72,420 thousand as of December 31, 2016) and is included under current 'Bonds and Notes'.

20.4. Finance lease liabilities

Finance lease creditors as of the end of 2017 and 2016 were:

Finance lease	Balance as of 12.31.17	Balance as of 12.31.16
Present values of future payments for finance lease	15,977	21,102
Liabilities: minimum payments for finance lease:		
Less than 1 year	8,907	13,666
From 1 to 5 years	4,835	6,280
More than 5 years	4,945	4,390
Net book value:		
Technical installations and machinery	7,286	10,281
Information processing equipment	535	1,725
Other tangible assets	18,839	17,465

20.5. Other loans and borrowings

The following table sets out the movement of other loans and borrowings at the 2017 and 2016 year end:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Derivative premiums payable	-	12,661
Low interest loans	6,832	7,886
Debt with ABY related to preferred shares of ACBH	-	94,989
Non-recourse confirming due and unpaid	38,132	319,154
Execution of financial guarantees	227,452	-
Overdue and not paid derivatives	35,410	147,156
Drawn bank guarantees	103,802	368,060
Debt after the agreement with EIG (see Note 6.2)	-	128,364
Debt with AB Netherland	-	96,745
Loans with public institutions and others	37,334	76,135
Total	448,962	1,251,151

The decrease in "Other Loans and Borrowings" at the end of December 31, 2017 is mainly due to the debt relief conducted in the financial restructuring process (see Note 2.2.1.).

Note 21.- Grants and other liabilities

Grants and Other Liabilities as of December 31, 2017 and 2016 are shown in the following table:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Grants	10,380	16,711
Suppliers of non-current assets	17,461	311
Long-term trade payables	24,434	48,918
Grants and other non-current liabilities	52,275	65,940

At December 31, 2017, the decrease in grants and other non-current liabilities is mainly due to the debt relief conducted in the financial restructuring process.

Note 22.- Provisions and contingences

22.1. Provisions for other liabilities and charge

The following table shows the movement of the heading of 'Provisions for other liabilities and charges' for the years 2017 and 2016:

Item	Taxes	Liabilities	Dismantling	Total
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
Net increase/ (decrease) with impact in profit and loss	112	3,617	130	3,859
Translation differences	-	(812)	-	(812)
Transfer to liabilities held for sale	-	-	-	-
Balance as of 12.31.17	15,869	37,024	973	53,866

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 and which it is expected that probably there may be a cash outflow 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 and assets

As of December 31, 2017 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.

According to the Directors, no significant negative impact is expected to occur.

- › 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 exchange 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 area (Proyecto de Modernización de la Zona Regable de las Marismas del Guadalquivir). The JV 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 JV 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 of these Consolidated Financial Statements the claim has been answered by the members of JV.

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, Elektrociepłownia 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.

Also, in relation to this project, on 29 January 2016, Elektrociepłownia 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 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. In April 2017 Elektrociepłownia Stalowa Wola, S.A. presented his answer to the extension of the demand and in October 2017, Abener presented reply to mentioned answer.

In November 2017, the Arbitration Court agreed to grant the remedy requested by Abener, which required Elektrociepłownia Stalowa Wola, S.A. to deposit the amount collected from Zurich, the insurance company, to enforce the guarantee bond (€30 million) in an Escrow account until the end of the arbitration procedure. Pursuant to the procedural calendar, the arbitration hearing has been scheduled for May 2018.

According to the Company Directors, there are sufficient technical (experts' reports) and contractual arguments to support that the delay in the construction of the plant was not attributable to the Company and, thus, the client's termination of the contract was not appropriate.

- › 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 up to date are estimated in no less than US\$60 million. On the other hand, the Sureties Liberty and Zurich, who had issued a bond for an amount of 145 million of dollars guaranteeing the EPC Contractor's compliance, were also summoned to the arbitral process.

PGE has claimed against the contractor at the Federal District Courts of Oregon, requiring US\$211 million for incurred damages when breaching the contract. The Federal District Court of Oregon has found itself not competent to rule on whether the competent jurisdiction of application in the dispute raised by PGE against the EPC Contractor and against the Sureties. The court considers that it is the International Chamber of Commerce that must decide on the jurisdictional aspects. In relation with the company Negocios Industriales y Comerciales, S.A (NICSA), the Markets and Competence National Commission (CNMC) initiated an inspection against 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 through a system of authorisations, concluding that the actions have been considered as infractions mutually. On the basis of the above, Nicosa was notified of penalty for an amount of 354,907 euros. Having said amount been paid, the Company has filed an appeal against it before the Spanish National Court under the contentious-administrative jurisdiction

- › On January 2017, the Markets and Competence National Commission 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. In May 2017, Inabensa and its parent company, Abengoa S.A., were notified of the commencement of a sanctioning procedure due to alleged restrictive practice of competition consisting on the distribution of public and private client proposals in the aforementioned activities, considering Abengoa S.A. Inabensa's controlling company, to which said conduct has been jointly and severally attributed.

- On December 20, 2017 Inabensa Danmark, under the contract for the execution of the Niels Bohr Building installations (HVAC, plumbing, etc.) for the University of Copenhagen, filed a preliminary arbitration claim brought up to the Building & Construction Arbitration Board, headquartered in Copenhagen, for a provisional amount of 80,132,329.93 M DKK plus value-added tax (10,700,000 euros plus value-added tax, approximately), against Byggningsstyrelsen (BYGST), the client, and requested evidence from a court-appointed expert to determine the impossibility to execute the project due to the deficiencies thereof. The object of this claim was the overcost in which Inabensa had incurred as a consequence of the unlawful termination of the contract and the project's technical deficiencies.

In turn, on December 21, 2017 the client filed a claim against Inabensa Danmark for a provisional amount of 500,000,000 DKK plus value-added tax (67,100,000 euros plus value-added tax, approximately). The object of this claim are the alleged damages due to Inabensa Danmark's presumed non-compliance.

The same court has been appointed to handle both controversies. At moment, the merge of both procedures as well as of their periods have been requested; said process currently being under the allegation presentation phase with respect to said merge request.

Note 23.- Third-party guarantees and commitments

23.1. Third-party guarantees

- At the closing of 2017, the Group has 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 Guarantees and Surety Insurances as guarantee to certain commitments (Bid bonds, performance and others) amounted to €833,543 thousand (€1,048,708 thousand at December 31, 2016).

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 €4,338,192 thousand (€5,318,335 thousand at December 31, 2016).

The following table details the guarantees undertaken by the Company classified by commitment type at December 30, 2017:

Typology	Bank Guarantees/Surety Insurance	Guarantees	Total 12.31.2017	Total 12.31.2016
Bid Bond	32,918	-	32,918	37,095
Performance:	32,918	-	32,918	37,095
Materials supply	3,545	684,883	688,428	771,289
Advance payments	42,100	-	42,100	82,573
Execution (construction/collection/payments)	705,513	3,636,004	4,341,517	5,134,137
Quality	8,444	17,305	25,749	33,916
Operation and maintenance	18,166	-	18,166	269,104
Dismantling	3,713	-	3,713	3,726
Other	19,144	-	19,144	35,203
Subtotal	833,543	4,338,192	5,171,735	6,367,043
Group Company financing guarantees	-	1,035,416	1,035,416	1,527,416
Total	833,543	5,373,608	6,207,151	7,894,459

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 and guarantees amounting to €36 and €707 million to assure the performance associated to certain concessional projects of thermos-solar energy generation, Eolic and electric transmission lines (see Note 7.3).

Additionally, the breakdown includes the amounts of bank guarantees and guarantees related to companies classified as held for sale amounted to €93 and €381 million respectively, being the amount associated to transmission lines €282 million (€0 million of bank guarantees and €282 million of guarantees) and the associated to Bioenergy €192 million (€93 million bank guarantees and €99 million of guarantees) in which amount € 65 million correspond to the bank guarantees related to companies sold during 2017, that remain in the Group, and that are in process of cancellation.

The most significant variations of guarantees with third-parties with respect to the information presented in the Consolidated Annual Accounts for the 2016 period mainly correspond to the cancellation, maturity and enforcement of performance bonds and guarantees (construction/collection-payments) issued by the parent Company to Group subsidiaries, due to the divestment of assets (mainly from Bioenergy) and to the financial restructuring (see Note 2.1.).

23.2. Contractual obligations

The following table shows the breakdown of the third-party commitments and contractual obligations as of December 31, 2017 and 2016 (in thousands of euros):

2017	Total	Up to one year	Between one and three years	Between three and five years	Total
Loans with credit institutions	1,419,128	798,850	40,610	319,681	259,987
Notes and bonds	1,759,691	901,094	-	456,234	402,363
Liabilities due to financial leases	15,977	8,466	2,222	1,370	3,919
Other loans and borrowings	448,963	324,118	69,660	44,355	10,830
Obligations under operating Leases	55	54	1	-	-
Purchase commitments	765,003	530,571	234,282	150	-
Accrued interest estimate during the useful life of loans	928,150	125,556	319,065	194,008	289,521

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

Amounts disclosed as Loans with credit institutions correspond to the notional amounts and not to the amortized costs as they have been recorded in the consolidated statement of financial position following the accounting policy and the basis of presentation (see Note 2.20).

23.3. Pledged Assets

Related to the pledged assets book value at December 31, 2017, as guarantee of the total debt, the following table shows the breakdown:

Book value	Balance of 12.31.17(*)	Balance of 12.31.16 (*)
Property, plants and equipment	19,710	83,335
Fixed assets in projects	2,498,471	3,443,896
Investments accounted for using the equity method	627,050	755,501
Clients and other receivable accounts, financial investments and cash and cash equivalents	210,261	256,649
Total	3,355,492	4,539,381

(*) 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, 2017 and amounts to €2,924 million (€3,136 million in 2016).

It should be noted, for the avoidance of doubt, that when determining the book value of the pledged assets, the concept of "garantía real" provided by the Spanish law (applying by analogy to those assets that are pledged under other legislation) it has been taken into account.

Note 24.- Tax situation

24.1. Application of rules and tax groups in 2017

Abengoa, S.A. and other 180 and 197 consolidated subsidiaries (see Appendixes XI and XVI to these Consolidated Financial Statements) in 2017 and 2016 respectively, pay taxes under 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 the temporary and permanent differences which may exist, recording the corresponding deferred tax assets and liabilities. Deferred tax assets and liabilities generally arise as a result of making the valuations of the individual entities' accounting criteria and principles consistent with those of the consolidated Group, which are those of the parent company. At the end of each period, current tax assets or liabilities are recognized for currently indemnifiable or taxes due.

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.

24.2. Deferred tax assets and liabilities

At the closing of 2017 and 2016 the analysis of deferred tax assets and deferred tax liabilities is as follows:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Tax credits for tax loss carryforwards	42,817	125,269
Tax credits for deductions pending application		
Tax credits for export activities	9,000	25,181
Tax credits for R+D+i	14,200	28,768
Other deductions	44,101	38,220
Temporary differences		
Provisions and Impairment	59,347	112,717
Derivatives financial instruments	462	33,744
Non-deductible expenses (Art. 20 y 22 LIS, Art. 14 TRIS, Art. 7 Ley 16/2012)	155,700	182,579
Consolidation adjustments, homogenization adjustments and other	50,187	68,748
Total deferred tax assets	375,814	615,226

Item	Balance as of 12.31.17	Balance as of 12.31.16
Accelerated tax amortization	1,378	1,217
Unrealized exchange differences	31,633	47,817
Derivatives financial instruments	12	15,478
Restructuring (*)	432,684	-
Consolidation adjustments, homogenization adjustments and other	57,579	108,344
Total deferred tax liabilities	523,286	172,856

(*) impact in non held for sale companis (see Note 2.2.3)

Mainly, the tax credits for Tax loss carryforwards correspond to Spain.

Most of the tax loss carryforwards in Spain correspond to the application of tax incentives as well as to losses registered during the last periods prior to the Group's global restructuring, caused by delays in the execution and decreased scopes given the Group's financial situation, which resulted into a reduction of income for said periods as well as an increase of expenses mainly due to the increase of financial and advisor-related costs.

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.

On the other hand, tax credits for deductions pending application have been mainly generated 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, disappearing in 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 €14 million as of December 31, 2017.

'Other deductions', which have been generated mainly in Spain, correspond primarily to deductions for double taxation (€35 million), and deductions for donations to non-profit organizations (€9 million).

In 2017, the Company has made the best estimates and projections based on the last Updated Viability Plan approved by the Company to assess the recoverability of the capitalized tax credits witting off those in which the recoverability is not expected. In such projections, the Company has taken into account the limitations imposed by Spanish tax regulations when offsetting tax loss carryforwards and applying deductions. Based on such recoverability projections, taking the Company's current situation into account and considering the specific weight that foreign activities carry in the estimations and projections of the Engineering and Construction business against the business activity in Spain, a charge of 416 million of Euros from the impairment of deferred tax assets in Spain has been recognized at the end of the 2017 period. This impairment amount includes the subsidiaries' individual deferred-tax assets, whose recovery is not expected to occur based on their projected individual tax base.

On the other hand, the Company has certain tax credits as of December 31, 2017 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 €932 million (€1,034 million in 2016), with expiration dates in 2028 and 2036; to our Mexican subsidiaries amounting to €356 million maturing in 2025 and 2027 (€199 million in 2016); to our South African subsidiaries amounting to €193 million (€168 million in 2016); to our Chilean subsidiaries amounting €117 million, to our Spanish subsidiaries amounting to €1,067 million (€927 million in 2016) and to our Brazilian subsidiaries amounting to €350 million (€345 million in 2016), with no expiration date in these last four jurisdictions and in deductions in Spain for an amount of € 374 million (€ 322 million in 2016) with expiration dates between 2021 and 2033.

The movements in deferred tax assets and liabilities during 2017 and 2016 were as follows:

Deferred tax assets	Amount
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
Increase / Decrease through other comprehensive income (equity)	(432,777)
Increase / Decrease through other comprehensive income (equity) for change in tax rate	(27,008)
Transfer to assets held for sale	262,524
Change in consolidation, various reclassifications and translation diff.	(42,151)
As of December 31, 2017	375,814

Deferred tax liabilities	Amount
As of December 31, 2015	317,689
Increase / Decrease through the consolidated income statement	26,415
Increase / Decrease through other comprehensive income (equity)	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
Increase / Decrease through the consolidated income statement	(29,031)
Increase / Decrease through the consolidated due to Reestructuration agreement (*)	404,121
Increase / Decrease through other comprehensive income (equity)	(15,837)
Transfers to liabilities held for sale	27,119
Change in consolidation, various reclassifications and translation diff.	(35,942)
As of December 31, 2017	523,286

(*) Not included reestructuration impact due to discontinued activities, recognized in the Income Statement in line "Profit (loss) from discontinued operations, net of tax"

The detail of tax deferred expenses and incomes recognized at the end of the year 2017 and 2016 for each kind of temporary difference and each kind of tax loss carryforward not used is the following:

Item	2017	2016
Tax credits for tax loss carryforwards	(78,802)	(44,967)
Tax credits for deductions pending application		
Tax credits for export activities	(23,732)	(43,071)
Tax credits for R+D+i	(14,580)	(26,683)
Other deductions	(6,900)	(35,902)
Temporary differences		
Provisions	(53,599)	(22,189)
Remuneration plans	-	(3,181)
Derivatives financial instruments	148	(6,392)
Non-deductible expenses (Art. 16 LIS)	(177,437)	(34,433)
Consolidation adjustments, homogenization adjustments and other	(77,875)	(117,516)
Total deferred tax assets	(432,777)	(334,334)

Item	2017	2016
Accelerated tax amortization	-	-
Business combination	(3,621)	17,494
Unrealized exchange differences	1	(26,533)
Restructuration	404,121	-
Consolidation adjustments, homogenization adjustments and other	(25,411)	35,455
Total deferred tax liabilities	375,090	26,416

Note 25.- Trade payables and other current liabilities

25.1. Trade payable and other current liabilities as of December 31, of 2017 and 2016 are shown in the following table:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Trade payables for purchases of goods	1,216,265	1,720,387
Trade payables for services	394,767	467,218
Billings in excess and advance payments from clients	150,379	280,142
Remunerations payable to employees	11,204	37,890
Suppliers of intangible assets current	3,089	3,062
Other accounts payables	106,513	145,560
Total	1,882,217	2,654,259

At the closing of 2017 the total amount of trade payables and other current abilities due and unpaid (principal and interest) amounted to €583 million. Default interests for the above mentioned Liabilities were recognized.

Balances with related parties at the closing of 2017 and 2016 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, 2017 and 2016.

Item	Balance as of 12.31.17	Balance as of 12.31.16
Non-group amounts payable through Confirming	63,625	660,300
Group amounts payable through Confirming	3,968	33,185
Total	67,593	693,485

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 €0.4 million (€0.3 million in 2016).

Finally, an amount of €38 million (€319 million in 2016) relating to due and not paid confirming transactions (principal and interests) has been reclassified to corporate financing. Additionally, €26 million correspond to companies classified as held for sale (€357 million in 2016).

25.4. Details on supplier maturities are provided in the following table:

Maturity	Balance as of 12.31.17	Balance as of 12.31.16
Up to 3 months	392,277	574,695
Between 3 and 6 months	59,454	99,303
Over 6 months	764,524	1,046,389
Total	1,216,255	1,720,387

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 463 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:

2017	Days
Average payment period	463
Paid operations ratio	245
Pending payments ratio	712

2017	Amount
Total Payments	601,732
Total Pending payments	545,109

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 2.26.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 2017 and 2016:

2017	Construction contracts
Operating revenues	1,359,488
Billings in excess and advance payments received	1,142,032
Payment withholdings	13,920
Account receivables	1,524,352
Account payables	2,686,954

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

The amount of unbilled revenue by the closing of the years 2017 and 2016 is €211,849 and €379,120 thousand, respectively.

The aggregated total amount of the costs incurred and the aggregated total profits recognized since origin for all the ongoing contracts at December 31, 2017 amount to €5,131,117 thousand and €353,600 thousand respectively (€6,392,076 thousand and €466,684 thousand in 2016).

Note 27.- Revenues

The breakdown of Revenues for the years 2017 and 2016 is as follows:

Item	2017	2016
Product sales	131,393	203,909
Rendering of services and construction contracts	1,348,375	1,306,144
Total revenue	1,479,768	1,510,053

Note 28.- Other operating income and expenses

The table below shows the detail of Other Operating Income and Expenses for the years 2017 and 2016:

Other operating income	2017	2016
Work performed by the entity and capitalized and other	19,753	6,015
Grants	6,764	7,175
Income from various services	135,352	52,563
Total	161,869	65,753

Other operating expenses	2017	2016
Research and development cost	311	(6,396)
Leases and fees	(43,040)	(46,274)
Repairs and maintenance	(26,508)	(15,845)
Independent professional services	(196,504)	(151,709)
Transportation	(9,512)	(13,561)
Supplies	(22,755)	(20,918)
Other external services	(39,782)	(42,993)
Taxes	(19,812)	(23,888)
Other minor management expenses	(40,450)	(66,209)
Total	(398,052)	(387,793)

In 2017 there is an increase in Other operating income mainly due to the impact of the sale of Norte III. (See Note 6.2.b).

Other operating expenses decreased during 2017 over 2016, the decrease is mainly due to the current situation of the Company and the decrease of management expenses This decrease has been partially offset by higher independent professional services related to the restructuring process.

Note 29.- Employee benefit expenses

The breakdown of employee benefit expense for 2017 and 2016 is as follows:

Item	2017	2016
Wages	(285,008)	(369,316)
Social security costs	(55,174)	(70,996)
Stock plans and other employee benefits	(3,974)	-
Total	(344,156)	(440,312)

Variable remuneration plans for managers

There are currently a long-term variable remuneration plans for managers.

1) Management Incentive Plan 2017 - 2020

Long-term retention and incentive plan approved by the Company's Board of Directors according to the Appointment and Remuneration Committee's proposal.

The Plan, which will have a large number of beneficiaries, approximately 125 directors at different levels including the Executive Chairman, aims to promote participation to meet the established goals. The multi-year variable compensation scheme requires the fulfillment of a required condition by which the ratio representing the bank debt generated by the business activity post-restructuring at the end of the last period of the plan shall be, with respect to the EBITDA in that same period, equal or lower than 3.

At the end of the 2017 period, the number of participants is a maximum of 125 beneficiaries, and the Plan's total amount has reached € 17.5 million. At December 31, 2017, the amount recognized in the profit and loss statement has reached € 3,974 thousands.

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 2017 and 2016:

Finance income	2017	2016
Interest income from loans and credits	3,111	7,654
Interest rates benefits derivatives: cash flow hedges	18,111	6,092
Interest rates benefits derivatives: non-hedging	-	1,946
Total	21,222	15,692
Finance expenses	2017	2016
Expenses due to interest:		
- Loans from credit entities	(306,546)	(310,592)
- Other debts	(129,988)	(337,702)
Interest rates losses derivatives: cash flow hedges	(1,445)	(29,194)
Interest rates losses derivatives: non-hedging	(115)	(2,087)
Total	(438,094)	(679,575)
Net financial loss	(416,872)	(663,883)

Financial income has increased at the end of the 2017 period with respect to the previous year as a consequence of the transfer of the interest rate hedge derivatives accumulated in the financial Restructuring Agreement to profit and loss (see Note 2.2.1.a) and to a lower financial yield due to the decrease/reduction of fixed-term deposits.

Financial expenses have decreased at the end of the 2017 period, with respect to the same period in the previous year, mainly due to the reduction of interest expenses as the financial debt has decreased following the debt relief conducted by the financial Restructuring Agreement (see Note 2.2.1.a).

Net financial income/expense corresponding to subsidiaries with project financing amounts to €-120,662 thousand (€-200,430 thousands in 2016).

30.2. Net exchange differences

The following table sets out the exchange rate differences for the years 2017 and 2016:

Net exchange differences	2017	2016
Gains and losses from foreign exchange transactions	50,775	19,628
Gains and losses from foreign exchange contracts: cash flow hedges	(569)	(10,568)
Total	50,206	9,060

Variations in the net exchange differences with respect to the previous period are mainly due to the variation of the USD against the euro over the New Money and Old Money debt denominated in USD.

Net exchange rate difference in 2017 for companies which are financed through project debt amounts to €-79,640 thousand (€-9,000 thousand in 2016).

30.3. Other net finance income and expenses

The following table sets out 'Other net finance income and expenses' for the years 2017 and 2016:

Other finance income	2017	2016
Profits from the sale of financial assets	333	79,182
Income on financial assets	453	930
Financial Income due to Reestructuration	6,376,379	-
Other finance income	1,341	13,062
Profit relative to the execution of the convertible bonds and options over Atlantica Yield shares	-	8,881
Total	6,378,506	102,055

Other finance expenses	2017	2016
Loss from sale of financial assets	(53)	(448)
Outsourcing of payables	37	(4,809)
Other financial losses	(256,346)	(565,972)
Loss derived from commodity price derivatives: cash flow hedge	(155)	(37,785)
Total	(256,517)	(609,013)

Other net finance income/expenses	6,121,989	(506,958)
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The main variations in “Other Finance Income” correspond to the positive impact caused by the financial restructuring (see Note 2.2.1.) as well as to the positive impact caused by the restructuring of the debt of certain subsidiaries in the United States in relation to the Chapter 11 proceedings that started upon the Company’s intervention.

The main variations in “Other Finance Expenses” correspond to the improvement registered, as compared to the previous period, by the financial expense reported on certain divestments of financial assets, default interests and guarantees enforced as a result of the Company’s situation.

The net amount of “Other incomes and financial expenses for companies” which are financed through project debt amounts to €28,045 thousand (€7,012 thousand in 2016).

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 2017 and 2016:

Fair value gains on derivative financial instruments	2017	2016
Change in fair value of the embedded derivative of convertible debt and shares options	109	(365)
Non-cash profit/(losses) from cash flow hedges	4,914	(1,110)
Non-cash profit/(losses) from derivatives - non-hedge accounting	(115)	(141)
Other non-cash gains/losses on derivative instruments	(155)	-
Fair value gains (losses) on derivative financial instruments (non cash items)	4,753	(1,616)
Cash gains (losses) on derivative financial instruments (monetary effect)	11,182	(70,345)
Total fair value gains / (loss) on derivative financial instruments	15,935	(71,961)

Note 31.- Income tax

31.1. The detail of tax rate for the period 2017 and 2016 is as follows:

Item	2017	2016
Current tax	(16,859)	(10,817)
Deferred tax	(807,867)	(360,749)
Total income tax benefit/(expense)	(824,726)	(371,566)

Income tax increase to an expense of € 825 million for 2017, compared to an expense tax loss of €372 million in the same period for 2016, mainly due to the Corporate Tax expense recognized by the positive result arising from the restructuring of the Group’s financial debt (see Note 2.2.3), and an impairment recognized for tax credits of the Spanish companies (see Note 24.2).

31.2. 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 2017 and 2016 is as follows:

Item	2017	2016
Consolidated profit before taxes	5,404,563	(3,891,094)
Regulatory tax rate	25%	25%
Corporate income tax at regulatory tax rate	(1,351,141)	972,774
Income tax of associates, net	(14,694)	(146,843)
Differences in foreign tax rates	13,331	6,683
Incentives, deductions and tax losses carryforwards	(511,942)	(344,704)
Restructuration	1,130,948	-
Other non-taxable income/(expense)	(91,228)	(859,476)
Corporate income tax	(824,726)	(371,566)

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 as well as the impairment of tax credits during the year (see Note 24.2).

- Other non taxable income/expenses: The heading 'Other non-taxable income/ (expense)' includes, among others, certain permanent differences of non-deductible expenses recognized in the year.

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	2017	2016
Profit from continuing operations attributable to equity holders of the company	4,579,044	(4,275,775)
Profit from discontinuing operations attributable to equity holders of the company	(301,274)	(3,353,281)
Average number of ordinary shares outstanding (thousands)	14,608,342	1,030,938
Earnings per share from continuing operations (€ per share)	0.31	(4.15)
Earnings per share from discontinuing operations (€ per share)	(0.02)	(3.25)
Earnings per share from profit for the year (€ per share)	0.29	(7.40)

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 Group's potential diluting ordinary shares correspond to the Warrants over Class A and Class B shares issued in the capital increase executed on March 28, 2018 as a result of the financial restructuring (see Note 2.2.1.). Said warrants are assumed to be exercised and the number of shares which may have been acquired at fair value based on the monetary value of the subscription rights of the warrants pending to be exercised is calculated. The difference between the number of shares that would have been issued assuming that warrants have been exercised and the number of shares calculated based on the above was incorporated to the calculation of diluted earnings per share.

Item	2017	2016
Profit for the year		
- Profit from continuing operations attributable to equity holders of the company	4,579,044	(4,275,775)
- Profit from discontinuing operations attributable to equity holders of the company	(301,274)	(3,353,281)
Profit used to determine the diluted earnings per share	4,277,770	(7,629,056)
Average weighted number of ordinary shares outstanding (thousands)	14,608,342	1,030,938
- Warrants adjustments (average weighted number of shares in outstanding since issue)	880,770	-
Average weighted number of ordinary shares affecting the diluted earnings per share (thousands)	15,489,112	1,030,938
Diluted earnings per share from continuing operations (€ per share)	0.30	(4.15)
Diluted earnings per share from discontinuing operations (€ per share)	(0.02)	(3.25)
Diluted earnings per share to the profit for the year (€ per share)	0.28	(7.40)

Note 33.- Other information

33.1. Personal

- The average number of employees classified by category during 2017 and 2016 is as follows:

Categories	Average number of employees in 2017			Average number of employees in 2016		
	Female	Male	% Total	Female	Male	% Total
Directors	32	287	2.3	43	394	2.5
Management	217	831	7.5	308	1,118	8.2
Engineers	632	1,528	15.6	892	2,031	16.9
Assistants and professionals	543	1,347	13.6	729	1,415	12.4
Operators	526	7,886	60.6	521	9,702	59.1
Interns	25	28	0.4	61	82	0.8
Total	1,975	11,907	100	2,554	14,742	100

The average number of employees is split between 24% in Spain (28% in 2016) and 76% abroad (72% in 2016).

The average number of employees during the year with disabilities above or equal to 33% is 48 (101 in 2016).

- › The total number of people employees classified by category as of December 31, 2017 and 2016 is as follows:

Categories	2017			2016		
	Female	Male	% Total	Female	Male	% Total
Board of Directors	1	6	0.0	1	6	0.0
Directors	27	242	2.2	42	326	2.3
Management	168	753	7.4	266	945	7.6
Engineers	508	1,349	14.9	753	1,742	15.6
Assistants and professionals	479	1,335	14.5	629	1,414	12.8
Operators	396	7,182	60.8	606	9,174	61.2
Interns	12	17	0.2	42	44	0.5
Total	1,591	10,884	100.0	2,338	13,645	100

The 22.5% people are located in Spain while the remaining 77.5% are abroad.

33.2. Related parties

No dividends have been distributed to related parties in 2017 and 2016.

On March 31, 2017, the Restructuring Completion Date took place, which led to significant changes in the Company's shareholder structure.

- a) In December 31, 2017 and pursuant to the notifications received by the Company in compliance with the provisions set forth in current regulation on ownership interest, and in accordance with the information additionally provided by related companies, the most significant shareholders are:

Shareholders	Significant shareholders	
	% direct share	% indirect share
Banco Popular Español, S.A.	3.63%	-
Banco Santander, S.A.	0.34%	3.63%

During the 2017 period, the only operations associated with related companies have been the following:

- a) As a result of the asset divestment obligations contracted in the refinancing agreements NM 1/3 and Governance Agreement (see Note 2.2), on July 24, 2017 a services agreement was signed with Banco Santander for the provision of advice and assistance in the Atlantica Yield stake sale process. The fees to be paid for said services are calculated over a percentage of the transaction value and the accrual thereof is subject to the execution of the divestment in compliance with the conditions set forth in said agreements. In the event that the sale is completed, the total amount will reach €3.5 million.
- b) On that same date, Abengoa entered into an agreement with Atlantica Yield companies (including Atlantica Yield itself) as well as with the US Department of Energy – DOE - (Omnibus Agreement) which established Abengoa's responsibilities before the DOE in the construction of the Solana solar thermal power plant, which is currently operated by Atlantica Yield (see Note 6.2.).

As a result of this agreement, the Company has registered an impact of €94 million in the profit and loss statement for the period.

These operations have been subject to review by Abengoa's Audit Committee..

- b) At the closing of 2017, the most significant transactions related to associates companies correspond to those made by Atlantica Yield companies (see Note 7.1.a).
- › 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 gives the 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.

All of 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 closing of 2017 and 2016 is as follows:

Item	Balance as of 12.31.17	Balance as of 12.31.16
Non-current financial investments	45,514	73,399
Clients and other receivables	87,430	371,527
Current financial investments	9,263	-
Other loan and borrowings		94,989
Trade payables and other current liabilities	20,868	77,184

The main balances refer to the companies Atlantica Yield, as detailed below:

- › Outstanding balances due from project companies owned by ABY amounts to €56 million (€61 million in 2016) classified under “Customers and other accounts receivable” and €45 million (€72 million in 2016) classified as non-current financial investments mainly 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 zero million (€95 million in 2016) classified under “other loan and borrowings” (see Note 20.5).
- d) The detail of transactions made with companies accounted by the equity method included in the consolidated statement of financial position at the closing of 2017 and 2016 is as follows:

Item	2017	2016
Revenues	190,134	161,501
Other operating income	3,278	5,656
Raw materials and consumables used	(101)	(773)
Other operating expenses	(2,634)	(267)
Financial income	98	1,826
Financial expenses	-	(444)
Other financial income/(expense), net	10,135	13,958

The main transactions refer to the companies Atlantica Yield, Xina Solar One and APW-1, the details of which are as follows:

- › Transactions with project companies owned by ABY which amounts to €78 million (€105 million in 2016) classified under the heading of “Revenues” mainly derived from the operations and maintenance contracts mentioned above.
- › Transactions with the company that owns the Xina Solar One project in the amount of €112million (€56 million in 2016, related to Atacama I and Xina Solar One projects) classified under the heading of “Revenues”, 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

- › The position of Board Members is 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 by 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) variable remuneration based on general benchmark indicators or parameters; (d) remuneration through the provision of shares or share options or amounts that are linked to the Company’s share price; (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 (f) savings or pension systems considered to be appropriate.

On January 26, 2017, the Board of Directors agreed to accept the resignation presented by Javier Targhetta Roza from his position as board member due to personal reasons.

On February 27, 2017 the Board of Directors agreed to appoint José Luis del Valle Doblado, on a temporary basis, member of the Appointment and Remuneration Committee provided that the vacancy left by Mr. Targhetta Roza in said Committee was not permanently filled.

On March 23, 2017 the Board of Directors unanimously agreed, at the proposal of the Appointment and Remuneration Committee, to fill by co-option the existing vacancy in the Board that resulted from Javier Targhetta Roza’s resignation, appointing Miguel Antoñanzas Alvear as independent board member for the period provided in the bylaws. Likewise, on that same date, the Board of Directors agreed to appoint Mr. Antoñanzas member of the Appointment and Remuneration Committee in replacement of Mr. Del Valle Doblado who had held office on a temporary basis up to that date.

On May 19, 2017, the Board of Directors agreed to accept the resignation presented by Miguel Antoñanzas Alvear from his role as Board Member due to personal reasons, and to appoint José Luis del Valle Doblado member of the Appointment and Remuneration Committee on a temporary basis, provided that the vacancy left by Mr. Antoñanzas Alvear in said Committee was not permanently filled.

- > The General Meeting of Shareholders held on June 30, 2017 agreed, among other matters, not to fill the vacancy left by the resignation of Miguel Antoñanzas Alvear prior to the notice of said General Meeting of Shareholders, as following a selection process for a new independent board member in accordance with the director selection policy established by the Company, which had not been able to be carried out within the time elapsed between the resignation and the notice of this General Meeting of Shareholders, was more convenient. For said reason, the General Meeting of Shareholders agreed to proceed to fill said vacancy by co-option, bringing the ratification of the appointed member, if applicable, to the next General Meeting of Shareholders.
- > On July 13, 2017 the Board of Directors, within the framework of the resolutions adopted by the General Meeting of Shareholders held on June 30, 2017, unanimously agreed, at the proposal of the Appointment and Remuneration Committee, to fill by co-option the existing vacancy in the Board that resulted from Miguel Antoñanzas Alvear's resignation, appointing Josep Piqué Camps as independent board member for the period provided in the bylaws. Likewise, on that same date, the Board of Directors agreed to appoint Mr. Piqué member of the Appointment and Remuneration Committee in replacement of Mr. Del Valle Doblado who had held office on a temporary basis up to that date.

As a result, the Board of Directors and its committees will be comprised as follows:

Board of Directors

- > Chairman: Mr. Gonzalo Urquijo Fernández de Araoz (Executive)
- > Lead Independent Director: Mr Manuel Castro Aladro (Independent)
- > Members:
 - Mr José Luis del Valle Doblado (Independent)
 - Mr José Wahnnon Levy (Independent)
 - Mr Ramón Sotomayor Jáuregui (Independent)
 - Ms Pilar Cavero Mestre (Independent)
 - Mr Josep Piqué Camps (Independent)
- > Secretary non-member: Mr Daniel Alaminos Echarri

- > Vicesecretary non-member: Ms Mercedes Domecq Palomares

Audit Committee

- > Chairman: Mr José Wahnnon Levy
- > Members:
 - Mr José Luis del Valle Doblado
 - Mr Manuel Castro Aladro
- > Secretary non-member: D. Daniel Alaminos Echarri

Appointments and Remuneration Committee

- > Chairman: Dña. Pilar Cavero Mestre
- > Members:
 - Mr Josep Piqué Camps
 - Mr Ramón Sotomayor Jáuregui
- > Secretary non-member: Mr Juan Miguel Goenechea Domínguez

> Remunerations paid during 2017 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 2017
Gonzalo Urquijo Fernández de Araoz	1,000	-	80	-	-	-	-	1,080
Manuel Castro Aladro	-	-	80	-	10	-	-	90
José Wahnón Levy	-	-	80	-	20	-	-	100
Pilar Cavero Mestre	-	-	80	-	20	-	-	100
José Luis del Valle Doblado	-	-	80	-	20	-	-	100
Javier Targhetta Roza	-	-	8	-	-	-	-	8
Ramón Sotomayor Jáuregui	-	-	80	-	10	-	-	90
Miguel Antoñanzas Alvear	-	-	16	-	5	-	-	21
Josep Piqué Camps	-	-	48	-	8	-	-	56
Total	1,000	-	552	-	93	-	-	1,645

> 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 2016
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 Wahnón 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

Pursuant to the Remuneration Policy of Directors for the 2018-2020 period, sections 3.2 and 4.2.3.D), which regulate the long-term variable remuneration of Directors and of the Executive Chairman respectively, the Company has made a provision for an amount of 1,018 thousands of euros, an estimate for 2017. The payment of said amount will be subject to the established goals being met and, in that case, it will be made effective after December 31, 2020.

In terms of 2017 annual variable remuneration, once the conditions established have been assessed and the non-compliance of one of the general triggers has been verified, it is considered not accrued and, therefore, is not recognized for the Executive Chairman, nor for any manager or employee of the company.

- Additionally, at the end of the 2017 period the remuneration accrued by the Company's Upper management (Upper Management members who do not concurrently hold an executive director role) for all concepts, be it fixed or variable, has reached 3,240 thousands of euros (2,348 thousands of euros at the end of the 2016 period). As in previous periods, this amount is established based on the Company's latest estimate and considering that the remuneration to be received by Upper Management is uniformly accrued throughout the year.
- No advances or credits have been issued to the Board of Directors as a whole. Likewise, no liabilities have been incurred into with the Board of Directors as guarantees.

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, 2017, 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, 2017 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 Wahnón Levy	-	-	-	-	-
Pilar Caveró Mestre	-	-	-	-	-
Josep Piqué Camps	-	-	-	-	-
Ramón Sotomayor Jáuregui	-	-	-	-	-
José Luis del Valle Doblado	-	-	-	-	-

Throughout out 2017 and 2016 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:

	2017			2016		
	Deloitte	Other auditors	Total	Deloitte	Other auditors	Total
Audit fees	2,304	529	2,833	3,483	824	4,307
Other verification services	84	-	84	57	99	156
Tax fees	7	1,419	1,426	737	464	1,201
Other audit complementary services	-	-	-	1,066	-	1,066
Other services	-	377	377	409	6,629	7,038
Total	2,395	2,325	4,720	5,752	8,016	13,768

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 on granting 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 2017, the total amount companies that have Environment Management Systems certified according to the ISO 14001 Standard covers the majority of the Group..

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 making process.

33.7.- Subsequent events

On March 5, 2018, the company reported that all the preceding conditions related to the agreement signed with Algonquin Power & Utilities Corp., for the sale of 25% of Atlantica Yield Plc, had been satisfied or waived.

Since December 31, 2017, 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. Consolidated financial statements

02.7 Appendices

Appendix I – Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
A3T Holdco España, S.A	Seville (ES)	544,396	100	Abengoa Greenbridge, S.A.U./Abengoa Abenewco 1, S.A./Abener Energía, S.A./ Negocios Industriales y Comerciales, S.A. (Nicsa)	-	(1)	B
A3T LuxCo 1 S.A	Luxembourg (LU)	259,030	100	A3T LuxCo 2 S.A	(*)	-	-
A3T LuxCo 2 SARL	Luxembourg (LU)	258,876	100	A3T Holdco España, S.A / Abener Energía	-	(1)	-
AB Bioenergy Hannover, GmbH	Hannover (DE)	98	100	Abengoa Bioenergía, S.A.	-	(6)	-
Abacus Project Management of Arizona, LLC.	Arizona (US)	1	100	Teyma Construction USA, LLC.	-	(1)	-
Abacus Project Management, Inc.	Arizona (US)	3,871	100	Teyma Construction USA, LLC	-	(1)	-
Abeanza Brasil, S.A.	Rio de Janeiro (BR)	0	100	Abeinsa Inversiones Latam, S.L./Sociedad Inversora Lineas de Brasil, S.L. (ETVE)	-	(1)	-
Abeima India, Pvt. Ltd.	Chennai (IN)	7,654	100	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	C
Abeima Teyma Barka LLC.	Ruwi (OM)	12,785	70	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	B
Abeima Teyma Ghana Infrastructure Limited	Accra (GH)	6,421	100	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	-
Abeima Teyma Zapotillo SRL de CV	México D.F. (MX)	209,905	100	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma Gest. Ctos. de Const. e Ing., S.A.	-	(1)	C
Abeima USA, LLC.	Delaware (US)	1	100	Abeinsa Business Development, LLC	-	(1)	-
Abeinsa Abeima Teyma General Partnership	Arizona (US)	4	100	Abeinsa USA, LLC / Teyma Construction USA, LLC / Abeinsa EPC, LLC	-	(1)	-
Abeinsa Abener Teyma General Partnership	Arizona (US)	4	100	Teyma Construction USA LLC./Abener Eng. Const. Serv., LLC/Abeinsa EPC Inc.	-	(1)	-
Abeinsa Abener Teyma Reno General Partnership	Phoenix (USA)	-	100	Abeinsa EPC LLC/ Abener Construction Services LLC / Teyma Construction USA, LLC	-	(1)	-
Abeinsa Management, S.L. Asset	Seville (ES)	24,421	100	Abener Energía, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa BD Asia Pacific Pte. Ltd.	Singapur (SG)	66	100	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development (Pty) Ltd.	Johannesburgo (ZA)	0	100	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development GmbH	Berlin (DE)	25	100	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development Private Limited	Mumbai (IN)	3,629	100	Abeinsa Business Development, S.A. /Negocios Industriales y Comerciales, S.A.	-	(1)	B
Abeinsa Business Development S.A.C.	Lima (PE)	0	100	Abeinsa Business Development, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa Business Development S.a.R.L./A.U	Casablanca (MA)	0	100	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development, LLC	Missouri (US)	256,863	100	Abeinsa, LLC.	-	(1)	-
Abeinsa Business Development, Ltd.	Seoul (KR)	70	100	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development, S.A.	Seville (ES)	608,633	100	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	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Developmet México, S.A. de C.V.	México D.F. (MX)	3	100	Abeinsa Business Development, S.A./ Negocios Industriales y Comerciales, S.A.	-	(1)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Abeinsa Engineering Private Limited	Mumbai (IN)	270	100	Abeinsa Engineering, S.L./ Abener Energía, S.A.	-	(1)	-
Abeinsa Engineering, Inc.	Arizona (US)	37	100	Abeinsa Engineering, S.L.	-	(1)	-
Abeinsa Engineering, S.A. de CV	México D.F. (MX)	875	100	Abeinsa Engineering, S.L./Abener Energía, S.A.	-	(1)	B
Abeinsa Engineering, S.L.	Seville (ES)	31,900	100	Abener Energía, S.A.	-	(1)	B
Abeinsa EPC Kaxu Pty Ltd.	Johannesburgo (ZA)	61,689	92	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería S.A.	-	(1)	B
Abeinsa EPC Khy Pty Ltd.	Johannesburgo (ZA)	71,662	92	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)	8,060	100	Abeinsa Ingeniería y Construcción Industrial S.A./ ASA Iberoamérica, S.L.	-	(1)	-
Abeinsa EPC South Africa (Pty) Ltd.	Cape Town (ZA)	0	100	Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abeinsa EPC Xina (Pty) Ltd.	Cape Town (ZA)	0	92	Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A./Abener Energía, S.A.	-	(1)	-
Abeinsa EPC, LLC.	Arizona (US)	53,896	100	Abeinsa, LLC.	-	(1)	-
Abeinsa EPC, S.A.	Seville (ES)	799	100	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	Abengoa US Holding, LLC.	-	(1)	-
Abeinsa Infraestructuras Medio Ambiente, S.A.	Seville (ES)	355,193	100	Abengoa Abenewco 1, S.A./Abeinsa Business Development, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	B
Abeinsa Inversiones Latam, S.L.	Seville (ES)	520,702	100	Asa Iberoamérica, S.L./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Abeinsa Is Gelstirme Limited Sirketi	Ankara (TR)	5	100	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Monterrey VI, S.A. de C.V.	México D.F. (MX)	2	100	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	Abeinsa, Ingeniería y Construcción Industrial, S.A./Abener México, S.A. de C.V.	-	(1)	-
Abeinsa Operation and Maintenance, S.A.	Seville (ES)	2,938	100	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)	592,802	100	Abengoa Abenewco 1, S.A./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	B
Abeinsa, LLC.	Delaware (US)	83,716	100	Abengoa North America, LLC	-	(1)	-
Abelec, S.A.	Santiago de Chile (CL)	2	99.99	Abengoa Chile, S.A./Abengoa Abenewco 1, S.A.	-	(2)	-
Abencor Brasil Ltda.	R. de Janeiro (BR)	0	100	Abencor Suministros, S.A./Abengoa Construção Brasil Ltda.	-	(1)	-
Abencor Colombia S.A.S.	Bogotá (CO)	8	100	Abencor Suministros S.A.	-	(1)	-
Abencor México, S.A. de C.V	México D.F. (MX)	3	100	Abencor Suministros, S.A./Abengoa México, S.A. de C.V.	-	(1)	-
Abencor Perú	Lima (PE)	176	99.98	Abencor Suministros S.A.	-	(1)	-
Abencor South Africa Pty Ltd	Upington (ZA)	0	100	Abencor Suministros, S.A.	-	(1)	-
Abencor Chile, S.A.	Santiago de Chile (CL)	1	100	Abencor Suministros, S.A / Abengoa Chile S.A.	-	(1)	-
Abencor Suministros S.A.	Seville (ES)	3,155	100	Negocios Industriales y Comerciales, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Abener Argelia	Seville (ES)	4	100	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abener Construction Services, LLC.	Missouri (US)	218,934	100	Abeinsa Business Development, LLC	-	(1)	-

Appendix I – Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Abener Energía, S.A.	Seville (ES)	756,702	100	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 (Marruecos)	3	100	Abener Energía, S.A.	-	(1)	-
Abener México, S.A. De C.V.	México D.F. (MX)	3	100	Abengoa México, S.A. de C.V./Abeinsa Business Development México, S.A. de C.V.	-	(1)	-
Abener North America Construction Services, Inc.	Delaware (US)	913	100	Abener Engineering & Construction Services, LLC.	-	(1)	-
Abener North America Construction, L.P.	Missouri (US)	92,018	100	Abener Construction Service, LLC /Abener North America Construction Services, Inc.	-	(1)	-
Abener Teyma Hugoton General Partnership	Missouri (US)	8	100	Teyma Construction USA LLC/Abener Construction Services, LLC.	-	(1)	-
Abener Teyma Mojave General Partnership	Missouri (US)	177,590	100	Teyma Construction USA, LLC/Abener North America Construction Services, L.P.	-	(1)	-
Abener, Abeinsa, for Construction, Water and Energy Company Limited	Riyadh (SA)	524	100	Abener Energía, S.A./ Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	C
Abengoa Abenewco 1, S.A.	Seville (ES)	2,553,490	100	Abengoa Abenewco 2, S.A.	-	(1)	B
Abengoa Abenewco 2, S.A.	Seville (ES)	1,290,843	100	Abengoa S.A.	-	(1)	B
Abengoa África Investments LLC	England	14	100	South Africa Solar Ventures, S. L.	-	(1)	C
Abengoa Bioenergía Agroindustria Ltda	Sao Paulo (BR)	504,908	100	Abengoa Bioenergía Brasil, S.A./Abengoa Bioenergía Santa Fe, Ltda.	-	(6)	-
Abengoa Bioenergía Brasil, S.A.	Sao Paulo (BR)	1,005,278	100	Asa Bioenergy Holding AG/Abengoa Bioenergía, S.A.	-	(6)	-
Abengoa Bioenergía Inovações Ltda.	Sao Paulo (BR)	322,676	100	ASA Bioenergy Holding, AG/ Abengoa Bioenergía Santa Fe, Ltda.	-	(6)	-
Abengoa Bioenergía Inversiones, S.A.	Seville (ES)	1,049,574	100	Abengoa Bioenergía, S.A./Abengoa Bioenergía Nuevas Tecnologías, S.A.	-	(6)	B
Abengoa Bioenergía Nuevas Tecnologías, S.A.	Seville (ES)	91,568	100	Abengoa Bioenergía, S.L./Instalaciones Inabensa, S.A.	-	(6)	B
Abengoa Bioenergía Santa Fe, Ltda.	Sao Paulo (BR)	301	100	Abengoa Bioenergía Brasil, S.A./Abengoa Bioenergía Trading Brasil Ltda.	-	(6)	-
Abengoa Bioenergía Trading Brasil Ltda	Sao Paulo (BR)	0	100	Abengoa Bioenergía Brasil, S.A./Abengoa Bioenergía Agroindustria, Ltda.	-	(6)	-
Abengoa Bioenergía, S.A.	Seville (ES)	206,797	100	Abengoa Abenewco 1, S.A./Sociedad Inversora Energía y Medio Ambiente, S.A.	-	(6)	B
Abengoa Bioenergía Biomass of Kansas, LLC.	Kansas (US)	566,434	100	Abengoa Bioenergy Hybrid of Kansas, LLC.	-	(6)	-
Abengoa Bioenergy Germany, GmbH	Rostock (DE)	11,859	100	Abengoa Bioenergía Inversiones, S.A.	-	(6)	-
Abengoa Bioenergy New Technologies, LLC.	Missouri (US)	758	100	Abengoa Bioenergy Technology Holding, LLC.	-	(6)	-
Abengoa Bioenergy UK Limited	Cardiff (UK)	14,503	100	Abengoa Bioenergía Inversiones, S.A.	-	(6)	-
Abengoa Brasil Logística Ltda.	Rio de Janeiro (BR)	25,416	100	Abengoa Construção Brasil, Ltda./Inabensa Rio Ltda	-	(1)	-
Abengoa Chile, S.A.	Santiago de Chile (CL)	21,980	100	Abeinsa Inversiones Latam, S.L./Teyma Abengoa, S.A.	-	(1)	B
Abengoa Cogeneração de Energia II, S.A.	Rio de Janeiro (BR)	0	100	Abengoa Construção Brasil, Ltda./Abengoa Concessões Brasil Holding, S.A.	-	(2)	-
Abengoa Cogeneração de Energia, S.A.	Rio de Janeiro (BR)	0	100	Abengoa Construção Brasil, Ltda./Abengoa Concessões Brasil Holding, S.A.	-	(2)	-
Abengoa Colombia, S.A.S.	Bogotá (CO)	1,931	100	Abengoa Perú, S.A./Abener Energía, S.A./Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Abengoa Concessions Investments Ltd.	Leeds (GB)	646,669	100	Abengoa Concessions, S.L./ Abengoa Solar, S.A.	-	(1)	B
Abengoa Concessions Investments, S.a.r.l.	Luxembourg (LU)	13	100	Abengoa Concessions, S.L.	-	(1)	-
Abengoa Concessions, S.L.	Seville (ES)	3	100	Abengoa Abenewco 1, S.A./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	-
Abengoa Concessões Brasil Holding, S.A.	Rio de Janeiro (BR)	703,255	100	Abengoa Construção Brasil, Ltda / Sociedad Inversora de Lineas de Brasil, S.L/ Abengoa Yield Plc	-	(2)	C
Abengoa Construção Brasil, Ltda.	Rio de Janeiro (BR)	426,583	100	Abeansa Brasil, S.A./Sociedad Inversora de Lineas de Brasil, S.L.	-	(1)	C
Abengoa Desalination Pilot Plants, Ltd.	Masdar (AE)	30	100	Abengoa Water, S.L.	-	(1)	-
Abengoa ECA Finance LLP	Leeds (GB)	-	100	Abenewco 1, S.A.U./Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	-
Abengoa Energía Atacama CSP, S.L.U.	Seville (ES)	3	100	Abengoa Energía S.A.	(*)	-	-
Abengoa Energy Crops Australia Pty Ltd	Perth (AU)	-	100	Abengoa Energy Crops, S.A.	-	(1)	-
Abengoa Energy Crops Biomass USA, LLC	Florida (US)	214	100	Abengoa Energy Crops USA, LLC	-	(1)	-
Abengoa Energy Crops Biomassa, S.A.	Rio de Janeiro (BR)	0	99.80	Abengoa Energy Crops, S.A.	-	(1)	-
Abengoa Energy Crops Pellet 1 USA, LLC	Florida (US)	8	100	Abengoa Energy Crops Biomass USA, LLC	-	(1)	-
Abengoa Energy Crops USA, LLC	Florida (US)	213	100	Abengoa Energy Crops, S.A.	-	(1)	-
Abengoa Energy Crops, S.A.	Seville (ES)	64	100	Abengoa Abenewco 1, S.A./ Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	-
Abengoa Energy Trading Chile SpA	Santiago de Chile (CL)	14	100	Abengoa Chile, S.A.	-	(1)	-
Abengoa Finance, S.A.	Seville (ES)	60	100	Abengoa Abenewco 1, S.A.	-	(1)	-
Abengoa Greenbridge, S.A.U.	Seville (ES)	311,599	100	Abengoa Abenewco 1, S.A.	-	(1)	-
Abengoa Greenfield Brasil Holding, S.A.	Rio de Janeiro (BR)	883,137	100	Abengoa Construção Ltda. / Sociedad Inversora Lineas de Brasil, S.L	-	(1)	-
Abengoa Greenfield Perú, S.A.	Lima (PE)	0	99.80	Abengoa Perú, S.A.	-	(1)	-
Abengoa Greenfield S.A.U.	Seville (ES)	60	100	Abengoa Abenewco 1, S.A.	-	(1)	-
Abengoa Infraestructura, S.A.	Rio de Janeiro (BR)	0	100	Abengoa Construção Brasil Ltda.	-	(1)	-
Abengoa Innovación S.A.	Seville (ES)	43,746	100	Abeinsa Ingeniería y Construcción Industrial, S.A./ Instalaciones Inabensa, S.A.	-	(1)	B
Abengoa México O&M, S.A. de C.V.	México D.F. (MX)	2	100	Abeinsa Operation and Maintenance, S.A./ Abengoa México, S.A. de CV	-	(1)	C
Abengoa México, S.A. de CV	México D.F. (MX)	221,890	100	Abeinsa Inversiones Latam, S.L./Asa Iberoamérica, S.L.	-	(1)	B
Abengoa Perú, S.A.	Lima (PE)	113,729	99.99	Abeinsa Inversiones Latam, S.L.	-	(1)	B
Abengoa Puerto Rico, S.E.	San Juan (PR)	52,692	100	Siema Investment, S.L./Abencor Suministros, S.A.	-	(1)	-
Abengoa PW I Investments, S.L.	Seville (ES)	3	100	Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abengoa PW II Investments, S.L.	Seville (ES)	3	100	Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abengoa Research, S.L.	Seville (ES)	4,796	100	Abengoa Abenewco 1, S.A./Instalaciones Inabensa, S.A.	-	(1)	C
Abengoa SeaPower, S.A.	Seville (ES)	60	100	Abeinsa Ingeniería y Construcción Industrial, S.A./Instalaciones Inabensa, S.A.	-	(1)	-

Appendix I – Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Abengoa Servicios Industriales, S.A. de C.V.	México D.F. (MX)	2,017	100	Abengoa México, S.A. de C.V./Asa Iberoamérica, S.L.	-	(1)	C
Abengoa Servicios, S.A. De C.V.	México D.F. (MX)	968	100	Abengoa México, S.A. de C.V./Servicios Aux. de Admon., S.A	-	(1)	C
Abengoa Solar Brasil Desenvolvidimentos Solares Ltda.	Rio de Janeiro (BR)	1,050	100	Abengoa Solar Internacional, S.A./Abengoa Solar España, S.A.	-	(1)	-
Abengoa Solar Chile O&M Spa	Santiago de Chile (CL)	2	100	Abengoa Chile, S.A./Abengoa Operation and Maintenance, S.A.	-	(1)	-
Abengoa Solar Chile, Spa	Santiago de Chile (CL)	352,229	100	Abengoa Solar Internacional, S.A.	-	(1)	-
Abengoa Solar Engineering (Beijing), Co. Ltd.	Beijing (CN)	103	100	Abengoa Solar, S.A.	-	(3)	-
Abengoa Solar España, S.A.	Seville (ES)	361,214	100	Abengoa Solar, S.A./Abengoa Solar New Technologies, S.A.	-	(1)	B
Abengoa Solar Extremadura, S.A.	Cáceres (ES)	60	100	Abengoa Solar España, S.A./Abengoa Solar New Technologies, S.A.	-	(3)	-
Abengoa Solar Holdings Inc.	Dover (USA)	174,669	100	Abengoa US Holding, LLC	-	(1)	-
Abengoa Solar India Private Limited	Maharashtra (IN)	1,978	100	Abengoa Solar Internacional, S.A./ Abengoa Solar, S.A.	-	(1)	C
Abengoa Solar Industrial Systems, LLC	Brooklyn Center (USA)	4,608	100	Abengoa Solar, LLC.	-	(1)	-
Abengoa Solar Internacional, S.A.	Seville (ES)	12,501	100	Abengoa Solar, S.A./ Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar Investments 2 Ltd	Cardiff (UK)	1	100	Africa Solar Investments 2 LLC	-	(1)	C
Abengoa Solar México S.A. de C.V.	México D.F. (MX)	595	100	Abengoa Solar Internacional, S.A./Abengoa Solar España, S.A.	-	(1)	-
Abengoa Solar Middle East Holding, S.L.	Seville (ES)	-	100	Abengoa Solar Internacional, S.A / Abengoa Solar España, S.A.	-	(1)	-
Abengoa Solar New Technologies, S.A.	Seville (ES)	20,017	100	Abengoa Solar, S.A./ Abengoa Solar España, S.A.	-	(1)	B
Abengoa Solar Power Arabia LLC	Riade (Arabia Saudi)	244	100	Abengoa Solar, S.A./ Abengoa Solar New Technologies, S.A.	-	(3)	C
Abengoa Solar Power South Africa (Pty) Ltd.	Cape Town (ZA)	1,242	100	Abengoa Solar Internacional, S.A.	-	(3)	B
Abengoa Solar Power, S.A.	Seville (ES)	250	100	Abengoa Solar, S.A./Abengoa Solar España, S.A.	-	(3)	-
Abengoa Solar Ventures S.A.	Seville (ES)	26,660	100	Abengoa Solar, S.A./ Abengoa Solar España, S.A.	-	(1)	-
Abengoa Solar, LLC	Dover (USA)	82,768	100	Abengoa North America, LLC	-	(1)	-
Abengoa Solar, S.A.	Seville (ES)	73,521	100	Abengoa Abenevco 1, S.A./Abengoa Solar España, S.A.	-	(1)	B
Abengoa SP Holdings, LLC	Dover (USA)	25,560	100	Abengoa Solar, LLC.	-	(1)	-
Abengoa Transmission & Infrastructure ULLC	Vancouver (CA)	-	100	Abengoa Transmission & Infrastructure, LLC	-	(1)	-
Abengoa Transmission & Infrastructure, LLC	Delaware (US)	23,441	100	Abeinsa, LLC.	-	(1)	-
Abengoa US Holding, LLC	Washington (US)	1,072,721	100	Abengoa Bioenergía, S.A./ Abengoa Solar, S.A./Abeinsa, Ingeniería y Construcción Industrial, S.A., S.A./Abengoa Water, S.L.U.	-	(1)	-
Abengoa US Operations, LLC	Washington (US)	284,270	100	Abengoa US, LLC	-	(1)	-
Abengoa US, LLC	Washington (US)	1,164,733	100	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)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Abengoa Water Agadir, S.L.U.	Seville (ES)	2,734	100	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Beijing Co., Ltd.	Pekin (CN)	65	100	Abengoa Water, S.L.	-	(4)	-
Abengoa Water Chile, Limitada	Santiago de Chile (CL)	-	100	Abengoa Water, S.L./Abengoa Water International, S.L.	-	(4)	-
Abengoa Water Dalian, S.L.U.	Seville (ES)	33	100	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Holding USA, Inc.	Delaware (US)	5,072	100	Abengoa US Holding, LLC	-	(4)	-
Abengoa Water Internacional, S.L.U.	Seville (ES)	6	100	Abengoa Water, S.L./Abengoa Operation and Maintenance, S.A.	-	(1)	-
Abengoa Water Investments Ghana, BV	Amsterdam (NL)	5,804	100	Abengoa Water Nungua, S.L.U.	-	(1)	-
Abengoa Water Investments Takoradi Bv	Amsterdam (NL)	15	100	Abengoa Water Takoradi, S.L.U.	-	(1)	-
Abengoa Water Nungua, S.L.U.	Seville (ES)	5,586	100	Abengoa Water, S.L.U.	-	(1)	-
Abengoa Water Taiwan, S.L.U.	Seville (ES)	16	100	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Takoradi, S.L.U.	Seville (ES)	13	100	Abengoa Water, S.L.	-	(1)	-
Abengoa Water USA, LLC.	Texas (US)	3,129	100	Abengoa North America, LLC	-	(1)	-
Abengoa Water, S.L.	Seville (ES)	185,162	100	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	B
Abengoa Yield S.à.r.l.	Luxembourg (LU)	13	100	Abengoa Concessions Investments, S.à.r.l.	-	(1)	-
Abent 3T, S.A.P.I. de C.V.	México D.F. (MX)	13,189	100	A3T LuxCo 1 S.A	-	(5)	B
Abenta Concessões Brasil	Rio de Janeiro (BR)	2	95.84	Abengoa Concessões Brasil Holding, S.A.	-	(2)	-
Abenta Construção Brasil Ltda	Rio de Janeiro (BR)	13,071	100	Inabensa Rio, Ltda./Abengoa Construção Brasil, Ltda.	-	(1)	-
Abentel Telecomunicaciones, S.A.	Seville (ES)	11,818	100	Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Abentey Brasil, Ltda.	Pirassununga (BR)	57	100	Abener Energía, S.A./Teyma Internacional, S.A.	-	(1)	-
Aboadze Desalination Developments, Limited	Accra (GH)	-	90	Abengoa Water Investments Takoradi, Bv	-	(4)	-
Abratey Construção, Ltda.	Rio de Janeiro (BR)	0	100	Abengoa Construção Brasil, Ltda. / Teyma Internacional S.A.	-	(1)	-
ACC 4T, S.A.P.I. de C.V.	México D.F. (MX)	2	100	Abengoa México, S.A. de C.V/ Servicios Auxiliares de Administración, S.A. de C.V.	-	(5)	C
ACIL Luxco 1, S.A.	Luxembourg (LU)	886,166	100	ACIL Luxco 2, S.A.	(*)	-	-
ACIL Luxco 2, S.A.	Luxembourg (LU)	597,785	100	Abengoa Concessions Investments Ltd.	(*)	-	-
Africa Solar Investments 2 LLC	Dover (USA)	1	100	Abengoa Solar LLC	-	(1)	-
Alsiraj I Solar, JSC	Giza (EGP)	-	100	Abengoa Solar Egypt Investment Company B.V./ Abengoa Solar Internacional, S.A / Abengoa Solar España, S.A.	-	(3)	-
Aman El Baraka S.A.	Agadir (Marruecos)	164	100	Abengoa Water Internacional, S.L.U./Abengoa, S.A.	(*)	-	-
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	2,211	98	Abeinsa Asset Management, S.L.	-	(5)	-
Asa Bioenergy Holding, AG	Zug (SZ)	430,749	100	Abengoa Bioenergía, S.A.	-	(6)	-
Asa Desulfuración, S.A.	Vizcaya (España)	44,611	100	Siema Investment, S.L.U./Sociedad Inversora en Energía y Medioambiente, S.A.	-	(1)	-

Appendix I – Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Asa E.& E.H., AG	Zug (SZ)	81	100	Sociedad Inversora Energía y Medio Ambiente, S.A.	-	(1)	-
Asa Iberoamérica, S.L.	Seville (ES)	423,225	100	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)	374	100	Abeinsa Inversiones Latam, S.L./Teyma Abengoa, S.A.	-	(1)	-
Asa Investment AG, ZUG	Zug (SZ)	69,950	100	Abeinsa Inversiones Latam, S.L.	-	(1)	-
ASA Investment Brasil Ltda	Rio de Janeiro (BR)	803	100	Abeanza Brasil, S.A./Abengoa Construção Brasil, Ltda.	-	(1)	-
ASI Operations LLC	Delaware (US)	776	100	Abengoa Solar, LLC.	-	(1)	-
ATE VI Campos Novos Transmissora de Energia S.A	Rio de Janeiro (BR)	33,615	100	Abengoa Concessões Brasil Holding, S.A./Abengoa Construção Brasil, Ltda.	-	(2)	C
ATE VII- Foz do Iguaçu Transmissora de Energia, S.A.	Rio de Janeiro (BR)	21,269	100	Abengoa Concessões Brasil Holding, S.A./Abengoa Construção Brasil, Ltda.	-	(2)	C
ATE X Abengoa Brasil Administração Predial Ltda	Rio de Janeiro (BR)	5,115	100	Abengoa Construção Brasil, Ltda./Abengoa Concessões Brasil Holding, S.A.	-	(1)	-
ATE XI, Manaus Transmissora de Energia	Rio de Janeiro (BR)	159,342	50.50	Abengoa Concessões Brasil Holding, S.A.	-	(2)	C
ATE XIII, Norte Brasil Transmissora de Energia S.A	Rio de Janeiro (BR)	216,293	51	Abengoa Concessões Brasil Holding, S.A.	-	(2)	C
ATE XIX Transmissora de Energia S.A.	Rio de Janeiro (BR)	72,540	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	368,732	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XVII Transmissora de Energia S.A.	Rio de Janeiro (BR)	90,486	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	46,354	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XX Transmissora de Energia S.A.	Rio de Janeiro (BR)	59,847	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXI Transmissora de Energia S.A.	Rio de Janeiro (BR)	239,424	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXII Transmissora de Energia S.A.	Rio de Janeiro (BR)	76,778	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	112,315	100	Abengoa Construção Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXIV Transmissora de Energia S.A.	Rio de Janeiro (BR)	60,350	100	Abengoa Greenfield Brasil Holding, S.A./ Abengoa Construção Brasil, Ltda.	-	(2)	-
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	0	100	Abengoa Construção Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVII Transmissora de Energia S.A.	Rio de Janeiro (BR)	0	100	Abengoa Construção Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	0	100	Abengoa Construção Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATN 1, S.A.	Lima (PE)	51	100	Abengoa Perú, S.A.	-	(2)	-
ATN 3, S.A.	Lima (PE)	11,654	100	Abengoa Perú, S.A./ Abengoa Greenfield Perú, S.A.	-	(2)	-
Aurorex, S.A.	Montevideo (UY)	341	100	Balofix, S.A.	-	(1)	-
Balofix, S.A.	Montevideo (UY)	1,428	100	Abengoa Energy Crops, S.A.	-	(1)	-
Befesa Agua Tenes S.L.	Seville (ES)	19,524	100	Abengoa Water S.L.	-	(4)	-
Befesa CTA Qingdao S.L.U	Madrid (ES)	5,365	100	Abengoa Water, S.L.	-	(4)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Befesa Desalination Developments Ghana Limited	Accra (GH)	5,317	56	Abengoa Water Investment Ghana BV	-	(4)	B
Beijing Abeinsa Management Consulting Co., Ltd.	Pekín (CN)	150	100	Abeinsa Business Development, S.A.	-	(1)	-
Casaquemada Fotovoltaica, S.L.	Seville (ES)	2,936	100	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	-
Centro Morelos 264 S.A. de C.V	México D.F. (MX)	10,632	100	Abener Energía S.A./ Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A./ Servicios Auxiliares de Administración S.A.	-	(1)	C
Centro Tecnológico Palmas Altas, S.A.	Seville (ES)	12,899	100	Abengoa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Cogeneración Villaricos, S.A.	Seville (ES)	5,951	99.20	Abenasa Asset Management, S.L.	-	(5)	-
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	México D.F. (MX)	23,857	100	Abengoa México, S.A.C.V./Abeinsa Infraestructuras Medio Ambiente, S.A./Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(4)	C
Construcciones Metalicas Mexicanas, S.A. de C.V. (Comensa)	Querétaro (MX)	18,925	100	Europea Const. Metalicas, S.A./Abengoa México, S.A. de C.V.	-	(1)	B
Construcciones y Depuraciones, S.A.	Seville (ES)	7,938	100	Abenasa Infraestructuras Medio Ambiente, S.A.	-	(1)	-
Construtora Integração Ltda	Rio de Janeiro (BR)	0	51	Abengoa Construção Brasil, Ltda.	-	(1)	C
Consultora de Servicios y Proyectos Centro Norte, S.A. de C.V.	Guadalajara (México)	-	100	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	Abengoa Solar España, S.A.	-	(3)	-
Copero Solar Huerta Dos, S.A.	Seville (ES)	92	50	Abengoa Solar España, S.A.	-	(3)	-
Copero Solar Huerta Tres, S.A.	Seville (ES)	94	50	Abengoa Solar España, S.A.	-	(3)	-
Copero Solar Huerta Cuatro, S.A.	Seville (ES)	88	50	Abengoa Solar España, S.A.	-	(3)	-
Copero Solar Huerta Cinco, S.A.	Seville (ES)	87	50	Abengoa Solar España, S.A.	-	(3)	-
Copero Solar Huerta Seis, S.A.	Seville (ES)	83	50	Abengoa Solar España, S.A.	-	(3)	-
Copero Solar Huerta Siete, S.A.	Seville (ES)	83	50	Abengoa Solar España, S.A.	-	(3)	-
Copero Solar Huerta Ocho, S.A.	Seville (ES)	81	50	Abengoa Solar España, S.A.	-	(3)	-
Copero Solar Huerta Nueve, S.A.	Seville (ES)	42	50	Abengoa Solar España, S.A.	-	(3)	-
Copero Solar Huerta Diez, S.A.	Seville (ES)	32	50	Abengoa Solar España, S.A.	-	(3)	-
CSP Atacama Dos, S.A	Santiago de Chile (CL)	42,338	100	Abengoa Chile, S.A./Abengoa Solar Chile, SpA	-	(3)	-
CSP Equity Investment S.a.r.l.	Luxembourg (LU)	110,012	100	Abengoa Solar España, S.A.	-	(1)	-
Dalian Xizhong Island Desalination Co., Ltd	Dalian (CN)	117	70	Abengoa Water Dalian, S.L.U.	-	(4)	-
Denizli Water Treatment Limited Sirketi	Ankara (TR)	3	100	Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A./ Abeinsa Infraestructuras Medio Ambiente, S.A./ Abengoa Perú, S.A.	-	(1)	-
Desarrolladora de Energia Renovable, S.A.P.I. de C.V	México D.F. (MX)	0	100	Abengoa México, S.A. de C.V. /Servicios Auxiliares de Administración, S.A. De C.V.	-	(1)	-

Appendix I – Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Development NEA, Ltd.	Tel Aviv (IL)	-	100	NEA Solar Development, S.A.	-	(1)	B
DGEN Transmission Company, Ltd.	Delhi (IN)	1,495	100	Instalaciones Inabensa, S.A.	-	(2)	-
Energoprojekt-Gliwice S.A.	Gliwice (PL)	9,895	100	Abener Energía, S.A.	-	(1)	-
Enertey, S.A.	Montevideo (UY)	2,392	100	Teyma Sociedad de Inversión, S.A.	-	(1)	-
Enicar Chile, SA	Santiago de Chile (CL)	12	100	Abengoa Chile, S.A.	-	(2)	-
Europa Desenvolvements Solares Ltda.	Rio de Janeiro (BR)	3	100	Abengoa Solar Brasil Desenvolvements Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(3)	-
Europea de Construcciones Metalicas, S.A. (Eucomsa)	Seville (ES)	11,988	100	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Solar, S.A.	-	(1)	B
Faritel, S.A.	Montevideo (UY)	14	100	Teyma Forestal, S.A.	-	(1)	-
GES Investment C.V.	Amsterdam (NL)	23	92	Abeinsa Inversiones Latam, S.L.	-	(1)	-
Gestión Integral de Recursos Humanos, S.A.	Seville (ES)	177	100	Siema Technologies / Soc. Inver. en Energ. y M. Amb., S.A. (Siema)	-	(1)	B
Giomper, S.A.	Montevideo (UY)	306	100	Instalaciones Inabensa, S.A./ Enertey, S.A.	-	(1)	-
Inabensa Bharat Private Limited	New Delhi (IN)	12,110	100	Europea Const. Metalicas, S.A./Instalaciones Inabensa, S.A./Abener Energía, S.A.	-	(1)	-
Inabensa Fotovoltaica, S.L.	Seville (ES)	3	100	Instalaciones Inabensa, S.A./Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Inabensa France, S.A.	Vitrolles (Francia)	550	100	Instalaciones Inabensa, S.A.	-	(1)	B
Inabensa Limited	Leeds (GB)	-	100	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa Maroc, S.A.R.L.	Tánger (MA)	6,723	100	Instalaciones Inabensa, S.A.	-	(1)	A
Inabensa Pty Ltd	Sandton (SUD)	0	100	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa Rio Ltda	Rio de Janeiro (BR)	13,117	100	Abeanza Brasil, S.A./Abengoa Construção Brasil, Ltda.	-	(1)	-
Inabensa Saudi Company Limited	Jeddah (SAI)	17,368	100	Instalaciones Inabensa, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	C
Inabensa Ukraine, LLC	Kiev (UA)	15	100	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa, LLC	Ruwi (OM)	9,174	70	Instalaciones Inabensa, S.A.	-	(1)	B
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	Huesca (ES)	4,007	95	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(4)	-
Iniciativas Hidroeléctricas, S.A.	Seville (ES)	1,226	50	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(4)	C
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	0	100	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	0	100	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	0	100	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Insaat Enerji Sanayi ve Ticaret Ltd Sirketi	Ankara (TR)	2,535	100	Abeinsa, Ingeniería y Construcción Industrial, S.A./ Instalaciones Inabensa, S.A.	-	(1)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Instalaciones Inabensa, Ltda.	Rio de Janeiro (BR)	2,884	100	Zeroemissions Technologies, S.A./Zeroemissions Carbon Trust, S.A./ Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Inabensa, S.A.	Seville (ES)	114,215	100	Nicsa/Abener Energía, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Inversora Enicar S.A.	Santiago de Chile (CL)	1,829	100	Abengoa Chile, S.A.	-	(2)	-
Junertil S.A.	Montevideo (UY)	3	100	Enertey, S.A.	-	(1)	-
Kai Garib BEE Holding (Pty) Ltd	Cape Town (ZA)	-	100	Kai Garib Investments	-	(1)	-
Kai Garib EPC Holding (Pty) Ltd	Cape Town (ZA)	-	100	Khunab Investments	-	(1)	-
Kai Garib Investments (Pty) Ltd	Cape Town (ZA)	6	100	Abengoa Solar Investments 2 LLC	-	(1)	-
Kai Garib O&M (Pty) Ltd	Cape Town (ZA)	-	100	Abengoa Solar Power South Africa(Pty) Ltd	-	(1)	-
Kai Garib Solar (Pty) Ltd	Cape Town (ZA)	-	100	Kai Garib Investments (Pty) Ltd	-	(1)	-
Kaxu CSP O&M Company (Pty) Limited	Cape Town (ZA)	0	92	Abengoa Solar Power South Africa (Pty) Ltd.	-	(3)	B
Kaxu CSP South Africa (Proprietary) Limited	Cape Town (ZA)	1,202	51	Solar Power PV South Africa (Pty) Ltd.	-	(3)	-
Khi CSP O&M Company (Pty) Limited	Cape Town (ZA)	-	92	Abengoa Solar Power South Africa (Pty) Ltd.	-	(3)	B
Khi CSP South Africa (Proprietary) Limited	Cape Town (ZA)	721	51	Solar Power PV South Africa (Pty) Ltd.	-	(3)	B
Khi Solar One (Pty) Ltd.	Gauteng (Sudafrica)	21,881	51	Son Rivieren (Pty) Limited [L23] (51% / IDC (49%))	-	(3)	B
Khunab Investments (Pty) Ltd	Cape Town (ZA)	6	100	Abengoa Africa Investment LLC	-	(1)	-
Khunab O&M (Pty) Ltd	Cape Town (ZA)	-	100	Abengoa Solar Power South Africa(Pty) Ltd	-	(1)	-
Khunab Solar (Pty) Ltd	Cape Town (ZA)	-	100	Khunab Investments (Pty) Ltd	-	(1)	-
Klitten, S.A.	Montevideo (UY)	13	100	Teyma Uruguay S.A.	-	(1)	-
Las Cabezas Fotovoltaica, S.L.	Seville (ES)	8,164	100	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	-
Latifox, S.A.	Montevideo (UY)	2	100	Enertey, S.A.	-	(1)	-
Linare Fotovoltaica, S.L.	Seville (ES)	3,271	100	Abengoa Solar España, S.A./Abengoa Solar, S.A.	-	(3)	-
Londrina Transmissora De Energia, S.A.	Rio de Janeiro (BR)	32,353	100	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construção Brasil, Ltda.	-	(2)	C
Mallorca Desenvolvements Solares Ltda.	Rio de Janeiro (BR)	2	100	Abengoa Solar Brasil Desenvolvements Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(3)	-
Manaus Constructora Ltda	Rio de Janeiro (BR)	0	51	Abengoa Construção Brasil, Ltda.	-	(1)	C
Marudhara Akshay Urja Private Limited	Maharashtra (IN)	33	100	Abengoa Solar India Private Limited/Abengoa Solar Internacional, S.A.	-	(3)	-
Marusthal Green Power Private Limited	Maharashtra (IN)	33	100	Abengoa Solar India Private Limited/Abengoa Solar Internacional, S.A.	-	(3)	-
McTaggart Infracore 1(Pty) Ltd	Cape Town (ZA)	-	100	Solar Power PV South Africa Pty Ltd	-	(1)	-
NEA Solar Development, S.A.	Seville (ES)	5,530	100	Abengoa Solar, S.A./Abengoa Solar España, S.A.	-	(1)	-
NEA Solar Investments, LLC.	Dover (USA)	-	100	Abengoa Solar LLC.	-	(1)	-
NEA Solar O&M Holdings LLC	Dover (USA)	-	100	Abengoa Solar, LLC	-	(1)	-
NEA Solar Operation and Maintenance, Ltd	Tel Aviv (IL)	-	100	NEA Solar O&M Holdings, LLC.	-	(1)	-

Appendix I – Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
NEA Solar Power, Ltd.	Tel Aviv (IL)	-	100	NEA Solar Investments, LLC	-	(1)	B
Negocios Industriales y Comerciales, S.A. (Nicsa)	Madrid (ES)	964	100	Abencor, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Nicsa Chile, SpA.	Santiago de Chile (CL)	1	100	Nicsa Perú, S.A.	-	(1)	-
Nicsa Colombia, SAS	Bogotá (CO)	1	100	Negocios Industriales y Comerciales, S.A. (Nicsa)	-	(1)	-
Nicsa Fornecimiento de Materiales Eléctricos, Ltda.	Rio de Janeiro (BR)	5,152	100	Abeinsa Ingeniería y Construcción Industrial, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Nicsa Industrial Supplies South Africa (Pty) Ltd.	Upington (ZA)	0	100	Negocios Industriales y Comerciales, S.A. (Nicsa)	-	(1)	-
Nicsa Perú, S.A.	Lima (PE)	573	100	Negocios Industriales y Comerciales, S.A./Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Nicsamex, S.A. de C.V.	México D.F. (MX)	240	100	Negocios Industriales y Comerciales, S.A./Abengoa México, S.A. de C.V.	-	(1)	B
Omega Chile SpA	Santiago de Chile (CL)	2	100	Omega Sudamérica, S.L.	-	(1)	-
OMEGA Operação e Manutenção de Linhas de Transmissão, S.A.	Rio de Janeiro (BR)	175	100	Omega Sudamérica, S.L./Abengoa Construção Brasil, Ltda.	-	(1)	-
Omega Perú Operación y Mantenimiento S.A.	Lima (PE)	77	100	Abengoa Perú S.A./Omega Sudamérica S.L.	-	(1)	B
Omega Sudamérica, S.L.	Seville (ES)	3	100	Instalaciones Inabensa, S.A./ASA Iberoamérica S.A.	-	(1)	-
Operación y Mantenimiento Uruguay, S.A.	Montevideo (UY)	1,822	100	Teyma Uruguay S.A.	-	(5)	-
Presentel, S.A.	Montevideo (UY)	1	100	Abencor Suministros, S.A.	-	(1)	-
Procesos Ecológicos Carmona 1, S.A.	Seville (ES)	63	100	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Carmona 2, S.A.	Seville (ES)	90	100	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Carmona 3, S.A.	Seville (ES)	60	100	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Lorca 1, S.A.	Seville (ES)	180	100	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Vilches, S.A.	Seville (ES)	1,299	100	Abeinsa Infraestructuras Medio Ambiente, S.A./Procesos Ecológicos, S.A.	-	(5)	-
Procesos Ecológicos, S.A.	Seville (ES)	657	50	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	-
Promotora Serabén de Servicios Corporativos, S.A. de C.V.	México D.F. (MX)	2	100	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)	-
Rajasthan Photon Energy Pvt Ltd	Maharashtra (IN)	33	100	Abengoa Solar India Private Limited/Abengoa Solar Internacional, S.A.	-	(3)	-
Sao Mateus Transmissora de Energia, Ltda.	Rio de Janeiro (BR)	47,588	76	Abengoa Concessoes Brasil Holding, S.A.	-	(2)	C
Servicios Administrativos Tabasco, S.A. de C.V.	Tabasco (MX)	-	100	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)	19,425	100	Abengoa México, S.A. de C.V.	-	(1)	C
Servicios Integrales de Mantenimiento y Operación, S.A. (Simosa)	Seville (ES)	1,558	100	Negocios Industriales y Comerciales, S.A./ Abengoa Abenewco 1, S.A.	-	(1)	C

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Siema Investment, S.L.U.	Seville (ES)	7,399	100	Siema Technologies, S.L.	-	(1)	-
Siema Technologies, S.L.	Seville (ES)	24,310	100	Abengoa Abenewco 1, S.A./ Sociedad Inversora en Energia y Medioambiente, S.A.	-	(1)	B
Simosa Brasil, S.A.	Rio de Janeiro (BR)	0	100	Abengoa Construção Brasil, Ltda./Inabensa Rio Ltda	-	(1)	-
Simosa I.T., S.A.	Seville (ES)	902	100	Abengoa Abenewco 1, S.A./Simosa, S.A.	-	(1)	B
Simosa IT Uruguay S.A.	Montevideo (UY)	2	100	Simosa IT, S.A.	-	(1)	-
Simosa IT US, LLC	Missouri (US)	1,035	100	Simosa IT, S.A.	-	(1)	-
Simosa UY S.A.	Montevideo (UY)	7,843	100	Teyma Uruguay, S.A.	-	(1)	-
Sistemas de Desarrollo Sustentables S.A. De C.V.	México D.F. (MX)	3,409	65	Abengoa Servicios Industriales, S.A./Abengoa México, S.A. de CV	-	(1)	B
Sociedad Inversora en Energia y Medioambiente, S.A. (Siema)	Seville (ES)	93,008	100	Abengoa Abenewco 1, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Sociedad Inversora Lineas de Brasil, S.L. (ETVE)	Seville (ES)	139,535	100	Asa Iberoamérica, S.L.	-	(1)	B
Société d'Eau Dessalée d'Agadir (SEDA)	Agadir (MA)	2,710	51	Abengoa Water Agadir, S.L.U.	-	(4)	-
Solar Power Plant One	Argel (DZ)	42,111	51	Abener Energia, S.A.	-	(3)	C
Solar Power PV South Africa (Pty) Ltd.	Gauteng (ZA)	173	100	Abengoa Solar Internacional, S.A.	-	(3)	B
Solargate Electricidad Cuatro, S.A.	Seville (ES)	1,408	100	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Solargate Electricidad Tres, S.A.	Seville (ES)	2,143	100	Abengoa Solar España, S.A./Abengoa Solar NT, S.A.	-	(3)	-
Son Rivieren (Pty) Limited	Cape Town (ZA)	549	100	South Africa Solar Investment, S.L.	-	(1)	B
South Africa Solar Investments, S.L.	Seville (ES)	104,837	100	Abengoa Solar Internacional, S.A./ Abengoa Solar, S.A.	-	(1)	B
South Africa Solar Ventures, S.L.	Seville (ES)	50	100	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	Abengoa México, S.A. de C.V./Abengoa Abenewco 1, S.A.	-	(1)	-
Tairol, S.A.	Montevideo (UY)	-	100	Talentir, S.A.	-	(1)	-
Talentir, S.A.	Montevideo (UY)	3	100	Enertey, S.A./ Instalaciones Inabensa, S.A.	-	(1)	-
Tarefix S.A.	Delaware (US)	1	92	Abeinsa Inversiones Latam, S.L.	-	(1)	-
Tenes Lylmyah	Dely Ibrahim (DZ)	19,803	51	Befesa Aguas Tenes, S.L.	-	(4)	-
Teyma Abengoa, S.A.	Buenos Aires (AR)	9,831	100	Abeinsa Inversiones Latam, S.L./Asa Iberoamérica, S.L./Abengoa Abenewco 1, S.A.	-	(1)	B
Teyma Construction USA, LLC.	Arizona (US)	151,558	100	Abeinsa, LLC.	-	(1)	-
Teyma Forestal, S.A.	Montevideo (UY)	5,740	100	Teyma Sociedad de Inversión, S.A.	-	(1)	B
Teyma Gestión Ambiental, S.A.	Montevideo (UY)	15	100	Teyma Medioambiente, S.A.	-	(1)	-
Teyma India Private Limited	Mumbai (IN)	3,707	100	Teyma Gestión de Contratos de Construcción e Ingeniería, S.A. / Teyma Internacional S.A.	-	(1)	C

Appendix I – Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 9)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Teyma Internacional, S.A.	Montevideo (UY)	16	100	Teyma Sociedad de Inversión, S.A.	-	(1)	-
Teyma Medio Ambiente, S.A.	Montevideo (UY)	16	100	Teyma Sociedad de Inversión, S.A.	-	(1)	-
Teyma Paraguay, SA.	Asunción (PY)	-	100	Teyma Internacional, S.A.	-	(1)	-
Teyma Sociedad de Inversión, S.A.	Montevideo (UY)	15,833	100	Abeinsa Inversiones Latam, S.L.	-	(1)	B
Teyma South Africa (Pty) Ltd.	Uppington (ZA)	2,095	100	Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.	-	(1)	-
Teyma Uruguay ZF, S.A.	Montevideo (UY)	4,131	100	Teyma Uruguay, S.A.	-	(1)	-
Teyma Uruguay, S.A.	Montevideo (UY)	6,906	97	Teyma Sociedad de Inversión, S.A.	-	(1)	B
Teyma USA & Abener Engineering and Construction Services Partnership	Missouri (US)	131,418	100	Teyma Construction USA, LLC/Abener Construction Services, LLC.	-	(1)	-
Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	Seville (ES)	347,307	100	Abeinsa Ingeniería y Construcción Industrial, S.A.	-	(1)	B
Transportadora Cuyana, S.A.	Buenos Aires (AR)	1	100	Teyma Abengoa, S.A./Abengoa Abenewco 1, S.A.	-	(1)	C
Transportadora del Norte, S.A.	Buenos Aires (AR)	1	100	Abengoa, S.A./Teyma Abengoa, S.A.	-	(1)	C
Transportadora Mar del Plata S.A.	Buenos Aires (AR)	3	70	Teyma Abengoa, S.A./ Abengoa Abenewco 1, S.A.	-	(1)	B
Transportadora Rio Coronda, S.A.	Buenos Aires (AR)	0	100	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	C
Transportadora Rio de la Plata, S.A.	Buenos Aires (AR)	0	100	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	-
Turbogenerador Madero 7, S.A. de C.V.	México D.F. (MX)	2	100	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)	10,388	85	Teyma Uruguay, S.A.	-	(5)	B
XiNa CSP South Africa (Pty) Ltd	Cape Town (ZA)	15,500	100	South Africa Solar Investments, S.L.	-	(1)	B
XiNa Operations and Maintenance Company (Pty) Ltd	Cape Town (ZA)	-	92	Abengoa Solar Power South Africa (Pty) Ltd.	-	(1)	-
Zero Emissions Technologies, S.A. (Zeroemissions)	Seville (ES)	60	100	Abeinsa Ingeniería y Construcción Industrial, S.A./Abengoa Innovación, S.A.	-	(1)	-
Zeroemissions (Beijing) Technology Consulting Service Co. Ltd	Beijing (CN)	100	100	Zero Emissions Technologies, S.A./Zeroemissions Carbon Trust, S.A.	-	(1)	-
Zeroemissions Carbon Trust, S.A.	Seville (ES)	125	100	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)	27,146	60	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 area: 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 2017 Consolidation Perimeter using the participation method

Company Name	Registered Address	Shareholding		Parent Company	(*)/(**)/(***)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Abeima Fisia Shuaibah LLC	Saudi Arabia	58	50	Abeinsa Infraestructuras Medio Ambiente, S.A.	(*)	(1)	-
Abengoa Vista Ridge, LLC. (SAW)	Texas (US)	16,339	20	Abengoa Water USA, LLC.	-	(5)	-
Agua y Gestión de Servicios Ambientales, S.A.	Seville (ES)	3,562	41.54	Abengoa Water, S.L.	-	(4)	-
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 Energia S.A. (lote Itacaiuna) (antes ATE XV)	Rio de Janeiro (Brazil)	10,079	50	Abengoa Concessoes Brasil Holding, S.A.	(**)	(2)	C
Atlantica Yield, Plc y filiales	Leeds (GB)	886,176	41.47	ACIL Luxco 1, S.A.	(***)	(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)	7,086	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)	5,294	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)	-
Consorcio Abengoa MPM S.A.	Santiago de Chile (Chile)	1	50	Abengoa Chile, S.A.	(*)	(1)	-
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	33.33	Helioenergy Electricidad Uno y Dos	(**)	(3)	-
Gran Establecimiento SA	Uruguay	2	33.33	Teyma Forestal	-	(1)	-
HZN Manutenção Hospitalar Ltda.	Manaus (Brazil)	0	33	Simosa Brasil, S.A.	-	(1)	-
Inapreu, S.A.	Barcelona (ES)	2,318	50	Instalaciones Inabensa, S.A.	(**)	(5)	B
Ledincor S.A.	Uruguay	669	49	Teyma Forestal, S.A.	(**)	(1)	-
Lidélir S.A.	Uruguay	1,081	49	Teyma Forestal, S.A.	(**)	(1)	-
Micronet Porous Fibers, S.L.	Vizcaya (ES)	3,596	50	Abengoa Water, S.L.	(**)	(1)	-
Rio Huan Solar Co., Ltd	China	2,973	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./Rioglass Solar, 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)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)/(**)/(***)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
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)	82	50	Abengoa Solar Ventures, S.A.	(**)	(3)	-
Vista Ridge Regional Water Supply Corporation	Texas (US)	0	100	Abengoa Vista Ridge	-	(4)	-
Xina Solar One (Rf) (Pty) Ltd. (antigua Tendogenix (Rf) (Pty) Ltd.)	Gauteng (ZA)	68,677	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 56 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 area: 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).

Appendix III – Temporary Joint Ventures included in the 2017 Consolidation Perimeter using the proportional integration method

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
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.		(1)	-
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)	-
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.		(1)	-
CGS-ABENGOA	Zaragoza (ES)	2.40	20.00%	Instalaciones Inabensa, S.A.		(1)	-
Círculo 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)	-
Consortio Abengoa Colombia	Bogotá (CO)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Abener Energía, S.A./ Abengoa Perú S.A.		(1)	-
Consortio Pachacutec	Lima (PE)	-	50.00%	Abengoa Perú, S.A.		(1)	-
Consortio La Gloria	Lima (PE)	-	50.00%	Abengoa Perú, S.A.		(1)	-
Consortio Abengoa Kipreos Limitada	Santiago (CL)	6.77	50.00%	Abengoa Chile, S.A.		(1)	B
Consortio Ambiental de la Plata	Montevideo (UY)	0.67	100.00%	Teyma Uruguay, S.A./Teyma Medioambiente S.A.		(1)	-
Consortio Constructor Alto Cayma	Lima (PE)	-	25.00%	Abengoa Perú, S.A.		(1)	-
Consortio 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)	-
Emviesa 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)	-
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)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Giesia Inabensa	Seville (ES)	1.50	50.00%	Instalaciones Inabensa, S.A.		(1)	-
Guardería La Nucua	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 Nucua	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)	-
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 Energía	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)	-
Mobiliario La Nucua	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 Nucua	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)	-
Pistas Deportivas La Nucua	Alicante (ES)	1.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Preufet Juzgados	Barcelona (ES)	6.00	50.00%	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)	-
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)	-

Appendix III – Temporary Joint Ventures included in the 2017 Consolidation Perimeter using the proportional integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Silfrasub	Madrid (ES)	2.00	40.00%	Instalaciones Inabensa, S.A.		(1)	-
Silvacat	Madrid(ES)	30.00	35.50%	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)	-
Tablada	Seville (ES)	6.00	50.00%	Abengoa Water S.L.		(1)	-
Telar Klitten	Montevideo (UY)	0.88	100.00%	Teyma Uruguay, S.A.		(1)	-
Telvent-Inabensa	Barcelona (ES)	3.00	50.00%	Instalaciones Inabensa, 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)	-
Tranvia de Jaén	Seville (ES)	1.00	15.00%	Instalaciones Inabensa, S.A.		(1)	-
Universidad de Sevilla	Seville (ES)	-	30.00%	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)	-
UTE Abeima Teyma Agadir	Seville (ES)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, 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 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 Abengoa Water Sahechores	Seville (ES)	3.00	50.00%	Abener Energía, S.A./ Abengoa Water, S.L.		(1)	-
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)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Abensaih Guadalquivir	Seville (ES)	3.06	51.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Amés Brion	La Coruña (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Ute Ashalim Eucomsa-Abeinsa Engineering	Seville (ES)	-	100.00%	Europa 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 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 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 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.		(1)	-
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./ Teyma Gestión de Contratos de Construcción e Ingeniería, S.A./ Abengoa Perú S.A.		(1)	-
UTE El Cerrillo	Córdoba (ES)	4.80	80.00%	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.		(1)	-
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	Argelia (AR)	1.50	50.00%	Abengoa Water S.L.		(1)	-
UTE Honaine	Argelia (AR)	1.50	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Inabensa Teyma Perailta	Seville (ES)	60.00	100.00%	Instalaciones Inabensa, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Inabensa Teyma Eolica 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./Europa 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 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 Mantenimiento Presas	Málaga (ES)	2.10	35.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-

Appendix III – Temporary Joint Ventures included in the 2017 Consolidation Perimeter using the proportional integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
UTE Marismas Construccion	Seville (ES)	12.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Ojén Mijas	Málaga (ES)	-	70.00%	Construcciones y Depuraciones, S.A.		(1)	-
UTE Reus	Cataluña (ES)	3.90	65.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Riegos Marismas	Seville (ES)	5.94	99.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Sallent	Cataluña (ES)	3.00	50.00%	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Skikda	Argelia (AR)	2.00	67.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
UTE Skikda O&M	Argelia (AR)	2.01	67.00%	Construcciones y Depuraciones, S.A./ Abengoa Water S.L.		(1)	-
UTE Tenés	Argelia (AR)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
Ute Tenes O&M	Argelia (AR)	4.80	100.00%	Construcciones y Depuraciones, S.A./ Abengoa Water S.L.		(1)	-
Utrera	Seville (ES)	3.01	50.00%	Abengoa Water S.L.		(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 area: 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 2017 and 2016 were no longer included in the Consolidation Perimeter

Company Name	Year of Exit	% Share	Motive
Abeinsa Business Development Corp.	2017	100.00	Windup of the company
Abeinsa Business Development, Spa.	2017	100.00	Windup of the company
Abeinsa Construction LLC	2017	100.00	Windup of the company
Abeinsa Juárez Norte III, S.A. de C.V.	2017	100.00	Sale of the company
Abema Ltda	2017	100.00	Windup of the company
Abencor USA LLC	2017	100.00	Lost Control
Abengoa Bioenergía Agroindustria Trading US Inc.	2017	100.00	Windup of the company
Abengoa Bioenergía Biodiesel S.A.	2017	100.00	Windup of the company
Abengoa Bioenergía Biomasse France, SAS	2017	100.00	Windup of the company
Abengoa Bioenergía Outsourcing, LLC	2017	100.00	Lost Control
Abengoa Bioenergy Biomass Funding, LLC	2017	100.00	Windup of the company
Abengoa Bioenergy Company, LLC.	2017	100.00	Lost Control
Abengoa Bioenergy Developments, LLC	2017	100.00	Windup of the company
Abengoa Bioenergy Engineering & Construction, LLC	2017	100.00	Lost Control
Abengoa Bioenergy France, S.A.	2017	74.78	Sale of the company
Abengoa Bioenergy Funding, LLC.	2017	100.00	Lost Control
Abengoa Bioenergy Holdco, Inc.	2017	100.00	Lost Control
Abengoa Bioenergy Hybrid of Kansas, LLC.	2017	100.00	Lost Control
Abengoa Bioenergy Investments , LLC	2017	100.00	Windup of the company
Abengoa Bioenergy Maple, LLC	2017	100.00	Lost Control
Abengoa Bioenergy Meramec Holding, Inc.	2017	51.00	Lost Control
Abengoa Bioenergy Meramec Renewable, LLC.	2017	100.00	Lost Control
Abengoa Bioenergy of Illinois, LLC	2017	100.00	Lost Control
Abengoa Bioenergy of Indiana, LLC	2017	100.00	Lost Control
Abengoa Bioenergy of Kansas, LLC	2017	100.00	Windup of the company
Abengoa Bioenergy of Maryland, LLC	2017	100.00	Windup of the company
Abengoa Bioenergy of Nebraska, LLC.	2017	100.00	Lost Control
Abengoa Bioenergy of Texas, LLC	2017	100.00	Windup of the company
Abengoa Bioenergy Operations , LLC	2017	100.00	Lost Control
Abengoa Bioenergy Renewable Power US, LLC	2017	100.00	Windup of the company
Abengoa Bioenergy Technology Holding , LLC	2017	100.00	Lost Control
Abengoa Bioenergy Trading Europe, B.V.	2017	100.00	Windup of the company
Abengoa Bioenergy Trading US, LLC	2017	100.00	Lost Control
Abengoa Bioenergy US Holding, LLC	2017	100.00	Lost Control
Abengoa Biotechnology, LLC	2017	100.00	Windup of the company
Abengoa Inversiones Mexico, S.L.	2017	100.00	Windup of the company

Company Name	Year of Exit	% Share	Motive
Abengoa Inversiones Spain, S.L.	2017	100.00	Windup of the company
Abengoa Inversiones Sudamerica, S.L.	2017	100.00	Windup of the company
Abengoa Inversiones Uruguay, S.L.	2017	100.00	Windup of the company
Abengoa Solar Power Australia Pty Limited	2017	100.00	Windup of the company
Abengoa Solar GmbH	2017	100.00	Windup of the company
Abengoa Solar Japan K.K.	2017	100.00	Windup of the company
Abengoa Solar Power DMCC, LLC	2017	100.00	Windup of the company
Abengoa Transmission Holdings, LLC	2017	100.00	Windup of the company
AEPC USA Inc.	2017	100.00	Windup of the company
Biocarburantes de Castilla y León, S.A.	2017	100.00	Sale of the company
Bioetanol Galicia, S.A.	2017	100.00	Sale of the company
Captación Solar, S.A.	2017	100.00	Windup of the company
Captasol Fotovoltaica 1, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 2, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 3, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 4, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 5, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 6, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 7, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 8, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 9, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 10, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 11, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 12, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 13, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 14, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 15, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 16, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 17, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 18, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 19, S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 20 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 21 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 22 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 23 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 24 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 25 S.L.	2017	100.00	Fusion of the company

Appendix IV – Subsidiary companies which during 2017 and 2016 were no longer included in the Consolidation Perimeter (continuation)

Company Name	Year of Exit	% Share	Motive
Captasol Fotovoltaica 26 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 27 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 28 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 29 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 30 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 31 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 32 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 33 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 34 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 35 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 36 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 37 S.L.	2017	100.00	Fusion of the company
Captasol Fotovoltaica 38 S.L.	2017	100.00	Fusion of the company
Concesiones Eléctricas Chile SpA	2017	100.00	Windup of the company
CSP Atacama Inversiones Dos, SpA	2017	100.00	Windup of the company
Ecoagropecuaria, S.A.	2017	100.00	Sale of the company
Ecocarburantes Españoles, S.A.	2017	95.10	Sale of the company
Girhímex, S.A. De C.V.	2017	100.00	Windup of the company
Global Engineering Services LLC	2017	100.00	Windup of the company
Inabensa Electric and Electronic Equipment Manufacturing (Tiajin)Co. Ltda.	2017	100.00	Sale of the company
Inabensa USA, LLC	2017	100.00	Lost Control
Marismas PV A1, S.L.	2017	100.00	Fusion of the company
Marismas PV A2, S.L.	2017	100.00	Fusion of the company
Marismas PV A3, S.L.	2017	100.00	Fusion of the company
Marismas PV A4, S.L.	2017	100.00	Fusion of the company
Marismas PV A5, S.L.	2017	100.00	Fusion of the company
Marismas PV A6, S.L.	2017	100.00	Fusion of the company
Marismas PV A7, S.L.	2017	100.00	Fusion of the company
Marismas PV A8, S.L.	2017	100.00	Fusion of the company
Marismas PV A9, S.L.	2017	100.00	Fusion of the company
Marismas PV A10, S.L.	2017	100.00	Fusion of the company
Marismas PV A11, S.L.	2017	100.00	Fusion of the company
Marismas PV A12, S.L.	2017	100.00	Fusion of the company
Marismas PV A13, S.L.	2017	100.00	Fusion of the company
Marismas PV A14, S.L.	2017	100.00	Fusion of the company
Marismas PV A15, S.L.	2017	100.00	Fusion of the company
Marismas PV A16, S.L.	2017	100.00	Fusion of the company

Company Name	Year of Exit	% Share	Motive
Marismas PV A17, S.L.	2017	100.00	Fusion of the company
Marismas PV A18, S.L.	2017	100.00	Fusion of the company
Marismas PV B1, S.L.	2017	100.00	Fusion of the company
Marismas PV B2, S.L.	2017	100.00	Fusion of the company
Marismas PV B3, S.L.	2017	100.00	Fusion of the company
Marismas PV B4, S.L.	2017	100.00	Fusion of the company
Marismas PV B5, S.L.	2017	100.00	Fusion of the company
Marismas PV B6, S.L.	2017	100.00	Fusion of the company
Marismas PV B7, S.L.	2017	100.00	Fusion of the company
Marismas PV B8, S.L.	2017	100.00	Fusion of the company
Marismas PV B9, S.L.	2017	100.00	Fusion of the company
Marismas PV B10, S.L.	2017	100.00	Fusion of the company
Marismas PV B11, S.L.	2017	100.00	Fusion of the company
Marismas PV B12, S.L.	2017	100.00	Fusion of the company
Marismas PV B13, S.L.	2017	100.00	Fusion of the company
Marismas PV B14, S.L.	2017	100.00	Fusion of the company
Marismas PV B15, S.L.	2017	100.00	Fusion of the company
Marismas PV B16, S.L.	2017	100.00	Fusion of the company
Marismas PV B17, S.L.	2017	100.00	Fusion of the company
Marismas PV B18, S.L.	2017	100.00	Fusion of the company
Marismas PV C1, S.L.	2017	100.00	Fusion of the company
Marismas PV C2, S.L.	2017	100.00	Fusion of the company
Marismas PV C3, S.L.	2017	100.00	Fusion of the company
Marismas PV C4, S.L.	2017	100.00	Fusion of the company
Marismas PV C5, S.L.	2017	100.00	Fusion of the company
Marismas PV C6, S.L.	2017	100.00	Fusion of the company
Marismas PV C7, S.L.	2017	100.00	Fusion of the company
Marismas PV C8, S.L.	2017	100.00	Fusion of the company
Marismas PV C9, S.L.	2017	100.00	Fusion of the company
Marismas PV C10, S.L.	2017	100.00	Fusion of the company
Marismas PV C11, S.L.	2017	100.00	Fusion of the company
Marismas PV C12, S.L.	2017	100.00	Fusion of the company
Marismas PV C13, S.L.	2017	100.00	Fusion of the company
Marismas PV C14, S.L.	2017	100.00	Fusion of the company
Marismas PV C15, S.L.	2017	100.00	Fusion of the company
Marismas PV C16, S.L.	2017	100.00	Fusion of the company
Marismas PV C17, S.L.	2017	100.00	Fusion of the company

Appendix IV – Subsidiary companies which during 2017 and 2016 were no longer included in the Consolidation Perimeter (continuation)

Company Name	Year of Exit	% Share	Motive
Marismas PV C18, S.L.	2017	100.00	Fusion of the company
Marismas PV E1, S.L.	2017	100.00	Fusion of the company
Marismas PV E2, S.L.	2017	100.00	Fusion of the company
Marismas PV E3, S.L.	2017	100.00	Fusion of the company
NEA Solar Power, S.A.	2017	100.00	Windup of the company
Nicsa Industrial Supplies, LLC.	2017	100.00	Lost Control
Nicsa Sanayi Malzemeleri Limited Sirketi	2017	100.00	Windup of the company
Pahrump Valley Solar LLC	2017	100.00	Windup of the company
Power & Railway Solutions, S.L.	2017	100.00	Windup of the company
Power Structures Inc.	2017	100.00	Windup of the company
PV Atacama Dos, S.A	2017	100.00	Windup of the company
PV Atacama Inversiones Uno, SpA	2017	100.00	Windup of the company
PV Atacama Inversiones Dos, SpA	2017	100.00	Windup of the company
PV Atacama Tres S.A	2017	100.00	Fusion of the company
Qingdao Befesa Agua Co., Ltd	2017	100.00	Windup of the company
Servicios de Ingenieria IMA, S.A.	2017	94.08	Sale of the company
Siema Factory Holding, AG	2017	100.00	Windup of the company
Transportadora Bahia Blanca S.A.	2017	100.00	Windup of the company
Transportadora Riojana S.A.	2017	100.00	Windup of the company
Abeinsa Business Development Representações, Energia 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 Bioenergia 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

Company Name	Year of Exit	% Share	Motive
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
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 Energia 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 Seis, S.A.	2016	100.00	Sale of the company
Teyma Middle East, S.L.	2016	100.00	Windup of the company

Appendix IV – Subsidiary companies which during 2017 and 2016 were no longer included in the Consolidation Perimeter (continuation)

Company Name	Year of Exit	% Share	Motive
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

Appendix V – Associated companies and Joint Ventures which during 2017 and 2016 were no longer included in the Consolidation Perimeter

Company Name	Year of Exit	% Share	Motive
	2017	49.00	
Abengoa Generación Chile, S.A.	2017	100.00	Sale of the company
Abengoa Projects Warehouse I, LLP	2017	45.00	Sale of the company
APW I Spain, S.L.	2017	100.00	Sale of the company
APW Brasil Fondo de Investimento Em Participacoes	2017	100.00	Windup of the company
APW I Brazil Holdings I, Llc	2017	100.00	Sale of the company
APW I Brazil Holdings II, Llc	2017	100.00	Sale of the company
APW I Brazil Holdings III, Llc	2017	100.00	Sale of the company
Concesionaria Hospital del Tajo, S.A.	2017	20.00	Sale of the company
Consorcio Teyma M y C, Ltda.	2017	49.90	Windup of the company
CSP Atacama Inversiones Uno, SpA	2017	100.00	Sale of the company
CSP Atacama Uno, S.A.	2017	100.00	Sale of the company
Explotadora Hospital del Tajo, S.L.	2017	20.00	Sale of the company
Green Visión Holding BV	2017	24.00	Sale of the company
PV Atacama Uno, S.A	2017	100.00	Sale of the company
TSMC Ingeniería y Construcción, Ltda.	2017	33.30	Windup of the company
Al Osais-Inabensa Co. Ltd	2016	50.00	Sale of the company
Basor México, S.A.P.I. de C.V.	2016	50.00	Sale of the company
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 Maintenance, 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

Appendix VI – Temporary Joint Ventures which during 2017 and 2016 were no longer included in the Consolidation Perimeter

Company Name	Year of Exit	% Share
Armillá	2017	50.00
CEI Huesca	2017	20.00
Electrificación Granollers	2017	20.00
Gallur Castejon	2017	33.33
Instalaciones Hospital VQ	2017	60.00
Mnto.Comunic.Metro L9	2017	20.00
Patrimonio	2017	35.00
Peaje Irun (Telvent Inabensa)	2017	20.00
Primapen III	2017	33.00
S/E Sant Adriá	2017	50.00
Semi-Inabensa	2017	50.00
Sigmatcat	2017	33.00
Silvacat II	2017	35.30
Suburbano Mexico	2017	100.00
UTE Abener Teyma Helio Energy I	2017	100.00
UTE Abener Teyma Helio Energy II	2017	100.00
UTE Abener Teyma Helios II	2017	100.00
UTE Abener Teyma Solaben I	2017	100.00
UTE Abener Teyma Solaben II	2017	100.00
UTE Abener Teyma Solaben III	2017	100.00
UTE Abener Teyma Solaben VI	2017	100.00
UTE Abener Teyma Bélgica	2017	100.00
UTE Abensaih Mantenimiento	2017	50.00
UTE Aguas Salobres	2017	60.00
UTE Alcoy	2017	50.00
UTE Avinyó	2017	40.00
UTE Bâscara	2017	40.00
UTE Boaco	2017	73.83
UTE Canal Estremera	2017	50.00
UTE Cartuja	2017	30.00
UTE Depurbaix	2017	50.00
UTE Espluga	2017	40.00
UTE FontSanta	2017	40.00
UTE Itoiz II	2017	35.00
UTE Júcar Vinalopo	2017	33.34
UTE Kurkudí	2017	50.00
UTE La Codosera	2017	50.00
UTE Mant. Valdeinfierno	2017	60.00

Company Name	Year of Exit	% Share
UTE Minicentrales	2017	100.00
UTE Moraira	2017	42.50
UTE Qingdao	2017	100.00
UTE Ranilla	2017	15.00
UTE Ribera	2017	50.00
UTE Rincón Vict	2017	50.00
UTE Sant Celoni	2017	50.00
UTE Sta. Amalia	2017	80.00
UTE Teatinos	2017	50.00
UTE Valdeinfierno	2017	60.00
UTE Valdelentisco	2017	80.00
UTE Vall Baixa	2017	50.00
UTE Vilagarcía	2017	50.00
Winterra.-Inaben.Atraque Puerto de Vigo	2017	20.00
ACE L5	2016	44.80
Cercanías 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 Pallas	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

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 construccoes, 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	61,015	(12,452)	5,770	561
Londrina Transmissora De Energia S.A (Abener Brasil Transmissora de Energia 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	46,319	(10,009)	4,848	1,392
ATE VI Campos Novos Transmissora de Energia ,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	56,432	(11,591)	5,923	2,159
ATE VII- Foz do Iguaçu Transmissora de Energia, 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	35,351	(7,306)	3,871	1,753
ATE VIII Transmissora de Energia 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	23,294	(2,532)	2,010	500
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	333,159	(67,597)	0	(234)
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	122,058	(17,014)	0	(1)
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	55,263	(10,197)	0	(1)
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	59,322	(12,405)	0	(0)
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	42,229	(10,151)	0	0
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	144,785	(18,123)	0	0
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	38,954	(7,801)	0	0
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	9,616	(2,762)	0	(0)
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	5,204	(1,649)	0	0
ATE XI, Manaus Transmissora de Energia	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	560,329	(80,300)	49,264	20,454

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 XIII, Norte Brasil Transmissora de Energia 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	790,941	(67,254)	83,920	39,515
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	58	(18)	1,596	176
DGEN Transmission Company, Ltd.	Transmission	India	(C)	100	2015-2053	Gobierno de India (Ministerio de Energia)	(F)	Fixed transmission price adjusted by the availability factor	38-year Concession Agreement with Torrent Power	2,685	0	0	0
Electric Power Sale:													
Xina Solar One (Pty) Ltd.	Solar	South Africa	(O)	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	239,160	(5,103)	16,461	9,754
Infrastructure Mant.:													
Concesionaria Costa del Sol S.A.	Construction	Spain	(O)	50	2011-2048	Agencia Pública sanitaria Costa del Sol /Junta de Andalucía	(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 additional 20-year period.	21,539	(21,533)	98	41
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	0	656	(52)
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 operating variable costs	25-year Concession Agreement with Conagua	171,161	(171,161)	4,260	4,260
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	97,487	(1)	8,708	8,392
Desalinated Water Sale:													
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)	25,585	2,876
Société d'Eau Désalée 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	61,914	(1,603)	0	(45)

(*) 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
Aboadze Desalination Developments, Limited	Hydrocol Infrastructure	10.00
ATE XI, Manaus Transmissora de Energia	Chest/Eletronorte	49.50
ATE XIII, Norte Brasil Transmissora de Energia 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 Elétricas S.A	49.00
Copero Solar Huerta Uno, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento de Aguas de Sevilla	50.00
Copero Solar Huerta Dos, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento de Aguas de Sevilla	50.00
Copero Solar Huerta Tres, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento de Aguas de Sevilla	50.00
Copero Solar Huerta Cuatro, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento de Aguas de Sevilla	50.00
Copero Solar Huerta Cinco, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento de Aguas de Sevilla	50.00
Copero Solar Huerta Seis, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento de Aguas de Sevilla	50.00
Copero Solar Huerta Siete, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento de Aguas de Sevilla	50.00
Copero Solar Huerta Ocho, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento de Aguas de Sevilla	50.00
Copero Solar Huerta Nueve, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento de Aguas de Sevilla	50.00
Copero Solar Huerta Diez, S.A.	Empresa Metropolitana de Abastecimiento y Saneamiento 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./Chest	49.50
Procesos Ecológicos, S.A.	Global Plasma Environment	50.00
Sao Mateus Transmissora de Energia, 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 2017

Project	Activity	Country	Status (*)	% Abengoa
Engineering and Construction				
ATE X Abengoa Brasil Administração Predial Ltda	Infrastructure	Brasil	(O)	100.00
Concession-type Infrastructure				
Abengoa Transmisión Norte S.A., 1	Transmission	Perú	(O)	100.00
Aman El Baraka S.A.	Desalination	Marruecos	(C)	100.00
ATE VI Campos Novos Transmissora de Energia, S.A	Transmission	Brasil	(O)	100.00
ATE VII- Foz do Iguaçu Transmissora de Energia, S.A.	Transmission	Brasil	(O)	100.00
ATE XI, Manaus Transmissora de Energia	Transmission	Brasil	(O)	50.50
ATE XIII, Norte Brasil Transmissora de Energia S.A	Transmission	Brasil	(O)	51.00
ATE XIX Transmissora de Energia S.A.	Transmission	Brasil	(C)	100.00
ATE XVI Transmissora de Energia S.A.	Transmission	Brasil	(C)	100.00
ATE XVII Transmissora de Energia S.A.	Transmission	Brasil	(C)	100.00
ATE XVIII Transmissora de Energia S.A.	Transmission	Brasil	(C)	100.00
ATE XX Transmissora de Energia S.A.	Transmission	Brasil	(C)	100.00
ATE XXI Transmissora de Energia S.A.	Transmission	Brasil	(C)	100.00
ATE XXII Transmissora de Energia S.A.	Transmission	Brasil	(C)	100.00
ATE XXIII Transmissora de Energia S.A.	Transmission	Brasil	(C)	100.00
ATE XXIV Transmissora de Energia, S.A.	Transmission	Brasil	(C)	100.00
Befesa Desalination Developments Ghana Limited	Desalination	Ghana	(O)	56.00
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	Infrastructure	México	(C)	100.00
DGEN Transmission Company, Ltd.	Transmission	India	(C)	100.00
Iniciativas Hidroeléctricas, S.A.	Wind power generation	España	(O)	51.00
Khi Solar One (Pty) Ltd	Solar	Sudáfrica	(O)	51.00
Londrina Transmissora De Energia, S.A.	Transmission	Brasil	(O)	100.00
Sao Mateus Transmissora de Energia, Ltda.	Transmission	Brasil	(O)	76.00
Société d'Eau Déssalée d'Agadir (SEDA)	Desalination	Marruecos	(C)	50.94
Solar Power Plant One (SPP1)	Solar	Argelia	(O)	51.00
Tenes Lylymyah	Desalination	Argelia	(O)	51.00
Teyma Forestal, S.A.	Infrastructure	Uruguay	(O)	100.00
Unidad Punta de Rieles, S.A.	Infrastructure	Uruguay	(C)	85.00
Zona Norte Engenharia, Manutenção e Gestão De Serviços, S.A. Spe.	Cogeneration	Brasil	(O)	60.00
Industrial Production				
Abengoa Bioenergia Agroindustria Ltda	Ethanol	Brasil	(O)	100.00

(*) Operación (O), Construcción (C)

Appendix X – Companies with Electricity Operations included in the 2017 Consolidation Perimeter

Company Name	Registered Address	Activity (*)	Comments
Abengoa Bioenergy Biomass of Kansas, LLC.	Kansas (US)	3	En actividad
Abengoa Bioenergia Agroindustria, Ltda.	São Paulo (BR)	3	En actividad
Abengoa Cogeneração de Energia II, S.A.	Rio de Janeiro (BR)	9	En fase de construcción
Abengoa Cogeneración Tabasco, S. de R.L. de C.V.	México D.F. (MX)	3	En actividad
Abengoa Transmisión Norte, S.A.	Lima (PE)	9	En actividad
Abengoa Transmisión Sur, S.A.	Lima (PE)	9	En actividad
Abent 3T, S.A.P.I. de C.V.	México D.F. (MX)	3	En fase de construcción
ACC 4T, S.A.P.I. de C.V.	México D.F. (MX)	3	En fase de construcción
Aguas de Skikda	Argel (DZ)	7	En actividad
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	1	En actividad
Arizona Solar One, LLC	Colorado (US)	6	En actividad
ATE VI Campos Novos Transmissora de Energia ,S.A	Rio de Janeiro (BR)	9	En actividad
ATE VII- Foz do Iguaçu Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	En actividad
ATE VIII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	En actividad
ATE XI, Manaus Transmissora de Energia	Rio de Janeiro (BR)	9	En actividad
ATE XIII, Norte Brasil Transmissora de Energia S.A	Rio de Janeiro (BR)	9	En actividad
ATE XIX Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XVII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XX Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XXI Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XXII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XXIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XXIV Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	En fase de construcción
ATN 1, S.A.	Lima (PE)	9	En actividad
ATN 2, S.A.	Lima (PE)	9	En actividad
ATN 3, S.A.	Lima (PE)	9	En fase de construcción
Cadonal, S.A.	Montevideo (UY)	2	En actividad
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
Copero Solar Huerta Cinco, S.A.	Seville (ES)	5	Operational

Company Name	Registered Address	Activity (*)	Comments
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	En fase de construcción
DGEN Transmission Company, Ltd.	N. Delhi (IN)	9	En fase de construcción
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
Helios I Hyperion Energy Investments, S.L.	Seville (ES)	6	Operational
Helios II Hyperion Energy Investments, S.L.	Madrid (ES)	6	En actividad
Honaine	Argel (DZ)	7	En actividad
Inabensa Fotovoltaica, S.L.	Seville (ES)	5	Operational
Iniciativas Hidroeléctricas, S.A.	Seville (ES)	7	Operational
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	Huesca (ES)	7	En actividad
Instalaciones Fotovoltaicas Torrecuellar, 1 S.L.	Seville (ES)	5	Operational
Instalaciones Fotovoltaicas Torrecuellar, 2 S.L.	Seville (ES)	5	Operational
Instalaciones Fotovoltaicas Torrecuellar, 3 S.L.	Seville (ES)	5	Operational
Kaxu Solar One (Pty) Ltd.	Gauteng (ZA)	6	En actividad
Khi Solar One (Pty) Ltd.	Gauteng (ZA)	6	En actividad
Linares Fotovoltaica, S.L.	Seville (ES)	5	Operational
Londrina Transmissora De Energia, S.A.	Rio de Janeiro (BR)	9	En actividad
Marudhara Akshay Urja Private Limited	Maharashtra (IN)	6	En fase de construcción
Marusthal Green Power Private Limited	Maharashtra (IN)	6	En fase de construcción
Mojave Solar LLC	Colorado (US)	6	En actividad
Palmatir, S.A.	Montevideo (UY)	2	En actividad
Palmucho, S.A.	Santiago de Chile (CL)	9	En actividad
Procesos Ecológicos Vilches, S.A.	Seville (ES)	3	Operational
Puerto Real Cogeneración, S.A.	Seville (ES)	3	Operational
Rajasthan Photon Energy Pvt Ltd	Maharashtra (IN)	6	En fase de construcción
Sanlúcar Solar, S.A.	Seville (ES)	6	Operational
Sao Mateus Transmissora de Energia, Ltda.	Rio de Janeiro (BR)	9	En actividad
Solaben Electricidad Uno, S.A.	Cáceres (ES)	6	En actividad
Solaben Electricidad Dos, S.A.	Cáceres (ES)	6	En actividad
Solaben Electricidad Tres, S.A.	Cáceres (ES)	6	En actividad
Solaben Electricidad Seis, S.A.	Badajoz (ES)	6	En actividad
Solacor Electricidad Uno, S.A.	Seville (ES)	6	Operational

Appendix X – Companies with Electricity Operations included in the 2017 Consolidation Perimeter (continuation)

Company Name	Registered Address	Activity (*)	Comments
Solacor Electricidad Dos, S.A.	Seville (ES)	6	Operational
Solar de Receptores de Andalucía, S.A.	Seville (ES)	5	Operational
Solar Power Plant One	Argel (DZ)	5	En actividad
Solar Processes, S.A.	Seville (ES)	6	Operational
Solargate Electricidad Tres, S.A.	Seville (ES)	6	Construction phase
Solargate Electricidad Cuatro, S.A.	Seville (ES)	6	Construction phase
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	En actividad
Transmisora Mejillones, S.A.	Santiago de Chile (CL)	9	En actividad
Xina Solar One (Rf) (Pty), Ltd.	Gauteng (ZA)	6	En actividad

(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 12.31.17

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)
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 Operation and Maintenance, S.A.	Seville (ES)	Abeinsa Ing. y Const. Industrial, S.A./Negocios Industriales y de Construcción, 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 Concessions, S.L.	Seville (ES)	Abengoa, S.A./Siema
Abengoa Energía S.A.	Seville (ES)	Abengoa Solar, S.A./Abengoa Solar España, S.A.
Abengoa Energía Atacama CSP, S.L.U.	Seville (ES)	Abengoa Energía S.A
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 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 Solar Internacional, S.A.	Seville (ES)	Abengoa Solar, 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 Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Abengoa Solar New Technologies, S.A.	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.
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.
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.
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.

Appendix XI – Companies taxed under the Special Regime for Company Groups at 12.31.17 (continuation)

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
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.
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.
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.
Inabensa Fotovoltaica, S.L.	Seville (ES)	Instalaciones Inabensa, S.A./C.I.L. Torrecuellar, S.A.
Instalaciones Fotovoltaicas Torrecuellar, 1 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.
Instalaciones Fotovoltaicas Torrecuellar, 2 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.
Instalaciones Fotovoltaicas Torrecuellar, 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.
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.

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
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.
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.

Appendix XI – Companies taxed under the Special Regime for Company Groups at 12.31.17 (continuation)

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
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.
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.

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Energía	(*)	(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 Líneas 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	Berlin (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)	-
Abeinsa Business Development, Spa.	Santiago de Chile (CL)	1	100.00	Abeinsa Business Development, S.A.	-	(1)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Abeinsa Business Development 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 C.V.	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 C.V./ 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 (BR)	-	100.00	Abencor Suministros, S.A./Abengoa Construção Brasil Ltda.	-	(1)	-
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.	3	100.00	Abencor Suministros,	-	(1)	-

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
	(MX)			S.A./Abengoa México, S.A. de C.V.			
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 Bioenergía Agroindustria Ltda	Sao Paulo (BR)	585,759	100.00	Abengoa Bioenergía Brasil, S.A./Abengoa Bioenergía Santa Fe, Ltda.	-	(6)	B
Abengoa Bioenergía Agroindustria Trading US Inc.	Delaware (US)	-	100.00	Abengoa Bioenergía Agroindustria Ltda.	-	(6)	-
Abengoa Bioenergía Biodiesel S.A.	Seville (ES)	60	100.00	Abengoa Bioenergía Inversiones, S.A./Ecoagrícola, S.A.	-	(6)	-
Abengoa Bioenergía 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 Bioenergía, S.A.	-	(6)	B
Abengoa Bioenergía 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 Bioenergía Nuevas Tecnologías, S.A.	-	(6)	B

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Bioenergía Operation, LLC.	-	(6)	-
Abengoa Bioenergía Santa Fe, Ltda.	Sao Paulo (BR)	350	100.00	Abengoa Bioenergía Brasil, S.A./Abengoa Bioenergía Trading Brasil Ltda.	-	(6)	-
Abengoa Bioenergía Trading Brasil Ltda	Sao Paulo (BR)	-	100.00	Abengoa Bioenergía Brasil, S.A./Abengoa Bioenergía Agroindustria, 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)	-
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,	-	(6)	B

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
				LLC			
Abengoa Bioenergy UK Limited	Cardiff (UK)	14,503	100.00	Abengoa Bioenergia 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 Construção 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 Cogeneração de Energia II, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construção Brasil, Ltda./Abengoa Concessões Brasil Holding, S.A.	-	(2)	-
Abengoa Cogeneração de Energia, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construção Brasil, Ltda./Abengoa Concessões Brasil Holding, S.A.	-	(2)	-
Abengoa Colombia, S.A.S.	Bogotá (CO)	2,026	100.00	Abengoa Perú, S.A./Abener Energía, S.A./Abensa 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.a.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 Construção Brasil, Ltda./Sociedad Inversora de Líneas de Brasil, S.L./Abengoa Yield Plc.	-	(2)	C
Abengoa Construção 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 Biomass, 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
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

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Abengoa Infraestrutura, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construção Brasil Ltda.	-	(1)	-
Abengoa Innovación S.A	Seville (ES)	912	100.00	Abensa 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	Abensa Operation and Maintenance, S.A./ Abengoa México, S.A. de C.V.	-	(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	Abensa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abengoa PW II Investments, S.L	Seville (ES)	3	100.00	Abensa, 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	Abensa 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 Desenvolvidores 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 Engineering (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	Berlin (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)	-
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)	-

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Energía, 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)	-
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

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Construção Brasil Ltda	Rio de Janeiro (BR)	15,163	100.00	Inabensa Rio, Ltda/Abengoa Construção 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)	-
Abtrate Construção, Ltda.	Rio de Janeiro (BR)	-	100.00	Abengoa Construção 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 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.	Vizzcaya (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	Abeinsa Brasil, S.A./Abengoa Construção Brasil, Ltda.	-	(1)	C
ASI Operations LLC	Delaware (US)	4,689	100.00	Abengoa Solar, LLC.	-	(1)	-
ATE VI Campos Novos Transmissora de Energia, S.A	Rio de Janeiro (BR)	38,998	100.00	Abengoa Concessões Brasil Holding, S.A./Abengoa Construção Brasil, Ltda.	-	(2)	C
ATE VII- Foz do Iguaçu Transmissora de Energia, S.A.	Rio de Janeiro (BR)	24,675	100.00	Abengoa Concessões Brasil Holding, S.A./Abengoa Construção Brasil, Ltda.	-	(2)	C
ATE X Abengoa Brasil Administração Predial Ltda	Rio de Janeiro (BR)	5,934	100.00	Abengoa Construção Brasil, Ltda./Abengoa Concessões Brasil Holding, S.A.	-	(1)	-
ATE XI, Manaus Transmissora de Energia	Rio de Janeiro (BR)	184,858	50.50	Abengoa Concessões Brasil Holding, S.A.	-	(2)	C
ATE XIII, Norte Brasil Transmissora de Energia S.A	Rio de Janeiro (BR)	250,929	51.00	Abengoa Concessões 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	-	(2)	C

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
				Brasil Holding, S.A.			
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 Construção 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 Construção Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	C
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construção Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construção Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	-	100.00	Abengoa Construção 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 Bioenergia Inversiones, S.A./Ecoagrícola, S.A.	-	(6)	B
Bioetanol Galicia, S.A.	A Coruña (ES)	7,448	100.00	Abengoa Bioenergia Inversiones, S.A./Ecoagrícola, 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 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)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
				S.L.			
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)	-
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)	-

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Energía 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./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 Metálicas Mexicanas, S.A. de C.V. (Comensa)	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 Construção 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

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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./Ecoarburantes, S.A.	-	(6)	B
Ecoarburantes 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 Desenvolvimentos 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)	-
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.	Vitrolles (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

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Construcao Brasil, Ltda.	-	(1)	C
Inabensa Saudi Company Limited	Jeddah (SAI)	93	100.00	Instalaciones Inabensa, S.A./Abeinsa Ingenieria y Construccion 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 Torrecuellar, 1 S.L.	Seville (ES)	-	100.00	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuellar, 2 S.L.	Seville (ES)	-	100.00	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuellar, 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, Ingenieria y Construccion 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 Energia, S.A./Abeinsa Ingenieria y Construccion 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)	-
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	Soñ 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,	-	(3)	B

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
				S.A./Abengoa Solar, S.A.			
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 Energia, S.A.	Rio de Janeiro (BR)	37,534	100.00	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construcao Brasil, Ltda.	-	(2)	C
Mallorca Desenvolvimentos Solares Ltda.	Rio de Janeiro (BR)	2	100.00	Abengoa Solar Brasil Desenvolvimentos Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(3)	-
Manaus Construtora Ltda	Rio de Janeiro (BR)	-	50.50	Abengoa Construcao 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)	-
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)	-

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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)	-
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)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Infracore 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 Maintenance, 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.	Uppington (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)	-
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 Construção 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)	-

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 México S.A. de C.V./Abengoa México 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 / PV Atacama Inversiones Dos	-	(3)	-
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 Energia, 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
Servicios de Ingeniería 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 Construção 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)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
Solar Power Plant One	Argel (DZ)	42,111	51.00	Abener Energia, 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 Lylymah	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
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, S.A.	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 Rio Coronda, S.A.	Buenos Aires (AR)	1	100.00	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	B

Appendix XII – Subsidiary companies included in the 2016 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity (see Page 10)	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 area: 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 2016 Consolidation Perimeter using the participation method

Company Name	Registered Address	Shareholding		Parent Company	(*)/(**)/(***)	Activity	Auditor	Company Name	Registered Address	Shareholding		Parent Company	(*)/(**)/(***)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital							Amount in thousands of €	% of Nominal Capital				
Abeinsa Energy and Water Contracting LLC	Abu Dhabi (UAE)	-	49	Abener Energia S.A / Abeinsa Infraestructuras Medio Ambiente, S.A	-	(1)	-	Micronet Porous Fibers, S.L.	Vizcaya (ES)	3,596	50	Abengoa Water, S.L.	(**)	(1)	-
Abengoa Generación Chile, S.A.	Santiago de Chile (Chile)	10	100	APW I Spain/ CSP Atacama Inversiones Uno	(**)	(1)	-	PV Atacama Uno, S.A	Santiago de Chile (Chile)	2	100	APW I Spain, S.L / CSP Atacama Inversiones Uno, SpA	(**)	(3)	-
Abengoa Projects Warehouse I, LLP (APW UK, Llp)	London (GB)	369,251	45	Abengoa PW I Investments, S.L.	(**)	(1)	-	Rio Huan Solar Co., Ltd	China	1,486	55	Rioglass Solar Holding, S.A.	-	(3)	-
Abengoa Vista Ridge, LLC. (SAW)	Texas (US)	18,651	20	Abengoa Water USA, LLC.	-	(5)	-	Rioglass Solar 2	Asturias (ES)	60	100	Rioglass Solar Holding, S.A	-	(1)	-
Agua y Gestión de Servicios Ambientales, S.A.	Seville (ES)	2,892	41.54	Abengoa Water, S.L.	-	(4)	-	Rioglass Solar Chile, S.A.	Santiago de Chile (Chile)	1	100	Rioglass Solar Holding, S.A	-	(1)	-
APW Brasil Fondo de Invertemiento 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)	-	Rioglass Solar Holding, S.A	Asturias (ES)	4,498	15	Abengoa Solar, S.A.	-	(1)	-
APW I Brazil Holdings I, Llc	Delaware (US)	55,527	100	APW UK, Llp	(**)	(1)	-	Rioglass Solar Inc.	Delaware (US)	9,391	100	Rioglass Solar Holding, S.A	-	(1)	-
APW I Brazil Holdings II, Llc	Delaware (US)	55,527	100	APW UK, Llp	(**)	(1)	-	Rioglass Solar Internacional	Brussels (Belgium)	62	100	Rioglass Solar Holding, S.A	-	(1)	-
APW I Brazil Holdings III, Llc	Delaware (US)	90,862	100	APW UK, Llp	(**)	(1)	-	Rioglass Solar Systems Ltd. (antigua Alantia, Ltd.)	Tel Aviv (Israel)	-	100	Rioglass Solar Holding, S.A.	-	(3)	-
APW I Spain, S.L. (antigua Abengoa Greenfield España, S.L.)	Seville (ES)	349,718	100	Abengoa Projects Warehouse I, LLP	(**)	(1)	-	Rioglass Solar, S.A	Asturias (ES)	6,906	100	Rioglass Solar Holding, S.A	-	(1)	-
Ashalim Thermo Solar Management, Ltd.	Israel	-	50	Abener Energia, S.A./ Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	(**)	(1)	-	Rioglass South Africa (Lty) Ltd.	Gauteng (ZA)	60	100	Rioglass Solar Holding, S.A	-	(1)	-
ATE VIII Transmissora de Energia S.A. (lote Itacaúna) (antes ATE XV)	Rio de Janeiro (Brazil)	9,324	50	Abengoa Concessoes Brasil Holding, S.A.	(**)	(2)	C	Servicios Culturales Mexiquenses, S.A. de C.V.	México D.F. (México)	1	50	Abengoa México, S.A. de C.V./ Instalaciones Inabensa, S.A.	(**)	(1)	-
Atlantica Yield, Plc y filiales	Leeds (GB)	776,468	41.47	Abengoa Concessions, S.L.	(***)	(7)	-	SRC Nanomaterials, S.A	Asturias (ES)	500	50	Rioglass Solar, S.A.	(**)	(3)	-
Cedisolar, S.A.	Ourense (ES)	4,992	57.5	Rioglass Solar Holding, S.A	-	(3)	-	Total Abengoa Solar Emirates O&M Company, B.V. (TASEOM)	Amsterdam (HL)	165	50	Abengoa Solar Ventures, S.A.	(**)	(3)	B
Chennai O&M, JV Private Limited	Chennai (India)	-	50	Abengoa Water, S.L.	(**)	(1)	-	TSMC Ingeniería y Construcción, Ltda.	Santiago de Chile (Chile)	12	33.3	Abengoa Chile, S.A.	-	(1)	-
Chennai Water Desalination Limited	Chennai (India)	6,584	25	Abengoa Water, S.L.	-	(4)	-	Vista Ridge Regional Water Supply Corporation	Texas (US)	-	100	Abengoa Vista Ridge	-	(4)	-
Coaben SA de CV	México D.F. (México)	1	50	Abengoa México S.A. de C.V./Instalaciones Inabensa, S.A.	(**)	(1)	-	Xina Solar One (Rf) (Pty). Ltd. (antigua Tendogenix (Rf) (Pty) Ltd.)	Gauteng (ZA)	70,592	40	XiNa CSP South Africa (Pty) Ltd.	-	(3)	B
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								
Ledincor S.A.	Uruguay	739	49	Teyma Forestal, S.A.	(**)	(1)	-								
Lidelir S.A.	Uruguay	1,195	49	Teyma Forestal, S.A.	(**)	(1)	-								

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 area: Cogeneration and others.

(6) Operating segment activities area: Bioenergy.

(7) Operating segment activities area: Yield

A Audited by PricewaterhouseCoopers Auditors.

B Audited by Deloitte (for legal purposes).

C Audited by others auditors (for legal purposes).

Appendix XIV – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Acceso Avda Pais Valencia	Alicante (ES)	3.00	100.00%	Instalaciones Inabensa, S.A.		(1)	-
Agencia Andaluza de Energia	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)	-
Armillá	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)	-
Círculo 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)	-
Consortio Abengoa Colombia	Bogotá (CO)	-	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Abener Energía, S.A./Abengoa Perú S.A.		(1)	-
Consortio Pachacutec	Lima (PE)	-	50.00%	Abengoa Perú, S.A.		(1)	-
Consortio La Gloria	Lima (PE)	-	50.00%	Abengoa Perú, S.A.		(1)	-
Consortio Abengoa Kipreos Limitada	Santiago (CL)	(0.81)	50.00%	Abengoa Chile, S.A.		(1)	-
Consortio Ambiental de la Plata	Montevideo (UY)	0.67	100.00%	Teyma Uruguay, S.A./Teyma Medioambiente S.A.		(1)	-
Consortio Constructor Alto Cayma	Lima (PE)	-	25.00%	Abengoa Perú, S.A.		(1)	-
Consortio 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)	-
Emisera 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)	-
Equipamiento Solar Caballería	Madrid (ES)	1.20	20.00%	Instalaciones Inabensa, S.A.		(1)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
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-INABENSA (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 Energía	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)	-
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)	-

Appendix XIV – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Líbia	Madrid (ES)	-	50.00%	Instalaciones Inabensa, S.A.		(1)	-
S/E Sant Adrià	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)	-
Sigmecat	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)	-
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		(1)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
				Ingeniería, S.A.			
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 Solabén I	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Solabén II	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Solabén III	Seville (ES)	-	100.00%	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Solabén 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 Uppington	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)	-
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)	-

Appendix XIV – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
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 Esplugua	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		(1)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
				e Ingeniería, S.A.			
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. Valdeinferno	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 Construcción	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)	-
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)	-

Appendix XIV – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Ute Tenes O&M	Algeria (AR)	6.00	100.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./ Abengoa Water S.L.		(4)	-
UTE Valdeinferno	Murcia (ES)	1.80	60.00%	Abeinsa Infraestructuras Medio Ambiente, S.A./Construcciones y Depuraciones, S.A.		(1)	-
UTE Valdelelencisco	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 area: 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 2016 Consolidation Perimeter

Company Name	Registered Address	Activity (*)	Comments
Abeinsa Juárez Norte III, S.A. de C.V.	Bahía de Santa Bárbara (México)	3	Construction phase
Abengoa Bioenergy Biomass of Kansas, LLC.	Kansas (US)	3	Operational
Abengoa Bioenergía Agroindustria, Ltda.	São Paulo (BR)	3	Operational
Abengoa Cogeneração de Energia 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 Energia, S.A	Rio de Janeiro (BR)	9	Operational
ATE VII-Foz do Iguaçu Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	Operational
ATE VIII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	Operational
ATE XI, Manaus Transmissora de Energia	Rio de Janeiro (BR)	9	Operational
ATE XIII, Norte Brasil 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 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

Company Name	Registered Address	Activity (*)	Comments
Captasol Fotovoltaica 4, S.L.	Rio de Janeiro (BR)	5	Operational
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

Appendix XIV – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method (continuation)

Company Name	Registered Address	Activity (*)	Comments
Copero Solar Huerta Dos, S.A.	Rio de Janeiro (BR)	5	Operational
Copero Solar Huerta Tres, S.A.	Rio de Janeiro (BR)	5	Operational
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 Energia, 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

Company Name	Registered Address	Activity (*)	Comments
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
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

Appendix XIV – Temporary Joint Ventures included in the 2016 Consolidation Perimeter using the proportional integration method (continuation)

Company Name	Registered Address	Activity (*)	Comments
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
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 Energia, 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

Company Name	Registered Address	Activity (*)	Comments
Transportadora Riojana S.A.	Buenos Aires (AR)	9	Construction phase
Xina Solar One (Rf) (Pty), Ltd.	Gauteng (ZA)	6	Construction 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 XVI – Companies taxed under the Special Regime for Company Groups at 12.31.16

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
		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.

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.
Ecoagrícola, S.A.	Murcia (ES)	Abengoa Bioenergía Inversiones, S.A./Eco carburantes, S.A.
Eco carburantes 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
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.

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
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.
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.

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
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.
Nisca, 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.
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

03.1 Corporate governance annual report

03.2 Annual report on remunerations

Consolidated Management Report as of December 31, 2017

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 2017 included the following:

- › The holding parent company itself.
- › 363 subsidiaries.
- › 76 associates and 16 joint ventures; as well as certain companies of the Group being involved in 143 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 company that applies innovative technology solutions for sustainability in the energy and water sectors, developing energy infrastructures (by producing conventional and renewable energy and transporting and distributing energy), providing solutions to the entire water cycle (by developing water desalination and treatment processes and performing hydraulic structures) and promoting new development and innovation horizons (related to renewable energy storage and new technologies for the promotion of sustainability and of energy and water-use efficiency).

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 75 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, biofuel 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 or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. The four operational segments of solar power generation plants, water desalination plants, power distribution lines and cogeneration power plants or wind farms. These assets generate low demand risk and thus the Company focuses on operating them as efficiently as possible.

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, 2017 and 2016. The classification has been done in accordance with the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations'.

Although Note 5.1 of the Notes to the Consolidated Financial Statements gives wide information on the five segments of Abengoa in a manner consistent with the historical information that has been reported up to the end of this fiscal year, it should be noted that, after the changes produced during the year 2017 in the organizational structure the Group as a result of the Restructuring Agreement (see note 2.2.), the Directors have redefined the activities and segments of the Group for the presentation of the financial information by segments to be carried out as from the year 2018

This new structure has been designed to face the new phase that has started, once the Restructuring Process is completed, and is focused on promoting a more simplified, efficient organization aimed at the development of the traditional Engineering and Construction activity in which the Company has more than 75 years of experience, which will allow to achieve the goals set in the Updated Viability Plan which has served as the base to agree upon the terms and conditions of said Restructuring Agreement.

Hence, Abengoa's activity and its financial information concerning internal and external management will be structured, as of 2018, under the following four operational segments:

- › Generation: it integrates all activities related to the energy sector (development, promotion, technology, engineering, procurement, construction and commissioning) on projects of renewable energy power plants (solar thermal, photovoltaic, of hybrid technology, with storage), conventional energy (combined cycles, cogeneration and other thermal power projects, as well as their hybridization with renewable energy sources) and Biomass-to-Energy.

- › Transmission and Structures: it includes all activities related to the power transmission and rail sectors on power transmission line and railway projects as well as on installations and structures, specialized in facilities of all types of plants and singular buildings (hospitals, correctional facilities, administrative buildings, etc.).
- › Water: it encompasses all activities related to the water sector (development, promotion, technology, engineering, procurement, construction and commissioning) in water desalination, water potabilization and urban and industrial waste water treatment and reuse projects, as well as in hydraulic infrastructures for regulation, distribution and irrigation and hydroelectric power stations.
- › Services: it integrates all the Operation and Maintenance (O&M) activities for power generation and water plants, as well as the management of assets, ancillary fabrication and marketing of key products.

Therefore, and although the segment report developed in Note 5 includes financial information on the basis of the five segments in which reporting had been done up to now, in view of facilitating the understanding of the Group's financial information during this transitional period, the inclusion of certain additional financial information on the basis of the four prior operational segments previously discussed has been deemed appropriate (see note 5.2.)

1.2. Operation

a) Activities information

Regardless of the information provided in Note 1.1 above with respect to the Director's reclassification of the activities and segments under which the Group's financial information will be presented as of 2018, the segments that have been established to present the financial information in this Management Report correspond to Abengoa's five operating segments that have been historically reported up to date, and which are as follows:

- › Engineering and construction: includes our traditional engineering business in the energy and water sectors, with more than 75 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, 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 75-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) Restructuring process situation update

The following summary shows the facts related during 2017 until the publication of the present Consolidated Financial Statements, in relation with the financial restructuring process:

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 17, 2017, the Restructuring Agent notified the occurrence of the Restructuring Effective Date. As continuation of which the Company announced a supplemental restructuring accession period, dated from January 18, 2017 to January 24, 2017. After finishing the Supplemental Accession Period, the final percentage of support of the Restructuring Agreement reached the 93.97%.
- › In light of the situation in Mexico (see Section 2.2.1.e) and in order to accelerate the completion of the Restructuring and begin implementing the Viability Plan as soon as possible, on February 14, 2017, the Company, 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 of the Restructuring Agreement, maintaining the initial structure of the transaction. Such Drawdown Proposal required certain amendments to the Term Sheet, the Restructuring Steps Plan, the Restructuring Agreement and the New Money Financing Commitment Letter, such amendments were required by the Company to all parties of the Restructuring Agreement in the same date.
- › On February 28, 2017, the Company informed that it obtained the consent of the Majority Participating Creditors required under the Restructuring Agreement to approve the Amendments required to implement the Drawdown Proposal. Such approval allowed the Company to initiate the required steps to close the restructuring and permit the funding of the New Money.
- › On March 17, 2017 and in accordance with Clauses 9.2.2 and 9.2.3 of the Restructuring Agreement, the Restructuring Documents and New Corporate Governance Documents were approved occurring therefore the Restructuring Document Approval Date, allowing the signing the execution of the Restructuring Documents and New Corporate Governance Documents and the completion of the Restructuring process.
- › On March 23, 2017, the Company announced that the Restructuring Documents and the New Corporate Governance Documents were signed although their effectiveness was subjected to the occurrence of the Restructuring Steps Commencement Date, which date was expected to occur once the Escrow Agent received the transaction funds.
- › On March 28, 2017, the Escrow Agent confirmed that an amount equal to the New Money Financing Commitments was funded into the escrow account and, consequently, the Restructuring Agent confirmed that the Restructuring Steps Commencement Date occurred. The Company executed, on the same date, the share capital increases and the warrants approved by the Extraordinary General Shareholders' Meeting held on November 22, 2016, registering the deeds on March 28, 2017 in the Commercial Registry of Seville.
- › Consequently, the Company issued one thousand five hundred and seventy seven million nine hundred forty three thousand eight hundred and twenty five (1,577,943,825) new class A shares and sixteen thousand three hundred and sixteen million three hundred sixty nine thousand five hundred and ten (16,316,369,510) new class B shares with a dilution for pre-existing shareholders of 95%. In relation with warrants, the Company issued eighty three million forty nine thousand six hundred and seventy five (83,049,675) class A warrants of the Company and eight hundred and fifty eight million seven hundred fifty six thousand two hundred and ninety (858,756,290) class B warrants of the Company, "Record date" on March 27, 2017.
- › On March 30, 2017, and in connection with the Class A and Class B shares issued in the above mentioned share capital increase, after having made the relevant filings with the Madrid and Barcelona Stock Exchanges and the National Commission of Securities Market ("CNMV"), the latter positively verified all requirements for the admission to trading in the Madrid and Barcelona Stock Exchanges of the shares, including the verification of the Prospectus, admitting to trading one thousand five hundred and seventy seven million nine hundred forty three thousand eight hundred and twenty five (1,577,943,825) new class A shares and sixteen thousand three hundred and sixteen million three hundred sixty nine thousand five hundred and ten (16,316,369,510) new class B shares with effects March 31, 2017.

Additionally, in connection with the warrants, after having made the relevant filings with the Madrid and Barcelona Stock Exchanges and the National Commission of Securities Market ("CNMV"), the latter positively verified all requirements for the admission to trading of the instruments in the Automated Quotation System Block Market of the Madrid and Barcelona Stock Exchanges (the "AQS"), in the "Warrants, Certificates and Other Products" segment, including the verification of the Prospectus, admitting to trading eighty three million forty nine thousand six hundred and seventy five (83,049,675) class A warrants of the Company and eight hundred and fifty eight million seven hundred fifty six thousand two hundred and ninety (858,756,290) class B warrants of the Company, with effects March 31, 2017. If the conditions for the exercise of the warrants are fulfilled, the Initial Exercise Date of the warrants will be 31 March 2025 and the Final Exercise Date of the warrants will be June 30, 2025.

The Prospectus is available in the Company's website and in the website of the CNMV. In particular, the Company informed that it contains important notices to the market.

› On March 31, 2017, the Restructuring Agent confirmed that the Restructuring Completion Date occurred on such date. Related to the above, the fundamental principles of the Restructuring Agreement closed on March 31, were the following:

- (i) The amount of new money lent to the Group amount to €1,169.6 million (including refinancing of the September and December 2015, March and September 2016 facilities). This financing rank senior with respect to the preexisting debt and is divided into different tranches:
 - Tranche I (New Money 1): with two sub-tranches (1A y 1B) for a total amount of €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. Financing entities of this tranche received 30% of Abengoa's new share capital post restructuring.
 - Tranche II (New Money 2): amounts to €194.5 million, with a maximum maturity of 48 months and secured by, among other things, certain assets in the engineering business. Financing entities of this tranche received 15% of Abengoa's new share capital post restructuring.
 - Tranche III (New Money 3): 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. Financing entities of this tranche received 5% of Abengoa's new share capital post restructuring.

- New bonding facilities: amount to €307 million. Financing entities of this tranche received 5% of Abengoa's new share capital post restructuring.

The conditions of the New Money Financing are summarized in the following detail table:

Item	Tranche I (NM 1A)	Tranche I (NM 1B)	Tranche II (NM 2)	Tranche III (NM 3)	New bonding facilities
Nominal (in M€)	839	106	195	30	307
Cost	5% Cash + 9% PIK			7% PIK	5%
Maturity / Amortization	47 months			48 months	
Capital participation	30%		15%		5%

Several compliance obligations have been established between the financing conditions of New money (New Money), including the liquidity ratio (historical and future) and that on December 31, 2017, has been fulfilled by the minimal established (€20 million) being the "Historic Liquidity" of €29 million and the "Projected Liquidity" of €20.3 million. In addition, an financial debt limit of 219 million euros has been established for Corporate Financing which, at December 31, the Company has met.

The financing of New Money counts with the joint and several guarantee of Abengoa, S.A. and of certain Group subsidiaries.

- (ii) The restructuring for the preexisting debt (Old Money) Standard Restructuring Terms involved 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 (Standard Restructuring Terms).

Creditors who have adhered to the agreement chose either the conditions laid out previously 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.

- Refinance the 30% remaining of the nominal value of the preexisting debt through new debt instruments, replacing the preexisting ones, which rank as senior or junior depending on whether or not such creditor participated in the new money facilities or new bonding facilities. Such instruments 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 can 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.

The conditions of the preexisting debt (Old Money) refinanced summarized in the following detail table:

Item	(Standard Restructuring Terms)	(Alternative Restructuring Terms)	
		Junior Old Money	Senior Old Money
% debt write-offs	97%	70%	70%
Post-debt write-offs nominal (in M€)	12	1,220	1,409
Cost	-	1.5%	1.5%
Maturity / Amortization	10 years	72 months	66 months
Capital participation	-	40%	

Among the Old Money financing conditions, financing contracts have established certain obligations which include that, in the event that the total amount exceeds 2,700 million as a consequence of the potential crystallization of contingent liabilities, a 6-month period shall be available to restructure, by means of capital increases or additional debt reliefs, the aforementioned credits before incurring into a cause for accelerated maturity. Throughout 2017 and up to the date of preparation of these Annual Accounts, the 2,700 million limit for the Old Money has not yet been exceeded.

The financing of Old Money counts with the joint and several guarantee of Abengoa, S.A. and of certain Group subsidiaries

(iii) At the end of the restructuring process, the shareholders of the Company at the time, held 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 submitted 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.

- › On April 28, 2017 the notes issued by Abengoa Abenewco 1, S.A.U. in connection with Tranche 2 of the new money financing as well as the notes issued by Abengoa Abenewco 2, S.A.U. in connection with the Senior Old Money and the Junior Old Money were admitted to trading on the Vienna Stock Exchange (Third Market (MTF) of Wiener Boerse).
- › On June 12, 2017, the notes issued by ABG Orphan Holdco S.a.r.l. in connection with Tranche I of the new money financing were admitted to trading on the Irish Stock Exchange.
- › Within the framework of the judicial approval procedure, certain creditors filed challenge claims over the judicial approval of the MRA issued by Seville Commercial Court n. 2 on 8th November 2016. These challenges were declared admissible by the aforementioned judge by order dated 10 January 2017. The hearings of the aforementioned challenges were held on last 13th and 24th of July, the moment at which the trial was remitted for decision.
- › Finally, on 25 September 2017, the Mercantile Court of Seville N° 2 issued a ruling in regards to the challenges brought forth to the judicial approval (homologación judicial) of the restructuring agreement. On that basis:
 1. The judge resolved against the challenges in relation to the lack of concurrence in the percentages required under the Insolvency Act, and as such agrees to maintain the judicial approval (homologación judicial) of the restructuring agreement and its effects except for the following.
 2. The judge resolved in favor of the challenges in relation to the disproportional sacrifice caused on the challengers cited in the decision. As stated in the decision, this last point implicates that effects of the restructuring agreement do not apply to these challengers.

The nominal value of the excluded debt which has been claimed by the challengers amounts to approximately €76 million.

The Company considered that the decision did not specify what treatment the excluded debt should receive. On this basis, it requested clarifications and, if applicable, the corresponding ruling supplement to the Court through the necessary channels.

- › Regarding the preceding ruling dated October 30, 2017, the Company was notified on the ruling from the same Court by which they agreed to dismiss the request to supplement the ruling.

This means that the entire debt claimed by the petitioners, this is, the amount of €76 million has been recorded as corporate financing of current liabilities, and also, that the debt amounts subject to said proceedings will not be affected by the restructuring process and will exceed the thresholds expected in the contracts which produce an event of default.

In relation to the foregoing and to provide for such scenario, the Company had already requested the corresponding exemptions established in the financial agreements, this is, the “waivers” under the different financial instruments. These waivers were already obtained on October 27, 2017 and hence, said event of default is considered as non-produced.

During the last quarter, meetings have been held with the challengers for the purposes of negotiating and reaching an agreement on the claimed debt.

- b) On the other hand, in relation with the proceedings in Brazil related with the transmission line activity, on the occasion of the mentioned situation of Abengoa, it should be known that:

- › A ruling was issued in the Judicial Recovery process on December 2, 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 on December 31, 2016 at which the Ministry of Mines and Energy, the ANEEL representative and the judicial administrator were called to appear. The creditor’s meeting, initially scheduled on March 31, 2017, was proposed for the end of May 2017.
- › On May 30, 2017 was set Trial for the vote on the reorganization plan of Brazilian companies immersed “Recuperação judicial”.
- › On August 16, 2017, a new Plan of Judicial Recovery was presented to be approved in the Creditors’ General Assembly.
- › On August 18, 2017, in the framework of the process of “Recuperação judicial” of Abengoa Concessões (approved by 73.91% of common creditors), Abengoa Construção (approved by 87.65% of common creditors) and Abengoa Greenfield (approved by 100% common creditors), the company’s reorganization plan was approved by the majority of its creditors during the General Meeting of Creditors held on the same date.

- › Notwithstanding the foregoing, in accordance with Brazilian bankruptcy law, the resolutions adopted at the General Meeting of Creditors must be ratified by the competent judicial authority in order to review the legality of the reorganization agreement reached. As of the date of this report, the Company is not aware of the publication of mentioned judicial resolution.
 - › On September 19, 2017, the Ministry of Mines and Energy, based on the recommendation of ANEEL, declared the expiration of the 9 concession contracts of greenfield projects. Against that administrative decision, several actions are possible, through administrative and judicial proceedings; however, the approved Judicial Recovery Plan considers this situation and provides alternative measures even if the annulment of that decision is not obtained.
 - › On November 8, 2017 the Approval Ruling for the Judicial Recovery is published, by which the plan, to be executed in two years, is approved
 - › In December, a judgement unfavorable to Abengoa’s interests was pronounced in relation to the appeal filed by ANEEL on the judge’s decision on the Judicial Recovery, by which the expiration proceedings were included in the Judicial Recovery. Abengoa has filed an appeal against this resolution
 - › On December 13, brown field assets were awarded to Texas Pacific Group through public auction as provided in the Judicial Recovery for an amount of 482MBRL, subject to conditions precedent.
- c) Additionally, in relation to the proceedings in United States, on occasion as well of the mentioned situation of Abengoa, indicate that:
- › In relation with Chapter 11 proceedings conducted in Missouri, on June 8, 2017, the Eastern District Bankruptcy Court of the Eastern District of Missouri issued the order confirming the approval of the settlement plans for Abengoa Bioenergy Operations, LLC; Abengoa Bioenergy Meramec Renewable, LLC; Abengoa Bioenergy Funding, LLC; Abengoa Bioenergy Maple, LLC; Abengoa Bioenergy Indiana LLC; Abengoa Bioenergy Illinois LLC; Abengoa Bioenergy US Holding LLC; Abengoa Bioenergy Trading US LLC; Abengoa Bioenergy Outsourcing LLC; Abengoa Bioenergy of Nebraska LLC; Abengoa Bioenergy Engineering & Construction LLC; y Abengoa Bioenergy Company LLC.
 - › On February 8, 2018 the United States Bankruptcy Court for the District of Kansas issued an order that confirmed the liquidation plan for Abengoa Bioenergy Biomass of Kansas.

- › In relation to the Chapter 11 processes conducted in Delaware, during the last month of November, 2017 the Plan approved by all creditors, consisting on a business reorganization for some companies and liquidation for others, and on the restructuring of their debt consisting of a debt relief based on a recovery plan, entered into effect. As the conditions of the new debt agreed upon with the creditors in the restructuring agreement have been substantially modified, the requirements set forth in the IAS 39 "Financial Instruments: Recognition and Measurement" have been applied, derecognizing the debt refinanced at book value, registering the equity instrument to be handed over at fair value and recognizing the difference between both amounts in the Income statement. All of the above has had an impact on the consolidated income statement at December 31, 2017 for € 116 millions that have been recognized under Other finance income (see note 30.3).
 - d) 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:
 - › During 2017 there have not been any new relevant facts in addition to the mentioned in the 2016 annual accounts on this subject.
 - › At the closing of 2017 no significant event have occurred in relation to the bankruptcy situation of the company.
 - › On January 17, 2018 a meeting with the creditors was held where the Company's definitive liabilities amount was tried to be established. However, no agreement was reached by some of the creditors, leaving it up to the courts to clarify whether there is debt collection rights or not against the Company.
 - e) Regarding the declaration of bankruptcy of Abengoa México, S.A. de C.V.
 - › In pursuit of reaching an agreement with its creditors, Abengoa Mexico signed last March 2017 a lock-up agreement, supported by 71% of its creditors, aiming to subscribe the bankruptcy of the company and provide it 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, they 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.
- The Agreement has been signed by 95.696% of its total creditors in terms of the Law of Commercial Contests. In relation solely to common creditors, 82.966% of adhesion has been reached. The mentioned Agreement, applicable to all creditors of Abengoa Mexico once approved, provides for a restructuring of the debt contracted with all its creditors at nominal value and with a fair treatment of them. As for terms, the debt would start to be settled in March 2018 and would end in December 2021.
- › On June 28, 2017, the Sixth Court in Civil Affairs of Mexico City issued a judicial decision suspending the approval of the insolvency agreement pending the resolution of appeals against the resolution of the awards of claims presented by different creditors. Against that resolution of suspension were presented both by Abemex, as by the conciliator and by different creditors, , appeals favorably resolved and by virtue of which the Sixth Court in Civil Affairs of Mexico City issued a favorable ruling to approve the insolvency agreement on January 22, 2018.

- › Likewise, certain creditors have filed appeals against the aforementioned insolvency agreement approval ruling. Notwithstanding the above, these appeals do not entail the suspension of the approved agreement effects, which will become effective as planned.
- › At last, and in relation with the approval of the insolvency agreement issued by the Sixth Court in Civil Affairs of Mexico City, said ruling implies the exit from the insolvency procedure in which the Company had entered and remained since December 2016.

This ruling has occurred after Abengoa Mexico reached a final accession percentage to the Insolvency Agreement of 95.696% its total creditors, being this document presented by the conciliator before the Court handling the case on June 15, 2017.

This ruling requires all Abengoa Mexico creditors to be bound to the Insolvency Agreement, and orders the conciliator to cancel the registry entries made with reason of the insolvency and the company's insolvency status concludes, among other matters.

f) As concerns the ongoing Judicial Recovery process in Brazil on Abengoa Bioenergía Brasil, the following should be noted:

- › On 8th September last, Abengoa Bioenergía Brasil was informed by the Court of Santa Cruz das Palmeiras (Brazil) of a bankruptcy petition by a creditor of the company. On September 25 the company presented response and request of judicial rehabilitation which will allow the company restructuring and, therefore, negotiate with its creditors.

g) At last, in relation to the restructuring processes conducted in Peru, Chile and Uruguay

On October 14, 2016 Abengoa Perú entered into a restructuring framework agreement with a group of companies representing 100% of its financial debt with said entities that allows them to suspend compliance with its obligations and establish the terms and conditions under which Abengoa Peru may meet its payment obligations.

Likewise, on September 28, 2017 Abengoa Chile reached an agreement with a group of creditor banks (Banco de Crédito e Inversiones; Banco Consorcio; Itaú Corpbanca; Scotiabank Chile and Baco Security) and, on June 29, 2017 and September 1, 2017 with Banco Do Brasil New York branch and Banco do Brasil Chile for the totality of their financial debt with said entities, which allows Abengoa Chile to replan and extend their owed obligations.

Finally, Teyma Uruguay; Teyma Forestal; Consorcio Ambiental del Plata; Operación y Mantenimiento Uruguay; and Eterey entered into an agreement with a pool for financial entities on August 24, 2017 and with Banco do Brasil New York branch on June 1, 2017, which refinanced 100% of their financial debt with said entities.

b) **Going concern**

Once the Restructuring Agreement described in section 2.2.1. is completed, 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.

The situation of the Group during the year, which has been affected by a strong limitation of financial resources for more than a year and a half, has significantly influenced the evolution of the business not only in terms of a generalized 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.

Consequently, 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 presented a negative net equity. In the parent company Abengoa Director's opinion, the expected measures in the effective application of the Restructuring Agreement have allowed to gain a financial stability once there is a positive impact recognized in the income statement derived from debt write-offs, capital increases and, in addition has provided the Group with the necessary financial resources 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.

Based on the foregoing, Abengoa's Directors have prepared this Business evolution report at December 31, 2017 on a going concern. Based on the application of the going concern basis, Abengoa's Directors have applied the International Financial Reporting Standards ('IFRS') consistently with the 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 Abengoa's Consolidated financial statements) in order to record the assets, liabilities, revenues and expenses as of December 31, 2017 in accordance with the existing information by the time of preparing this Business evolution report.

c) Restructuring process accounting impacts

As indicated on section 2.2.1., on March 31, 2017, the completion of the Restructuring of the Group and therefore the Company recognized at that date all the accounting impacts related were announced. From an accounting perspective, the Restructuring Agreement is subject to IFRIC 19 "Cancellation of financial liabilities with equity instruments", derecognizing a portion of the debt to be cancelled at book value, recognizing the refinanced debt at fair value and registering the equity instrument to be handed over at fair value and recognizing the difference between such both amounts in the Income statement. The issued Equity instruments should be firstly recognized and valued in the date in which the liability or a part of it is cancelled.

When valuating the handed over equity instruments, it has been applied the IFRS 13 "Fair value measurement" and, consequently, it has been taken as reference the market price in the Spanish Stock Exchanges on the date in which the Restructuring process was completed and the liability was written off, this means on March 31, 2017. This market price was €0.055 per each class A share, and €0.024 each class B share. Applying such amount to the capital Increase of Abengoa (1,577,943,825 class A shares and 16,316,369,510 class B shares, which correspond to 95% of Capital share), the shares fair value accounted in the Consolidated Equity has been €478 million.

With the portion of debt to be refinanced, and given that the conditions of the debt to be refinanced have been substantially modified after the Restructuring agreement, IAS 39 "Financial instruments, recognition and measurement" has been applied, derecognizing the portion of the debt to be refinanced at book value, registering the equity instrument to be handed over at fair value and recognizing 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 equity instruments in order to cancel 97% of the liabilities, the terms of IAS 39 has been 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 has been recorded at its fair value and recognizing an impact on the Income Statement by the difference between both amounts.

All the mentioned caused a positive impact in the consolidated Net Equity of Abengoa of €6,208 million (€5,727 million in the income statement and €35 million in capital share and €443 million share premium). The following table shows the breakdown of such impacts (in million euros):

Concept	Amount
Decrease of debt to be refinanced at its carrying amount	8,330
Increase of refinanced debt at its fair value	(1,943)
Increase of equity instruments	478
Related expenses (commissions, fees, etc.)	(138)
Tax impact	(519)
Total impacts in Net Consolidated Equity	6,208

It is important to be known that the previous positive impact produced on the consolidated Equity of Abengoa exclusively try to shows the economic impact of the financial debt restructuring of Abengoa, and therefore it does not try to show the future financial situation of Abengoa which, in Director's opinion, and once implemented the Restructuring Agreement will depend on the achievement of the Updated Viability Plan related to the Group capacity to generate resources from its operations and the liquidity supply in market to continue with the activity in a competitive and sustainable manner.

d) Application of new accounting standards

- a) Standards, interpretations and amendments that have not yet entered into force, but which may be adopted in advance of the years beginning after January 1, 2017.

Amendments and interpretations indicated below which application is not yet mandatory and the Group has not adopted in advance.

- › IFRS 9 'Financial Instruments'. This Standard will be effective from January 1, 2018 under IFRS-EU.
- › IFRS 15 'Ordinary revenues proceeding 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.

In this sense, the impacts that could be more significant, due to the relevance of the changes introduced in those rules, indicate the following:

- › IFRS 9, "Financial Instruments", the main changes identified that could lead to a review of processes, internal controls and systems and an impact on the consolidated financial statements of the Group are summarized below:

(i) Accounting for hedges; the standard aims to align the application of hedge accounting with the Group's risk management by establishing new requirements with a principle-based approach.

(ii) Impairment of financial assets; the standard replaces a models of losses incurred in IAS 39 with an expected loss for the next 12 months or for the life of the instruments in the light of the significant increase in risk.

(iii) Classification and valuation of financial assets; the standard establishes a new classification to reflect the business model where the main classification categories are: a) assets at amortized cost (assets to maturity to receive the contractual flows: principal and interest), b) assets at fair value against results (assets to trade) and c) assets at fair value against equity (when the previous business models are given). Therefore, the categories of instruments held for sale are eliminated from IAS 39.

Although the Company is still developing the complete "expected loss" model, a preliminary assessment and estimation of the provision for impairment required due to the application of this new "expected loss" model on the financial assets has been carried out. This is a first-time application adjustment that will be registered on the transition date. Said analysis has led to the conclusion that the impact on the Group's consolidated annual accounts would not be significant.

As concerns the reporting systems, the current ones will remain while certain controls established therein will have to be adapted.

› IFRS 15, "Ordinary revenues proceeding from contracts with Customers", will substitute from the annual exercise initiated on January 1, 2018 the following procedure in effect nowadays:

- IAS 18 "Income from ordinary activities"
- IAS 11 "Construction contracts"
- IFRIC 13 "Customer Loyalty Programmes"
- IFRIC 15 "Agreements for the Construction of real estate"
- IFRIC 18 "Transfers of assets from customers"
- SIC-31 "Revenue- Barter Transactions Involving Advertising Services"

According to IFRS 15, revenue should be recognised in such a way that the transfer of goods or services to customers is disclosed at an amount that reflects the consideration to which the entity expects to be entitled in exchange for such goods or services. This approach is based on five steps:

- Step 1: Identify the contract or contracts with a customer.
- Step 2: Identify the obligations under contract.
- Step 3: Determine the Price of transaction.
- Step 4: Allocate the Price of transaction among the contract obligations.
- Step 5: Recognize revenues when (or as) the entity complies with each of the obligations.

The main changes identified that could lead to a review of processes, internal controls and systems and an impact on the Consolidated financial statements of the Group are summarized below:

(i) Identification of the different performance obligations in long-term contracts and assignment of price to each obligation; the standard could mainly affect the long-term contracts of the Engineering and Construction activities related to the execution of turnkey projects where the performance is now recognized based on a single performance obligation and, under the new rule, the result could be recognized based on the different performance obligations that can be identified with the consequent effect that this new criterion could imply by the difference in the recognition of income, as long as the margin of those obligations already performed is different from the one currently performed performance obligation.

(ii) Approval in the recognition of income for modifications of the contract and items subject to claim; the standard establishes explicit approval by the client, rather than the probability of approval requirement of the current standard, and could lead to differences in revenue recognition that can only be recorded when the customer approves and not when it is probable that the client to accept the change. In addition, and in the case of modifications or claims in which the client has approved the scope of the work, but their valuation is pending, the income will be recognized for the amount that is highly probable that does not produce a significant reversal in the future.

(iii) Identification and recognition of the costs of obtaining a contract (IFRS 15 p.91) and costs of compliance with a contract (IFRS 15, p.95); The specific rule that only those costs identified as incremental can be capitalized, being necessary a detailed analysis of the expectations of recovery of the same.

(iv) Combination of Contracts (IFRS 15, p. 17); this standard indicates that two or more contracts entered into at or near the same time with the same customer shall be combined and accounted as a single contract provided that certain criteria (price interdependency, joint negotiation or the existence of a single performance obligation) are met.

A preliminary assessment has been carried out under the estimation that the expected impact of the application of this standard in the Group's consolidated annual accounts will not mean that revenue recognition significantly differs from the one applied at present, and hence, the impact on the consolidated annual accounts will not be relevant. The first-time application adjustment will be registered on the transition date.

With regard to information systems, the current systems will be maintained and certain controls included in them will have to be adapted.

- b) Standards, amendments and interpretations applied to existing standards that can not be adopted in advance or have not been adopted to date by the European Union, at the date of preparation of these Consolidated Annual Accounts:
- › IFRS 10 (Amendment) "Consolidated Financial statements" y IAS 28 (Amendment) "Selling Assets between an investor and his joint business" in relation to the treatment of the sale or contribution of goods between an investor and its associate or joint venture. The application of these modifications has been delayed without a defined date of application.
 - › 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, and have not been adopted by the EU yet.
 - › IAS 7 (Amendment) "Disclosure Initiative"
 - › IAS 12 (Amendment) "Recognition of deferred tax assets for unrealized losses"
 - › IFRS 15 (Amendment) Clarifications to IFRS 15, "Revenue from contracts with customers."
 - › IFRS 2 (Amendment) "Classification and valuation of share-based payment transactions"
 - › IFRS 4 (Amendment) "Applying IFRS 9" Financial Instruments "with IFRS 4 insurance."

- › Improvements to IFRS Cycle 2014 - 2016 (published December 8, 2016). These improvements are applicable for annual periods beginning on or after 1 January 2018 under the EU have not yet been adopted by the European Union.
- › IAS 40 (Modification) "Transfer of investment property"
- › IFRIC 22 Transactions and advances in foreign currency establishing the "transaction date" to purposes of determining the exchange rate applicable in transactions with currency foreign. This rule will apply for annual periods beginning on or after 1 January of 2018 under the EU-IFRS. It has not yet been adopted by the European Union.
- › IFRIC 23 "Uncertainty about tax treatment". Interpretation which classifies the criteria for registration and valuation of IFRS 12 when there is uncertainty about the acceptability by the fiscal authority of an instrument used by the company. Pending adoption by the EU

The Group is in the process of analysing the impacts that the new legislation could have on its consolidated financial statements.

e) Changes in the composition of the Group

- a) In 2017 a total of 6 subsidiaries (7 in 2016), zero associates (4 in 2016) and 2 joint ventures (zero in 2016), 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 2017 and 2016.

In addition, during 2017, 2 joint ventures (JV) were included in the Consolidation perimeter, (1 in 2016), with partners which do not belong to the Group, have commenced their activity or have started to undertake a significant level of activity during 2017.

The amounts set out below represent the Group's proportional interest in the assets, liabilities, revenues and profits of the JV with non Group partners, which have been included in the Consolidated Financial Statements in 2017 and 2016:

Item	2017	2016
Non-current assets	35,168	29,463
Current assets	127,242	92,383
Non-current assets liabilities	19,725	12,458
Current liabilities	142,685	109,388

Item	2017	2016
Revenue	45,486	70,729
Expenses	(48,485)	(16,204)
Profit (loss) after taxes	(3,359)	54,525

- b) During the year ended December 31, 2017 a total of 166 subsidiaries were no longer included in the consolidation perimeter (57 in 2016), 6 associates (3 associates in 2016) and 10 joint ventures (8 in 2016), 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 6.2b) about dispositions.

During 2017, 52 UTE, (19 in 2016), 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 JV in 2017 have been null (were null in 2016).

Within the companies that have ceased to form part of the consolidation perimeter are certain United States companies over which control over them has been lost due to the various open procedures of Chapter 11 and the beginning of their corresponding liquidation processes. once approved by the judge after having reached the majority support of the creditors (see note 2.1). As a result of the loss of control, and based on the provisions of IFRS 10, Abengoa's consolidated income statement has been reclassified, within the income statement of discontinued operations, a loss of -80 million euros corresponding to the amounts recognized in other comprehensive income related to these companies and that correspond mainly to the cumulative translation differences that were maintained in consolidated equity until the date of loss of control.

- c) Additionally, during 2016, 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 through the equity method, are currently consolidated through the global integration method once obtained the control of the company).

f) Assets classified as Assets Held-for-Sale and Discontinued Operations

Changes in classification:

During 2017, the most significant changes corresponds to the investment on Atlantica Yield and Zapotillo concessional asset, given that, once initiated his corresponding disinvestment process, have been classified under the heading of assets and liabilities held for sale in the Consolidated statement of financial position given the compliance all the requirements of the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations".

In accordance to such IFRS 5, non-current assets (or group of assets for their disposal) classified as held for sale, should be registered at the lower of their book value and their fair value less cost to sale.

In order to determine the investment fair value of Atlantica Yield, and given that its shares quote on the NASDAQ Global Select Market, the market price at December 31, 2017 has been taken into account, which was \$21.20. Given that the fair value is higher than the book value, no adjustments have been registered.

Asset impairment analysis:

On December 31, 2017 an impairment loss have been recognized on assets classified as held for sale and discontinued operations amounted €317million as difference between net book value and fair value less the cost of sale.

The main impacts of impairment recognized in the Consolidation Income Statement at December 31, 2017 are due to changes in the key assumptions regarding considered at the close of the year 2016. Fundamentally, have affected the concessional asset of Khi Solar One with an impairment of €99 million due to the updating of the inputs related to the production of the plant and the application of possible penalties, the concessional asset of Ghana, with an impairment of €14 million due to the updating of the expected sale price after the offer received by a third party and, to ABENT3T concessional asset, recognizing an expense of 71 million euros for the update of the country risk rate, and, lastly, the concessional Zapotillo with an impairment of €161 million due to start of negotiations for its sale, which has resulted in a change in its accounting classification and to be valued at its fair value, based on the assumptions and requirements of IFRS 5, considering the potential impacts derived from the communication resignation without responsibility for the concession.

g) Main acquisitions and disposals

Acquisitions

- › No significant acquisitions have been carried out during the 2017 and 2016 period.

Disposals

- › During 2017, there were not significant disposals with the exception of the sale of the bioethanol business in Europe and the Norte III combined cycle power plant as part of the Divestment plan established in the Updated Viability Plan, detailed as follows:
 - › On March 16, 2017, Abengoa Bioenergía Inversiones, S.A. (the "Seller"), subsidiary of Abengoa, S.A., entered into a sale and purchase agreement (the "Agreement") with a company controlled by private equity fund Trilantic Europe (the "Purchaser"), which governs the sale of the bioethanol business of Abengoa in Europe through the transfer of shares of Abengoa Bioenergy France, S.A., Biocarburantes de Castilla y León, S.A., Bioetanol Galicia, S.A., Ecocarburantes Españoles, S.A. and Ecoagrícola, S.A. The sale and purchase agreement was made effective in June 1, 2017 once certain conditions precedent have been fulfilled (among others, the approval of the transaction by the Spanish Anti-trust Authority).

The transaction amount (enterprise value) is €140 million, including debt and working capital assumed by the Purchaser and minority interests. The cash received amounted to €86 million, with an effect on the Abengoa's consolidated income statement of €20 million and recognized under "Profit for the Year from Discontinued Operations", although there is an amount outstanding to be received subject to certain conditions whereby the total cash amount to be received could reach €111 million.

- › Finally, on September 1, 2017, Abengoa has reached an agreement with the consortium formed by Macquarie Capital and Techint Engineering & Construction for the sale of the 907 MW combined cycle Norte III, in the state of Chihuahua (Mexico), signed with the Federal Electricity Commission (CFE) and retaining the same scope and price for the sale of the energy originally agreed upon Abengoa will maintain the execution of part of Norte III, corresponding to the water treatment plant.

The transaction has had a positive net effect of €33 million on Abengoa's results. (an income in the operating profit 66 million from the sale and a financial expense 33 million for the execution of the given corporate guarantees and the application of the alternative restructuring conditions).

- › On the other hand, on May 24, 2017, Abengoa has reached an agreement with Prana Capital, the Infrastructure and Energy division of Artha Capital, a Mexican pension fund manager, in which the latter will invest financial resources to complement the capital provided by Abengoa towards El Zapotillo concessional asset. This union has the goal of advancing the construction of this 139 km aqueduct which will supply potable water to more than one and a half million inhabitants in an efficient, sustainable and secure way, from the El Zapotillo dam to the towns of Los Altos de Jalisco and up to the city of León.

In particular, Abengoa and Prana have signed a binding alliance in which the fund will provide complementary capital for the development of the infrastructure; while Abengoa will continue to have 20% project ownership and shall remain responsible for the engineering and construction of this key project for the company. In addition to the completion of the works, Abengoa will also be responsible for the supply, operation, maintenance of the infrastructure for a period of 25 years.

The agreement was subject to the main parties of the project (Conagua, Banobras, Sapal, Abengoa and Prana) reaching an agreement as to the key milestones that had to be achieved to ensure the execution of the project.

As of August 25, 2017, the concessionary company Zapotillo Aqueduct S.A. de CV has communicated to the grantor the resignation without responsibility of the concession, beginning a period of negotiation between both parties to evaluate the possible scenarios contemplated in this situation for what it put on hold the agreement previously above-mentioned.

The potential impacts derived from everything previous have been considered in the valuation of the concessional asset once classified as assets held for sale (see Nota 7)

- › On November 1st, 2017 it has entered into a sale purchase agreement with Algonquin Power & Utilities Corp., a growth-oriented renewable energy and regulated electric, natural gas and water utility company (the "Purchaser", "Algonquin" or "APUC"), for the sale of a stake of 25% of the issued share capital of Atlantica Yield plc. ("AY"). The sale will become effective once certain conditions precedent have been fulfilled, among others, the approval of the transaction by certain regulatory authorities as well as the Company's creditors (the "25% Sale").

The agreed purchase price of 24.25USD per share is subject to certain deductions included in the agreement as well as transaction costs. In addition, the parties have further agreed an earn-out mechanism by which Abengoa will benefit from 30% of the first 2.00 USD of Atlantica Yield's share price revaluation, implying a maximum additional amount of 0.60 USD per share. The earn-out structure will be triggered on the first anniversary of the closing of the transaction.

As part of the transaction, the Company has also granted the Purchaser an option to acquire the remaining 16.5% of the Company's stake in AY under the same conditions and at the same price, subject to the US Department of Energy approval, during a period that expires 60 days following completion of the 25%Sale, as well as a right of first refusal to be exercised during the first quarter of 2018.

Within the conditions precedent required to close the transaction, the Company is in process of obtaining a waiver from the U.S. Department of Energy (DOE) which will allow reducing Abengoa's current participation percentage up to 16% in the first instance. To reach this goal, an agreement has been reached by and between Abengoa S.A. (Abengoa), Arizona Solar One (the company behind the Solana Project) and the DOE, among others, wherefore Abengoa acknowledged a debt derived from the obligations that it secured under the parent company's guarantee agreement and, more specifically, under the production guarantee for the Engineering, Procurement and Construction Contract (EPC), and which are considered as accrued as of today.

The recognition of the debt associated to the financial guarantees of said agreement executed with Arizona Solar One and the DOE has negatively impacted the consolidated profit and loss account for an amount of 94 million of € which has been registered under "Other loans and borrowings" (see note 20.5).

Additionally, on November 1st, 2017, the Company and Algonquin have entered into a memorandum of understanding ("MOU") to, among other things, jointly incorporate a global utility infrastructure company with the purpose of identifying, developing, constructing, owning and operating a portfolio of global utility infrastructure projects ("AAGES").

The incorporation of AAGES provides an opportunity to leverage on the strengths of each the partners, and help pursuing their mutual and complementary interests. For Abengoa it is an opportunity to strengthen its core EPC and O&M businesses while for Algonquin AAGES will be their international project development platform. In addition, AAGES will provide AY with an ongoing pipeline of compelling asset investment opportunities.

At the closing of 2017, the Company has obtained the required consents from its creditors to close the sale. Closing of the transaction remains subject to fulfillment of the remaining conditions precedent set forth in the agreement.

- › On the other hand, on February 18, 2017 the Company signed a agreement to sell its stake (56%) in BDDG, the company that owns the Company's water desalination plant in Accra (Ghana), with AquaVenture Holdings, a leader in Water-as-a-Service™ (WAASTM) solutions.

The plant, which uses reverse osmosis technology and has been in operation since 2015, has a production capacity of approximately 60,000 m³/day of water, sufficient to provide water to around 500,000 inhabitants in Accra and its surroundings. The desalinated water is supplied to Ghana Water Company Limited (GWCL, Ghana's national water company). The base price of this divestiture is of approximately 26 MUSD, being subject to potential adjustments at closure.

This operation is expected to be fully closed in the second quarter of 2018, following the fulfillment of certain conditions which include the restructuring of the water sale contract with GWCL or the effective consent of BDDG's financing banks to the operation.

- › Lastly, and within the judicial recovery process initiated in Brazil on the transmission line activity, on December 13, 2017 the transmission lines in operation were awarded to the North-American company TPG Capital, previously named Texas Pacific Group, for an amount of 482 Millions of Brazilian Real (121 millions of euros). The transaction is subject to authorization from the power regulatory agency Agencia Nacional de Energía Eléctrica (Aneel), the National Bank for Economic and Social Development (BNDES), the Banco da Amazônia bank and bond holders (pending to be updated).

During the year 2016 the main 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 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 Excellence 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 plant of 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 2.2.1 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 2.2.1 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 US \$ 450 million 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.

h) Main figures

Financial data

- › Revenues of €1,480 million, a 2% lower to the same period of 2016.
- › EBITDA of €127 million, an increase of 153% compared to the same period the previous year.

	Balance as of 12.31.17	Balance as of 12.31.16	Var (%)
Income Statement			
Revenue	1,480	1,510	(2)
EBITDA	127	(241)	153
EBITDA Margin	9%	-16%	2
Net Income	4,278	(7,629)	156
Balance Sheet			
Total Assets	6,359	9,914	(36)
Equity	(2,408)	(6,780)	64
Corporate Net Debt	3,254	7	(55)
Share Information			
Last price (€ per B share)	0.01	0.19	(95)
Capitalization (A+B share) (€ million)	218	195	12
Daily trading volume (€ million)	6	5	24

Operating figures

- > The international activity represents 86% of the consolidated revenues.
- > The main operating figures of the years 2017 and 2016 are the following.

Key operational	2017	2016
Transmission lines (km)	3,532	3,532
Water Desalination (Cap. ML/day)	475	475
Cogeneration (GWh)	163	257
Solar Power Assets (MW)	300	200
Biofuels Production (ML/year)	235	1,030

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, 2017 and 2016 (in million euros).

Item	Balance as of 12.31.17	Balance as of 12.31.16
+ Corporate Debt	3,644	7,665
- Financial investments	(195)	(150)
- Cash and cash equivalents	(196)	(278)
- Treasury stock + financial investment and Treasury in project companies.	1	-
Net Corporate Debt	3,254	7,237

i) Consolidated income statement

	Balance as of 12.31.17	Balance as of 12.31.16	Var (%)
Revenues	1,480	1,510	(2)
Operating expenses	(1,353)	(1,751)	23
EBITDA	127	(241)	153
Depreciation and amortization	(405)	(1,901)	79
I. Net Operating Profit	(278)	(2,142)	87
II. Finance Cost, net	(417.0)	(664)	37
Financial incomes / expenses	6,172.0	(498)	1,340
Net Exchange rates differences and other financial incomes/expenses	5,755	(1,162)	595
III. Share of (loss)/profit of associates	(73)	(587)	88
IV. Profit Before Income Tax	(5,404)	(3,891)	239
V. Income tax expense	(824)	(372)	(122)
VI. Profit for the year from continuing operations	4,580	(4,263)	207
Profit (loss) from discontinued operations, net of tax	(296)	(3,352)	91
Profit for the year	4,284	(7,615)	156
VII. Non-controlling interests	(6)	(14)	57
Net income attributable to the parent company	4,278	(7,629)	156

(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 has decreased to €1,480 million, which is a decrease of €30 million from €1,510 million in the same period of 2016. This decrease in consolidated revenue is due to the decrease of the Engineering and Construction activity in the development of EPC projects mainly in areas of North America and South Africa, partially offset by the increase of the concessions activity due to the commissioning of the completed Khi plant in South Africa.

EBITDA

EBITDA has increased in a 153% reaching €127 million, which entails a €368 million increase compared to the €-241 million of the same period of the previous year. The increase in EBITDA is mainly attributable to all the aforementioned in the revenue section in addition to the improvement generated in this period, as compared to the previous period, due to the expense recognized in December 2016 to cover possible construction costs (for contractual breaches and for the reactivation of projects given the Company's situation at the time), which has been partially offset by an increase, in 2017, of expenses for independent professional services resulting from the consultants that became involved in the restructuring process.

Operating profit

Operating profit has increased in 87%, from loss of €2,142 million on December, 2016 to losses of €278 million on December, 2017. This increase in the operating profit is mainly attributable to all the mentioned before in the EBITDA section, as well as to the improvement generated, in comparison with the previous period, for the impairment expense on certain assets held for sale recognized in December 2016 given the situation in which the company was.

Net Financial Expense

Net Finance expenses have reached a profit of €5,755 million, which is an increase of 595% in comparison to a loss of €1,162 million in the same period of 2016. This increase in income is mainly due to the positive impact caused by the financial debt restructuring of the Group (see section 2.1), as well as the lower financial expenses, in comparison with the twelve month ended December 2016, due to the losses recognized on certain divestments of financial assets as well as to the default interest expenses and guarantees executed as a result of the situation in which the company was.

Share of profit (loss) of associates carried under the equity method

The result of associates increase from a loss of €587 million on December, 2016 to a loss of €73 million on December, 2017. This increase is mainly due the improvement generated in this period, in comparison with the previous period, due to the impairment losses recognized in December 2016 on certain interests in associates.

Corporate Income Tax

Corporate income tax increased from a net loss of €372 million in December, 2016 to a net loss of €824 million on December, 2017. This increase is mainly attributable to income tax expenses recognized due to the positive result arisen after the financial debt restructuring of the Group (see section 2.1), as well as to the impairment of certain deferred tax assets.

Profit for the year from continuing operations

Due to the aforementioned changes, results from continuing operations of Abengoa increased from losses of €-4,263 million in December, 2016 to a profit of €4,580 million in the same period of 2017.

Profit/(Loss) from discontinued operations, net of tax

The result from discontinued operations, net of tax increase from a loss of €3,352 million on December, 2016 to a loss of €296 million in the same period of 2017. This increase is mainly attributable the improvement generated in this period, in comparison with the previous period, due to the higher impairment charges on certain discontinued assets related to the Bioenergy and LAT Brazil activity recognized in December 2016, given the situation in which the company was.

Profit attributable to the parent company

Profit attributable to the parent company increased from a loss of €7,629 million on December, 2016 to a profit of €4,278 million on December, 2017 as a consequence of the changes described in previous sections.

j) **Results by activities**

Abengoa Business sales, EBITDA and margin related to different business activities has been as follows:

Concepto	Revenue			Ebitda			Margin	
	2017	2016	Var (%)	2017	2016	Var (%)	2017	2016
Engineering and construction								
Engineering and construction	1,317	1,368	(4)	25 (1)	(326) (1)	108	2%	(24%)
Total	1,317	1,368	(4)	25	(326)	108	2%	(24%)
Concession-type infrastructure								
Solar	60	37	62	44	21	110	73%	57%
Water	47	59	(20)	31	41	(24)	66%	69%
Transmission lines	-	1	(100)	-	-	-	-	-
Cogeneration and others	56	45	24	27	23	17	48%	51%
Total	163	142	15	102	85	20	63%	60%
Total	1,480	1,510	(2)	127	(241)	153	9%	(16%)

(1) It includes construction cost provisions of projects given the situation of the company for an amount of €245 million of Euros at December 31, 2016 and independent professional fee expenses for the advisors participating in the restructuring process for an amount of 52 millions at December 31, 2017. (€55 millions at December 31, 2017)

Engineering & Construction

Revenues in the Engineering & Construction segment has decreased by 4% to €1,317 million, which entails an increase of €51 million compared to the €1,368 million of the same period last year. This increase in revenues is mainly attributable, to the decrease in the development of EPC projects in areas of North America and South Africa partially offset by the increase in areas of South America and Middle East.

Engineering & Construction EBITDA has increased by 108% to €25 million, which entails an increase of €351 million, compared to the €-326 million in the same period in the last year. This increase in EBITDA is attributed to the aforementioned in the previous revenue section, along with the improvement generated in this period compared to the previous period, due to the expense that was recognized in December 2016 to cover possible construction costs (for contractual breaches reactivation of projects given the situation in which the Company was), partially offset by the increase, in 2017, expenses for services of professionals independent of the consultants involved in the restructuring process.

Concession-type Infrastructures

Revenues in concession-type infrastructures have increased by 15% to €163 million, which entails an increase of €20 million compared to the €142 million in the same period last year. This increase in revenues is mainly attributable to the income generated in the thermo-solar plant of Khi once entered into operations at the end of 2016 as well as higher performance in certain concessional-type assets like the solar-gas central (SPP1) in Algeria.

Concession-type infrastructure EBITDA has increased by 24% to €102 million, which is an increase of €17 million compared to the €85 million in the same period last year. This increase in EBITDA is also mainly attributed to what has been mentioned in the previous paragraph related to income generated in certain concessional-type assets.

k) Consolidated statement of financial position

Consolidated balance sheet

A summary of Abengoa's consolidated statement of financial position for December 31, 2017, and December 31, 2016, is given below, with main variations produced between both periods (millions of euros):

	Balance as of 12.31.17	Balance as of 12.31.16	Var (%)
Intangible assets and fixed assets	235	254	(7)
Fixed assets in projects	165	398	(59)
Associates under the equity method	34	823	(96)
Financial investments	41	65	(37)
Deferred tax assets	376	615	(39)
Non-current assets	851	2,155	(61)
Inventories	75	100	(25)
Clients and other receivable accounts	965	1,327	(27)
Financial investments	195	150	30
Cash and cash equivalents	196	278	(29)
Assets held for sale	4,077	5,904	(31)
Current assets	5,508	7,759	(29)
Total assets	6,359	9,914	(36)

- Non-current assets have decreased 61% to €851 million, which entails a decrease of €1,304 million compared to the €2,155 million at December 31, 2016. This decrease in non-current assets is mainly attributable to the classification of the Zapotillo concession asset and the investment in Atlantica Yield as assets held for sale after comply with the requirements of IFRS 5 (see section 2.1.3) and to the impairment recognized in this period on certain deferred tax assets.

Current assets have decreased by 29% to €5,508 million, which entails a decrease of €2,251 million as compared to the €7,759 million at December 31, 2016. This decrease in assets is mainly attributable to the sale of Bioenergy plants in Europe and the sale of Norte III, en México, for the impairment recognized during this period or over certain held-for-sale assets and the depreciation of the Brazilian real and the US dollar partially offset by the new non-current assets classified as held for sale.

A summary of Abengoa's consolidated liabilities as of December 31, 2017 and December 31, 2016, along with further clarification on the main variations produced between both periods, has been included below:

	Balance as of 12.31.17	Balance as of 12.31.16	Var (%)
Capital and reserves	(2,870)	(7,335)	61
Non-controlling interest	462	555	(17)
Total Equity	(2,408)	(6,780)	64
Project debt	11	13	(15)
Corporate financing	1,611	267	503
Grants and other liabilities	52	66	(21)
Provisions and Contingencies	54	51	6
Derivative financial instruments	-	6	(100)
Deferred tax liabilities and Personnel liabilities	531	176	202
Total non-current liabilities	2,259	579	290
Project debt	97	2,003	(95)
Corporate financing	2,033	7,398	(73)
Trade payables and other current liabilities	1,883	2,654	(29)
Current tax liabilities	128	146	(12)
Derivative financial instruments	-	12	(100)
Provisions for other liabilities and expenses	23	17	35
Liabilities held for sale	2,344	3,885	(40)
Total current liabilities	6,508	16,115	(60)
Total Shareholders' Equity and Liabilities	6,359	9,914	(36)

- › Equity has increased by 64% to €2,408 million, which is an increase of €4,372 million compared to €-6,780 million at December 31, 2016. This increase in equity is mainly attributable to the positive impact after the financial restructuring (see section 2.1) and the net negative evolution of Exchange rate differences given the depreciation of the Brazilian real and the depreciation of the US dollar.
- › Non-current liabilities have increased by 290% to €2,259 million, which is an increase of €1,680 million compared to the €579 million at December 31, 2016. This increase is mainly due to the net impact of the Financial Restructuring after derecognizing the Old Debt to be refinanced and recognizing the already-refinanced New Debt with long-term maturit (see section 2.1.).
- › Current liabilities have decreased by 60% to €6,508 million, which is a decrease of €9,607 million compared to the €16,116 million at December 31, 2016. This decrease in current liabilities is mainly attributable to the increase of corporate financing due to the net impact of the financial restructuring, resulting from a derecognition of the old debt to be refinanced and a recognition of the new, already

financed debt, as well as to the decrease of the assets held for sale due to the divestments of the Bioenergía plants in Europe and the Norte III power plant (see section 2.2.3.) and to the depreciation of the Brazilian real and US dollar.

l) Consolidated cash flow statements

A summary of the Consolidated Cash Flow Statements of Abengoa for the periods ended December 31, 2017 and 2016 with the main variations per item are given below (millions of euros):

	2017	2016	Var (%)
Profit for the year from continuing operations	4,580	(4,263)	(207)
Non-monetary adjustments	(4,662)	4,009	(216)
Variations in working capital and discontinued operations	(23)	(65)	114
Interest received/paid	(82)	(67)	23
Discontinued operations	46	58	(21)
A. Net Cash Flows from operating activities	(141)	(328)	(57)
Intangible assets and property, plant & equipment	(161)	(241)	(37)
Other investments/disposals	36	559	(83)
Discontinued operations	(57)	(312)	(100)
B. Net Cash Flows from investing activities	(161)	5	(1,157)
Other disposals and repayments	122	(9)	(1,537)
Discontinued operations	11	224	(95)
C. Net Cash Flows from financing activities	133	215	(38)
Net increase/(decrease) of cash and equivalent	(64)	(107)	(40)
Cash at beginning of year	278	681	(59)
Translation differences cash or equivalent	(15)	5	(391)
Discontinued operations	(2)	(301)	(99)
Cash and cash equivalent at end of year	196	278	(29)

- › As of December 31, 2017, cash outflows from operating activities amounts to €141 million compared to €328 million in the same period of 2016, due to the lower cash generated after a slight activation of the business in all segments and the decrease in working capital, mainly derived from the situation of the Group during the twelve month period ended December 31, 2017 given by the strong limitation of financial resources in which the Company is subjected for more than a year and a half.

- › In terms of net cash flows from investment activities, there is a net cash outflow of €57 million as of December 31, 2017, compared with a net cash outflow of €5 million in the same period of 2016. The higher cash outflow from investment activities results mainly from a reactivation of the project performance activity, net of cash inflow generated by the sale of the Bioethanol business in Europe (see section 2.2.3).
- › Net cash flow from financing activities was €133 million as of December 31, 2017 compared to €215 million in the same period of 2016. Cash inflows from financing activities are mainly caused by the net cash obtained in the financial debt restructuring of the Group (see section 2.1). In December 2016, the generation of cash mainly derived from the availability of liquidity facilities that were granted 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, 2017 and 2016 are as follows:

Item	2017	2016	Var (%)
Consolidate EBITDA (millions)	127	(241)	(153)
EBITDA margin (EBITDA/revenues)	9%	(16%)	(100)
Operating margin (Operating profit/revenue)	(19%)	(144%)	(87)
Profit margin	289%	(507%)	(157)
Basic earnings per share	0.29	(7.40)	(104)
Diluted earnings per share	0.27	(7.40)	(104)
Market capitalization (million)	218	195	12

The key performance indicators for each activity are detailed below for the years 2017 and 2016:

	2017	2016
Engineering and Construction		
Backlog (€ in millions)	1,424	2,698
Concession-Type Infrastructure		
Solar		
MW under development	-	300
MW under construction	-	380
MW in operation	300	200
Total MW	300	880
Transmisión		
Km of transmission under development	-	188
Km of transmission under construction	6,707	6,707
Km of transmission in operation	3,532	3,532
Total Km	10,239	10,427
Water		
Capacity of desalination in construction (m3/day)	275	-
Capacity of desalination in operation (m3/day)	475	475
Industrial Production		
Capacity Biofuels production (ML/Yr)	235	1,030

2.3. Matters relating to the environment and human resources

- a) Policies and due diligence. Issues related to environmental and governance factors.

Environment

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. 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.

Upper Management, firmly committed to sustainability, has integrated environmental management in the Company's corporate strategy, defining the guidelines to implement environmental management systems in its activities. Consequently, by year-end 2017, Companies ahve Environment Management Systems certified according to the ISO 14001 Standard.

Circular economy and climate change are two of the main pillars on which Abengoa's environmental policy is based. The current economic expansion is generating an inefficient use of the available resources and an exponential growth of waste generation. As a result, the management thereof has become a problem requiring to be addressed given its notable impact on the environment and on society. For said reason, the Company aims to ensure that products, materials and resources' value have a longer operating life and remain in the economic cycle the longest time possible, for the purposes of reducing the generation of waste to a minimum and hence, its environmental footprint.

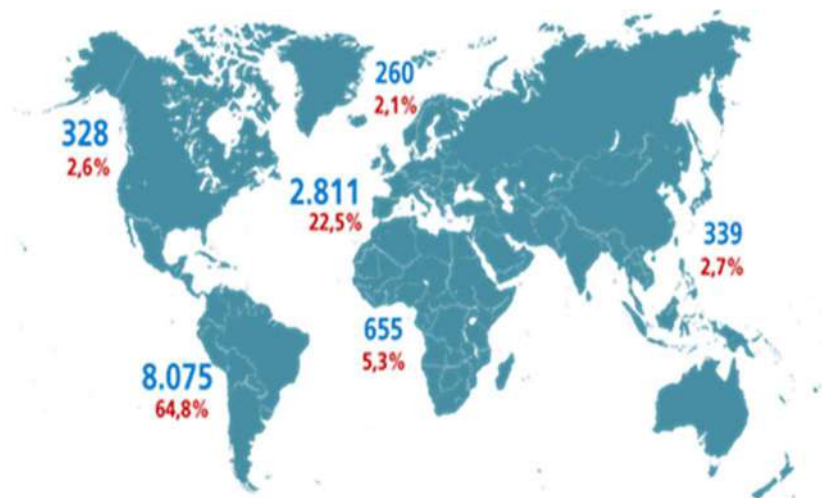
Likewise, Abengoa is working on aligning its goals with the Paris Agreement, gearing towards mitigating the emissions produced by its activities in the interest of not exceeding a temperature increase of two degrees centigrade with respect to the preindustrial era.

Human resources

Abengoa's workforce is formed by 12,468 people, which is a decrease of 22% compared to the previous year (15,979 people).

Geographical distribution of the workforce

The 22.5% people are located in Spain while the remaining 77.5% are abroad. The total number of employees at the closing of 2017 by geographical area and its share over the total is:



Distribution by professional groups

The number of employees by categories during 2017 was:

Categories	Average number of employees in 2017		% Total
	Female	Male	
Directors	27	242	2.2
Management	168	753	7.4
Engineers	508	1,349	14.9
Assistants and professionals	479	1,335	14.5
Operators	396	7,182	60.8
Interns	12	17	0.2
Total	1,590	10,878	100

Human Capital is one of the Company's most important assets, as a lack thereof would not make possible to achieve the proposed objectives and to adapt to new business opportunities.

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.

To ensure protection of the rights of its employees, said employees fall within the scope of suprabusiness 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.

Likewise, it maintains an explicit commitment to equal opportunities and non-discrimination on grounds of sex, race, color, religion, opinion, nationality, economic position or any other circumstance. This commitment is expressed in the Company's internal norms, which are ultimately approved by the Company's president.

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, Abengoa created in 2008 its Framework Equality Plan and the "Equal Opportunity and Treatment Office", based on the UN Global Compact and reflected in the Labor-Related Social Responsibility Policy, which has been structured in accordance with a series of measures that aim, on one hand, at guaranteeing equal treatment and opportunities between man and women and, on the other, at avoiding any potential situation that implies or may constitute direct or indirect workplace discrimination based on gender.

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.

Respect for Human Rights

Abengoa is firmly committed to respect for human rights, both within the organization and in its influence area. For said purpose, and 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.

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 Labor-related Social Responsibility (LRSR) policy, which establishes a management system of social responsibility in accordance with the SA8000 model.

Likewise, Abengoa condemns all forms of child labor, in accordance with the terms specified under Convention 138 of the International Labor Organization (ILO) concerning the minimum age to work.

Health and Safety

Abengoa is firmly involved in and 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, to the extent that, in addition to complying with all health and safety requirements, an internal e-mail on this matter is periodically sent by the Company's president reminding of the importance thereof.

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, analyze 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.

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 addition, in 2017 Abengoa has acceded to the Luxembourg Declaration as a healthy company within the European Network for Workplace Health Promotion (ENWHP). This accession is evidence, once again, of the Company's commitment to integrating basic principles for promoting health in the workplace in addition to good management of its employees' health.

Management of the Supply Chain

Abengoa is aware of its responsibility in the supply chain and therefore it finds it necessary to implement and promote high standards of quality and social responsibility across all of the company's lines of activity.

For said reason, and for the purposes of promoting compliance with the social, environmental and good management regulations, as well as the best international practices for business ethics, Abengoa requires all its providers to adhere to the Social Responsibility Code, which guarantees a higher degree of transparency in the Company's own operations and those of the interested party.

The accession to this code does not only mean a way to do business the right way, but also it intends to improve the life and working conditions of people throughout the supply chain, contributing to a more sustainable world and helping to achieve the Sustainable Development Goals (SDGs) established by the United Nations in 2015.

The Social Responsibility Code for suppliers and subcontractors contains several clauses based on the UN Global Compact principles, the Universal Declaration of Human Rights, the International Labor Organization (ILO) guidelines, the Rio Declaration on Environment and the United Nations Convention against Corruption, and involves a commitment to establish mutually-beneficial relationships with our suppliers.

Abengoa focuses on promoting and encouraging, among its suppliers and subcontractors, the respect to human rights by complying with the highest ethical, integrity, good management and quality standards in the performance of its activities throughout its entire supply chain. For said reason, the Company holds a “zero tolerance” policy for unethical behavior both in the company itself and in its value chain.

By executing this agreement, the supplier is not only committed to ensuring that its activities are based on the code, but also to having full availability to undergo an audit or other inspection by Abengoa to verify compliance with the principles.

Fight Against Corruption and Bribery

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, 100% applicable, and are continuously updated to ensure a balance between business opportunities, appropriate risk management and the execution of processes.

The Abengoa Regulatory Compliance program and the subject-specific programs (Regulatory Compliance Program, Code of Professional Conduct, Anti-trust Enforcement Program; Data Protection Enforcement Program; Corrupcy Compliance Program; Criminal Compliance Program; Program for Anti-Money Laundering and Combating the Financing of Terrorism) 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.

They are intended to prevent, detect and punish any conduct that could result in liability for the company and / or the employee himself.

The main activities of prevention, detection, monitoring and control are also developed by the Compliance Officer and control processes implemented by the company to prevent and control the commission of unlawful conduct.

In addition to the internal procedures and standards, every year the organization 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.

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. Abengoa also counts with whistleblowing channels, which 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 confidentiality 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: available in the external website, it is intended to enable anyone outside the company to report irregularities, fraudulent acts or conduct that contravenes Abengoa’s Code of Conduct.

The internal audit and regulatory compliance annual plans, which contain work on prevention, fraud detection and regulatory compliance and which have been developed by the Internal Audit area cover, among other aspects, the risk of noncompliance with Abengoa’s internal regulations on corruption. Out of all the work performed in 2017, 10 forensic audit reports were prepared according to the whistleblowing disclosures received both from the internal and the external channels. None of these work projects have resulted in the start of a judicial procedure related to a corruption incident.

Social Dialogue and Development of Local Communities

The organization guides both its business and social action strategic lines towards value generation within the geographic locations of its operations. For such reason, and thanks to a constant dialogue with its groups of interest, Abengoa detects needs and opportunities to promote development in those communities in which it is present. The goals of activities undertaken by the company or by the Focus-Abengoa Foundation, is to improve the living conditions of the most underprivileged through social development, education, local engagement, scientific and cultural research and information.

The Company counts with a procedure to measure the return of the social investment made and the efficiency of the implemented programs and initiatives in order to ensure higher reliability in the control of its actions, as well as to continue working on the dialogue with the communities and to guarantee that new potential needs may be detected.

b) Main Non-Financial Information Risks and Management Thereof

Environmental Risks and 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
- › Uso de cultivos como materia prima en el proceso de producción de bioetanol compitiendo con la alimentación

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

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

Human Resources-Related Risks

As a multinational company Abengoa develops systems for controlling and preventing human rights violations. Along these lines, the so-called Common Management Systems were developed to ensure that the company upholds these commitments. The systems establish norms of obligatory compliance for all company employees, with no exceptions and regardless of where activities are conducted.

On the other hand, the company also has a Universal Risk Model (URM) to ensure proper prevention and management of the risks associated with violations of human rights throughout the entire chain of value. In addition, it also counts with other mechanisms designed to protect Human Rights, such as:

- › Code of Conduct: contains guidelines and measures for preventing incidents from occurring in relation to infringements of human rights or other company values, as well as the requirement to comply requires compliance with the highest standards of honesty and ethical conduct, including procedures for handling professional and personal conflicts of interest.
- › Internal and external Whistleblower Channel.
- › Adherence of company providers to the Social Responsibility Code.
- › Monitoring of Abengoa companies deemed material.
- › Internal non-financial audits.
- › Monthly committees with the President (Human Resources, Regulatory Compliance, Internal Audit, Risks, Corporate Social Responsibility).
- › Training

Corporate Social Responsibility-Related Risks

Abengoa periodically performs a CSR risk analysis in the most relevant facilities for the purposes of getting to know the specific risks affecting each of them, designing specific actions for their mitigation, supervision and prevention, and developing a framework that allows for the Company's dialog with the main groups of interest.

The analysis is conducted based on a questionnaire with a total of 27 risks selected from the relevant issues identified in the Company's CSR Strategic Plan and are grouped in six areas:

- › Labor practices
- › Occupational health and safety
- › Supply chain
- › Social commitment and local impact
- › Environmental management and climate change
- › Ethics, integrity and compliance

This questionnaire aims to get to know Abengoa managers' perception on the existing level of risk in their facilities as pertains to CRS from three different perspectives:

- > The one associated to the facility's own nature
- > The possibility of material breach
- > Third-party opinions

Risks in the Supply Chain

In order to fulfill the commitments established with regard to its supply chain, Abengoa has developed a procurement management risk identification system.

The system includes sustainability criteria applied to the evaluations carried out among suppliers and is made up of tools and procedures that enable Abengoa to analyze the level of risk of its suppliers. By conducting internal audits, Abengoa seeks to forestall any conduct which may run contrary to the performance principles established by the company.

The implementation of the system is being carried out in three phases: supplier assessment, critical supplier audits and supplier rating.

Risk suppliers therefore undergo a periodic analysis to evaluate the supply chain in Abengoa operations, monitoring involvement in and acceptance by suppliers of corporate policies, determining risk level and establishing mitigation measures.

This analysis takes into account different variables, including the supplier's country, the nature of the product or service supplied or the type of activity conducted, as well as more subjective aspects deriving from the company's knowledge of its suppliers. To determine the level of risk of the country of supplier operation, Abengoa employs recognized international indices related to human rights (child labor, discrimination and freedom of association, among others), corruption and observance of political and civil rights.

Risk Level Analysis	
Human rights and labor practices	<ul style="list-style-type: none"> » Human rights » Child labor » Discrimination » Freedom of association » Occupational vulnerability
Corruption	<ul style="list-style-type: none"> » Corruption perception index » Bribe payers index
Civil and political rights	<ul style="list-style-type: none"> » Freedom status
Political risks	<ul style="list-style-type: none"> » Exchange rate risk » Government non-payment » Political interference » Supply chain disruption » Legal and regulatory risks » Political violence » Business risk » Banking vulnerability
Environmental Risks	<ul style="list-style-type: none"> » Energy-derived CO2 emissions rate » Access to improved water source » Particulate matter concentration
19 analyzed aspects	

Based on the results obtained audits are performed on suppliers for the purposes of determine the degree to which Abengoa suppliers are ensuring compliance with the principles set out in the Social Responsibility Code (SRC). For this purpose an auditing procedure was created to define the aspects to be reviewed and to base the scope of the work on the degree of supplier criticality, allowing analyses to be carried out via self-assessment questionnaires, remote audits or in-person audits that include visits to supplier facilities.

Health and Safety Risks:

Ensuring optimal working conditions in the area of occupational health and safety is a top priority for the company. Abengoa therefore implements occupational risk prevention systems that are audited periodically by authorized entities which certify their degree of alignment with legal regulations and efficiency level. These systems have four essential underpinnings:

- > Principles of Abengoa's Occupational Risk Prevention (ORP) policy
- > Legal provisions that are applicable in each country of company operation
- > Contractual specifications of the company's customers in this area
- > Requirements of the OHSAS 18001, Standard, the international set of norms pertaining to occupational health and safety systems

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, analyze accident rates and implement the necessary measures to achieve the goals set in this matter.

c) Information on the Board of Directors' Diversity

The Company takes a series of measures to ensure that females are included in the Board of Directors in a number that allows for a male/female equilibrium.

Article 1 of the Appointment and Remuneration Committee's regulations establishes that: the Appointment and Remuneration Committee shall establish procedures and ensure that new vacancies meet the following conditions:

- > The selection process for board vacancies has no implicit bias against female candidates
- > The company makes a conscious effort to include female candidates that meet the professional profile sought.

The Appointment and Remuneration Committee is responsible for reporting the Board on the aspect of gender and diversity, ensuring that a representation target for the under-represented gender in the Company's Board of Directors is established and preparing guidelines on how to achieve this goal. At present, the Appointment and Remuneration Committee is presided over a female director.

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: that the appointments are based on the diversity of knowledge, experience and gender within the Board of Directors; and that the Committee ensures that by the year 2020 the number of female board members shall amount to, at least, 30% of the total of the members of the Board of Directors.

External advisors may be brought in to assist with the selection of directors. In accordance with the board members' selection policy, said directors must be persons respectable in the society, qualified and with recognized expertise, competence, experience, qualifications, training, availability and commitment to their duties, regardless of their gender, seeking to ensure that the composition of the Board of Directors is diverse and balanced.

d) Main Performance KPIs

Summarized Responsible Management Balance Sheet

	2017	2016	2015	(2)
Financial Capital				
Revenue (M€) (1)	1,480	1,510	3,647	✓
Significant financial support received from governments (k€)	4,882	12,031	81,747	✓
Natural Capital				
Energy				
Energy consumption (GJ) (primary, electrical, thermal)	24,853,762	33,692,874	55,602,638	✓
Energy consumption intensity (GJ) / Sales	16.8	22.3	9.7	✓
Emissions				
Direct emissions (t CO _{2eq})	652,332	1,044,098	2,135,808	✓
Direct emissions from biomass (t CO _{2eq})	1,103,015	2,025,292	3,289,005	✓
Indirect emissions (tCO _{2eq})	315,286	2,725,577	4,713,618	✓
GHG emissions intensity (tCO _{2eq}) / Sales	1.4	3.8	1.8	✓
Other atmospheric emissions::				
CO	1,479	NA	9,399	✓
NOx	1,882	NA	11,968	✓
SOx	223	NA	899	✓
PM	1,923	NA	2,731	✓
VOC	114	NA	7,917	✓
Water withdrawal				
Desalinated water produced (m ³)	146,444,617	154,690,622	105,346,138	✓
Seawater withdrawal (m ³)	356,538,188	336,653,375	221,199,378	✓
Water withdrawn from other sources (m ³)	6,351,911	8,648,659	21,028,296	✓
Waste				
Waste	45,474	41,645	120,913	✓
Human capital				
Job creation (%)	(21.97)	(31.1)	9.82	✓
Total voluntary turnover (%)	8.69	18.22	9.09	✓
Female staff members				
In senior management positions (%)	10.04	10.38	10.77	✓
In middle management positions (%)	18.24	21.97	22.20	✓
Training (number of hours over the average number of employees)	20.6	6.21	53	✓
Work-Related Accident Rate				
Frequency rate	13.31	14.22	11.81	✓
Severity Rate	0.12	0.23	0.13	✓
Social and Relationship Capital				
	2017	2016	2015	(2)
Providers				
Purchases to local providers (%)	87.3	NA	73	✓
Compliance				
	2017	2016	2015	(2)
Analyses conducted to meet FCPA compliance	539	540	5,108	✓

(1) Economic figures based on Note 5 of the Consolidated Annual Accounts.
(2) KPIs audited by an independent external auditor.

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 2.7 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. Up to March 31, 2017, Abengoa, S.A. managed the activity of the remaining subsidiaries which are not financed under the Group's Corporate Financing modality, centralizing the cash surplus of the remaining companies to distribute it according to the different needs of the Group. As of that date, and due to the restructuring process mentioned in Note 2.2.1., this management process is now conducted by Abengoa Abenewco 1, S.A.U.

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).

As stated in Note 2.2.1, upon completion of the financial Restructuring Agreement, , in Directors' opinion, the compliance 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 years 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 stated in Note 2.2.1, upon completion of the financial Restructuring Agreement, in Directors' opinion, the compliance 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.

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, 2017 and 2016 (in thousands of euros):

2017	Total	Up to one year	Between one and three years	Between three and five years	Subsequent
Loans with credit institutions	1,419,128	798,850	40,610	319,681	259,987
Notes and bonds	1,759,691	901,094	-	456,234	402,363
Liabilities due to financial leases	15,977	8,466	2,222	1,370	3,919
Other loans and borrowings	448,963	324,118	69,660	44,355	10,830
Obligations under operating Leases	55	54	1	-	-
Purchase commitments	765,003	530,571	234,282	150	-
Accrued interest estimate during the useful life of loans	928,150	125,556	319,065	194,008	289,521

2016	Total	Up to one year	Between one and three years	Between three and five years	Subsequent
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	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

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
Boot Dgen Torrent Power LTD	Transmisión	115 km	India
Centro Penitenciario A3T4	Cogeneración y Otros	-	Uruguay
Agadir	Cogeneración y Otros	840 MW	México
ATN 3	Agua	100,000 m3/día	Marocco
	Transmisión	355 km	Perú

4.- Principal risks and uncertainties

4.1. Operational risks

4.1.1. Risks related to Abengoa's financial situation

Risks relating to a delay in the implementation of the viability plan

The five-year viability plan presented to the market in August 2016 envisaged the completion of the Restructuring Process by December 2016 with the company resuming business activity in early 2017. The delay in the completion of the Restructuring Process and the start of Abengoa's business activity might have an impact on the operating cash flow and investment estimates in the viability plan. However, as of the date of this Prospectus the company does not have an updated viability plan.

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 €3,752 million euros on December 31, 2017. 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, 2017 Abengoa has met the financial ratios of the different financing contracts established after the restructuring agreement.

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 delays in the viability plan implementation

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

Abengoa's ability to obtain the funds through the implementation of the enhanced plan for disinvestment in assets before the end of the 2018 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;

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 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 have been pledged 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 that, albeit subject to minimum amounts, mean that the 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 Abengoa's strategy of operating with negative working capital

Abengoa has historically operated with significant negative working capital balances, relying on the following tools to generate cash flows from working capital: (i) use non-recourse factoring for many of our receivables, pursuant to which we are able to advance payment of amounts owed to us under such receivables in return for a fee; and (ii) payment to suppliers at 180 days via "confirming". This strategy was heavily dependent on the continuous growth of our engineering and construction business, so any slowdown of the business could result in cash outflows to meet working capital requirements.

Going forward it is Abengoa's intention to continue relying on the same negative working capital strategy, but with some significant changes. As a result of the financial restructuring, Abengoa's operating activity will be reduced compared to previous years and so will the working capital needs; and, in addition, payment terms to suppliers will be reduced to 60 days. In order to implement this strategy Abengoa is required to be able to obtain new factoring and confirming lines from financial entities which are items of additional debt specifically permitted under the terms of the new financing.

Despite these changes, Abengoa's engineering and construction activity might not grow, non-recourse factoring and confirming lines might not be available or Abengoa might not be able to negotiate payment terms with suppliers as expected, resulting in cash outflows in order to meet working capital requirements.

Risks arising from Company's dividend policy

The terms and conditions included in the financial agreements subscribed under the Restructuring Agreement 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, granted under the existing financial debt.

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 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 Engineering and Construction. 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. From 2018 through 2020, Abengoa has plans to limit its equity investment in future projects including the assumption of limiting 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 to long term (over 10 years) 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

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). 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). For the purposes of ensuring that renewable energy projects are economically feasible, 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 Abengoa 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.

Abengoa expects that this dependence will be reduced pursuant to its plan to focus its Engineering and Construction business towards "turnkey" and concessionary projects that require limited capital investment or no investment by Abengoa. As part of this plan, for example, Abengoa plans to postpone the development of new concessional projects until 2018

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.

Construction projects related to the Engineering and Construction activity and the facilities of the Concession-type Infrastructures are hazardous workplaces

Employees and other personnel that work on Abengoa's construction projects for the Engineering and Construction activity and at the facilities of the Concession-Type Infrastructures and biofuels operations are usually surrounded by large scale mechanical equipment, moving vehicles, manufacturing processes or hazardous materials, which are subject to wide-ranging regulations when they are used. Projects may involve the use of hazardous or highly regulated materials that, if not handled correctly or spilt, could expose Abengoa to claims that result in all types of civil, criminal and administrative liabilities (fines or Social Security benefits surcharges).

Despite the fact that Abengoa has functional groups that are exclusively responsible for monitoring the implementation of the necessary health and safety measures, as well as working procedures that are compatible with protecting the environment, throughout the organization (including at construction and maintenance sites), any failure to comply with these regulations could result in liability for Abengoa. In the event of non-compliance Abengoa could be found liable.

Historical safety levels are a critical part of Abengoa's reputation. Many of its clients expressly require Abengoa to comply with specific safety criteria in order to be able to submit bids, and many contracts include automatic termination clauses or withdrawal of all or part of the contractual fees or profits in the event that Abengoa fails to comply with certain criteria. Consequently, Abengoa's inability to maintain adequate safety standards could result in lower profitability or the loss of clients or projects.

As at the date of this Prospectus, no agreements have been terminated, no penalties have been imposed and no material decreases in earnings have occurred due to failures to comply with safety-related obligations.

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 JV 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.

Adverse publicity may have negative effect on the brand names owned or used in the Group

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 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.

Additionally, Abengoa faces a risk of claims and litigations related the restructuring process due to its implementation in several jurisdictions.

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 euros as of December 31, 2017, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been a loss of €44,191 thousand (loss of €24,707 thousand on 2016) mainly due to the US Dollar net asset position of the Group in companies with euro as functional currency and an increase of €0 thousand (decrease of 25 thousand in 2016) 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, 2017 and 2016 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, to mitigate its exposure to variations derived from the 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, by means of options and swap contracts.

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 in the Capital Market 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, 2017, with the rest of the variables remaining constant, the effect in the Consolidated Income Statement would have been a profit of €184 thousand (€1,515 thousand in 2016) mainly due to the increase in time value of hedge interest rate options (caps and collars) and an increase of €85 (€2,331 thousand in 2016) 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, 2017 and 2016 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, 2017 and 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.

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.

- Clients and other receivables (see Note 15).
- 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, 2017 and 2016.

- > **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 2017, no significant amounts in arrears are susceptible to be disclosed in addition to the information required by IFRS 7.

On the other hand, as indicated in note 2.3 relative to the application of the new IFRS 9, "Financial Instruments" from January 1, 2018, the company has made a preliminary assessment and estimation of the accuracy by impairment required by the application of the new "expected loss" model on financial assets, and no material impacts have arisen with respect to the current model.

4.2.3. Liquidity and central risk

See Section 3. Liquidity and capital resources.

4.3. Risk management and internal control

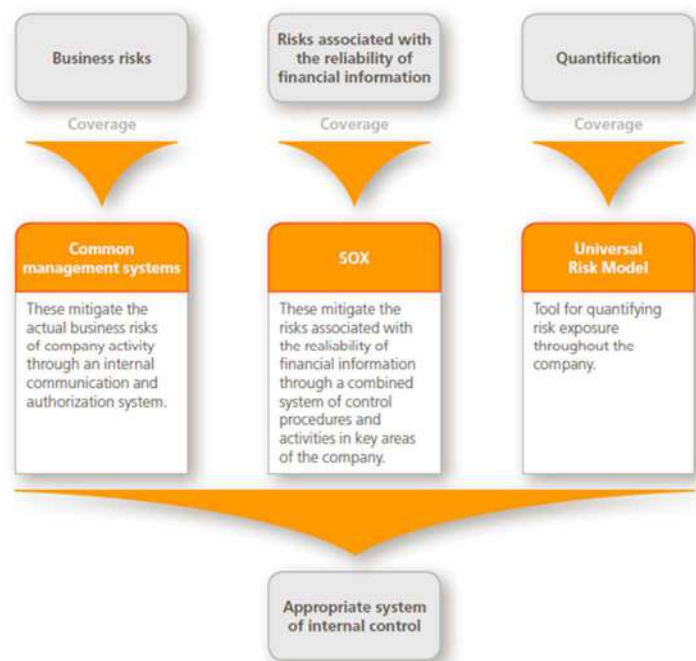
Abengoa is aware of the importance of managing its risks in order to carry out appropriate strategic planning and attain the defined business objectives. To do this, it applies a philosophy formed by a set of shared beliefs and attitudes, which define how risk is considered, starting with the development 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" (SCIIIF).

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.

It is composed of the main company risks, which are grouped in four big areas (financial risks, strategic risks, compliance risks and operations risks)



All model risks are assessed 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

Once the Restructuring Agreement is completed and the recapitalization of Abengoa 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 2017 the efforts in R&D+I has been €0.5 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.- Acquisition 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, 2017 treasury stock amounted to 5,519,106 shares (5,662,480 shares in 2016), 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 34,704 class B shares and treasury stock transferred amounted to 143,374 class A shares and 34,704 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, 2017 totals €36.088.747,70 represented by 18.836.119.300 shares fully subscribed and paid up, with two separate classes:

- 1.632.400.194 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').

- 17.203.719.106 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 bylaws ('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.

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, 2017 are as follows:

Shareholders	Significant share %	
	Direct Share %	Indirect Share %
Banco Santander, S.A.	3.63	-
Banco Popular Español, S.A.	0.34	3.63

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 20th conversion period dated January 15, 2017, the Company carried out on January 22, 2017, 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.

Additionally, after closing the 21st conversion period dated April 15, 2017, the Company carried out on April 26, 2017, a reduction of capital share by the amount of €301,900.16 by means of the conversion of 15,247,483 Class A shares into new Class b shares.

On the other hand, after closing the 22nd conversion period dated July 15, 2017, the Company carried out on July 25, 2017, a reduction of capital share by the amount of €166,094.74 by means of the conversion of 8,388,623 Class A shares into new Class b shares.

After closing the 23rd conversion period dated October 15, 2017, the Company carried out on October 24, 2017, a reduction of capital share by the amount of €98,152.56 by means of the conversion of 4,957,200 Class A shares into new Class B shares.

Finally, after closing the 24th conversion period dated December 31, 2017, the Company carried out on January 12, 2017, a reduction of capital share by the amount of €222,885.53 by means of the conversion of 11,256,845 Class A shares into new Class B shares.

On the other hand, within the Group's financial restructuring framework ended on March 31, 2017 and whose agreements were approved at the reconvened General Meeting of Shareholders on November 22, 2016, the Company carried out, on March 28, 2017, an increase of capital by offsetting credits for an amount of 34,822,150.402 euros through the issue of 1,577,943,825 Class A shares and 16,316,369,510 Class B shares for the purposes of offsetting the credits of the restructuring-participating companies that had opted for the application of the Alternative Restructuring Terms. Likewise, on that same date, the Company issued 83,049,675 warrants over Class A shares and 858,756,290 warrants over Class B shares that were granted to the shareholders from immediately prior the execution of the aforementioned capital increase for that period, if applicable, in compliance with their own terms.

As a consequence of the mentioned operations, the share capital of Abengoa at the date of March 7, 2018, amounts €35,865,862.17 represented by 18.836.119.300 shares fully subscribed and paid, pertaining to two different classes: 1.621.143.349 Class A shares and 17.214.975.951 Class B shares.

The proposed distribution of 2016 of the parent company approved by the General Shareholders' Meeting in June 30, 2017 has been charged to to loss from previous periods.

As concerns Shareholders' Agreements, on December 23, 2016 the Company notified the National Securities Market Commission (CNMV) through a relevant fact with record number 246416, of the termination of the investment agreement executed with First Reserve Corporation (FRC) on October 3, 2011, considering that, on said date, FRC did not hold any Abengoa class B shares or any other instrument convertible in, or exchangeable for, Abengoa class B shares and hence, it didn't hold any interest in the Company's share capital. As a consequence of said termination, shareholders' agreements between FRC and other shareholders hereto referred, which were subjected to the investment agreement with FCR, lost their condition.

In like manner, on March 30, 2017, Inversión Corporativa IC, S.A., Finarpisa, S.A and First Reserve Fund XII L.P. terminated the shareholders' agreement entered into on October 10, 2011, as amended on August 27, 2012, since First Reserve did no longer hold any share in Abengoa's share, as notified to the CNMV on March 5, 2018. 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, three months 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 June 30, 2017, 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 5 years as of the above date and subject to Article 144 and subsequent articles of the Capital Companies Act. . This authorization expressly includes the acquisition of shares for the purposes of being directly delivered to employees or directors of the Company or is subsequent to the exercise of call rights of any of them.

For that purpose, the authorization conferred upon the Board of Directors for the same purposes, by virtue of the agreement reached at the Ordinary General Meeting of Shareholders held on March 29, 2015, was revoked.

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 2015 has subsequently been terminated on June 5, 2017. 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 2017, no treasury 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, 2017, with a total of 3.601.298.245 shares present or represented, 36,711,208,050 votes (once included votes corresponding to treasury stock in accordance with what is stated in article 148 "Ley de Sociedades de Capital") and 20.197% of the company's share capital (20.501% including treasury shares). The following resolutions were passed by the meeting:

Resolution First.- Annual accounts and management of the Board of Directors:

1.1. 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 2016 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 2016 of its consolidated group.

1.2 Examination and approval, as the case may be, of the proposal to apply the 2016 Financial Year Outcome of the individual annual Financial statements of the Company.

1.3 Examination and approval as appropriate, of the Management of the Company by the Board of Directors during the aforementioned 2016.

Resolution Two.- Appointment of directors. Maintenance of vacancy.

Resolution Three.- Re-election of Deloitte, S.L. as the Company's and its consolidated group's Accounts Auditor for the 2017 financial year.

Resolution Four.- Appointment of auditor of the accounts of the Company and the consolidated group to the year ending 31 December 2018, 2019 and 2020.

Resolution Five.- Submission of the Annual Report on the Remuneration of Abengoa's Directors for approval, on a consultation basis.

Resolution Six.- Approval of amendments to the remuneration policy applicable to the 2017 period.

Resolution Seven.- Approval of the Remunerations Policy applicable to years 2018-2020, both included.

Resolution Ten.- Delegation of authority to the Board of Directors to make derivative acquisitions of treasury stock, of any class, directly or through Group companies, in accordance with prevailing legislation and for the maximum period of five years, nullifying authorizations previously granted for the same purposes by the General Shareholders' Meeting.

Resolution Eleven.- Information to the shareholders at the General Shareholders' Meeting of the amendments approved by the Board of Directors to the Regulations thereof.

Resolution Twelve.- The delegation of powers to the Board of Directors to interpret, rectify, carry out, execute and record the agreements that are adopted.

The eighth and ninth items of the agenda relating to the grouping of the number of outstanding or contrasplit shares and delegation to the Board of Directors of the power to increase the share capital by issuing new shares was not voted due to the necessary quorum was not reached and the eleventh item on the agenda was informative. Regarding the votes of the aforementioned agreements:

In relation to the votes of the aforementioned resolutions:

- > In the Resolution 1.1, a total of 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 24.650.085.613 votes in favor, 108.753.457 against and 11.952.368.980 abstaining.
- > In the Resolution 1.2, a total of 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 24.634.678.175 votes in favor, 44.510.033 against and 12.032.019.842 abstaining.
- > In the Resolution 1.3, a total of 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 29.287.326.295 votes in favor, 46.592.741 against and 7.377.289.014 abstaining.
- > In the Resolution 2, a total 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 30.514.400.215 votes in favor, 84.320.662 against and 6.112.487.173 abstaining.
- > In the Resolution 3, a total 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 29.557.416.310 votes in favor, 971.292.601 against and 6.182.499.139 abstaining.
- > In the Resolution 4, a total 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 30.510.222.611 votes in favor, 131.136.914 against and 6.069.848.525 abstaining.
- > In the Resolution 5, a total 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 25.676.190.795 votes in favor, 508.802.502 against and 10.526.214.753 abstaining.
- > In the Resolution 6, a total 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 24.536.827.841 votes in favor, 1.601.313.938 against and 10.573.066.271 abstaining.
- > In the Resolution 7, a total 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 23.247.796.308 votes in favor, 2.963.428.241 against and 10.499.983.501 abstaining.

- › Resolution 8 of the agenda was not subject to voting due to the lack of quorum required therefor.
- › Resolution 9 of the agenda was not subject to voting due to the lack of quorum required therefor
- › In the Resolution 10, a total 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 30.740.571.228 votes in favor, 219.148.392 against and 5.751.488.430 abstaining.
- › Resolution 11 of the agenda was for information purposes and hence, it was not subject to voting.
- › In the Resolution 12, a total 36.711.208.050 valid votes were cast, corresponding to 3.595.775.568 shares, which represent 20.197% of the share capital, with a total of 30.703.055.983 votes in favor, 138.755.760 against and 5.869.396.307 abstaining.

As of December 31, 2017, the only Director who was a member of the board of directors of another listed company was Mr Gonzalo Urquijo Fernández de Aroz, who was Director of Vocento, S.A., Getamp Automoción, S.A. y Atlantica Yield, plc, Mr José Luis del Valle Doblado who was Chairman of Lar España Real Estate SOCIMI, S.A. and Director of Verditek plc, Mrs. Pilar Caveró Mestre, who was Director of Merlin Properties and Mr Josep Piqué Camps who was Director of Aena, 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, 2017 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 Aroz	-	-	-	-	-
Manuel Castro Aladro	-	-	-	-	-
José Wahnón Levy	-	-	-	-	-
Pilar Caveró Mestre	-	-	-	-	-
Josep Piqué Camps	-	-	-	-	-
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 6, 2014, the maximum number of members of the Board of Directors was set at sixteen. 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, 2017 was the following:

Gonzalo Urquijo Fernández de Aroz	Executive President
Manuel Castro Aladro	Independent
	Coordinating Director
	Member of the Audit Committee
José Wahnón Levy	Independent
	Chairman of the Audit Committee
Pilar Caveró Mestre	Independent
	Chairwoman of the Appointments and Remuneration Committee
José Luis del Valle Doblado	Independent
	Member of the Audit Committee
Josep Piqué Camps	Independent
	Member of the Appointments and Remuneration Committee
Ramón Sotomayor Jáuregui	Independent
	Member of the Appointments and Remuneration Committee

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 a majority of independent, 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.

As of December 31, 2017 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, in accordance with the Board Members' Selection Policy.

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 2017, the Board met a total of 20 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:

- 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 also casts the deciding vote in the Board of Directors.

The Chairman is 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 or 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 2017 were €1,645 thousand (€2,780.8 thousand in 2016).

Detail of individual remuneration and benefits in 2017 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 2017
Gonzalo Urquijo Fernández de Aroz	1,000	-	80	-	-	-	-	1,080
Manuel Castro Aladro	-	-	80	-	10	-	-	90
José Wahnon Levy	-	-	80	-	20	-	-	100
Pilar Cavero Mestre	-	-	80	-	20	-	-	100
José Luis del Valle Doblado	-	-	80	-	20	-	-	100
Javier Targhetta Roza	-	-	8	-	-	-	-	8
Ramón Sotomayor Jáuregui	-	-	80	-	10	-	-	90
Miguel Antoñanzas Alvear	-	-	16	-	5	-	-	21
Josep Piqué Camps	-	-	48	-	8	-	-	56
Total	1,000	-	552	-	93	-	-	1,645

Pursuant to the Remuneration Policy of Directors for the 2018-2020 period, (sections 3.2 and 4.2.3D), which regulate the long-term variable remuneration of Directors and of the Executive Chairman respectively, the Company has made a provision for an amount of €1,018 thousands, this being an estimation for the 2017 period. In any case, this amount is subject to the effective fulfillment of the goals established for said remuneration which will reach maturity on December 31, 2020.

In terms of 2017 annual variable remuneration, once the conditions established have been assessed and the non-compliance of one of the general triggers has been verified, it is considered not accrued and, therefore, is not recognized for the Executive Chairman, nor for any manager or employee of the company

Additionally, in 2017 overall remuneration for key management of the company (Senior Management which are not executive directors), including both fixed and variable components, amounted to €3,240 thousand (€2.348 thousand in 2016).

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 closing of 2017:

- Pilar Cavero Mestre	Chairwoman. Independent director.
- Josep Piqué Camps	Member. Independent director.
- Ramón Sotomayor Jáuregui	Member. Independent director.
- Juan Miguel Goenechea	Non-director Secretary

All its members, with the sole exception of Mr Piqué, 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 chairwoman at the meeting. The secretary was appointed by the Board of Directors at the same meeting. Mr Piqué was designed as a member of the Committee by the meeting of the board of directors of Abengoa, S.A. held on July 13, 2017, replacing Mr. Del Valle who had held office on a temporary basis following the resignation of Mr. Antofañanzas on May 19, 2017.

As a result, the Appointments and Remuneration Committee comprises three independent directors with the chairwoman 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 2017 the Committee met twelve times. Important issues discussed at these meetings included proposals to appoint or re-appoint members of the board of directors, the approval and preparation of the report on the long-term incentive plan proposal, the proposal to modify the Executive Chairman and Upper Management contracts, the preparation and approval of the report on the Remunerations Policy proposal applicable to the 2018, 2019 and 2020, 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 2017 the main resolutions of the Appoitment and Remuneration Comitee has been the following:

- › Report favorably on the Annual Directors' Remuneration Report.
- › Report favorably on the Remuneration Policy for the years 2018, 2019 and 2020 as well as the modification of the remuneration policy for 2017.
- › Approval and favorable report of the Management Incentives Plan (MIP).
- › Approve the Annual Report of the Appointments and Remuneration Committee.
- › Submission to the Board of Directors, for approval, of the results of the annual evaluation of the performance of the Board of Directors and its committees

- › Proposal for the appointment of new directors to Mr. Miguel Antoñanzas Alvear and Mr. Josep Piqué Camps.
- › Proposal to the Board of Directors for modification of the Executive Chairman's contract.

10.- Other relevant information

10.1. Stock exchange information

According to data provided by Bolsas y Mercados Españoles (BME), in 2017 a total of 7.077.365.850 Class A shares and 47.476.898.080 Class B shares in the company were traded, equivalent to an average daily trading volume of 27.754.376 Class A shares and 186.183.914 Class B shares, The average daily traded cash volume was €1.3 million for Class A shares and €4.9 million for Class B shares.

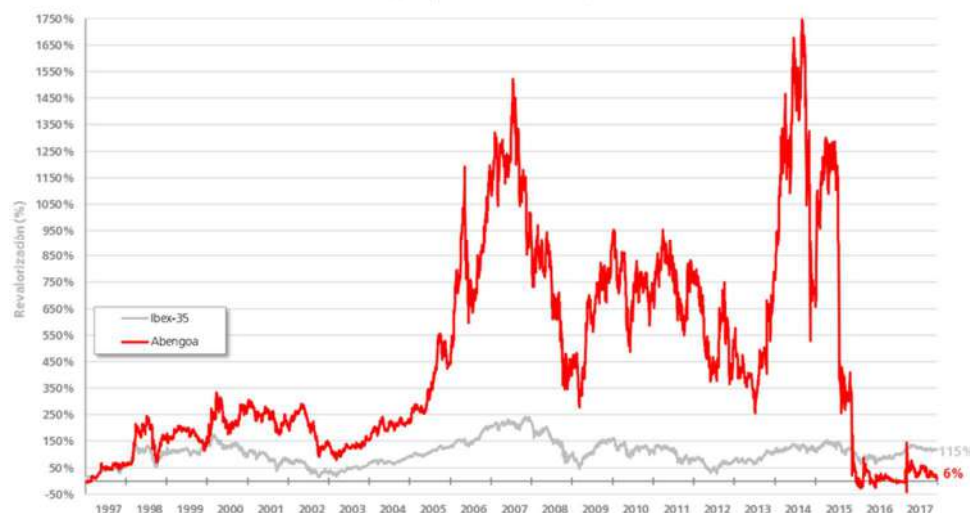
Share evolution	A Shares		B Shares	
	Total	Daily	Total	Daily
Volume (thousands of shares)	7,077,366	27,754	47,476,898	186,184
Volume (M€)	323.7	1.3	1,248.3	4.9

Quotes	A Shares		B Shares	
	Data	Data	Data	Data
Last	0.0280	29-dic	0.0100	29-dic
Maximun	0.9690	27-mar	0.3170	24-mar
Minimun	0.0280	25-abr	0.0100	07-jul

The last price of Abengoa's shares in 2017 was €0.03 for Class A shares, some -93% lower than at the end of 2016; and €0.01 per Class B share, -95% lower than the close of 2016, mainly due to the impact of the capital increase conducted within the Company's restructuring plan framework, which has entailed the issue of 1,577 million of new Class A shares and 16,316 millions of Class B shares.

Since its IPO in the Spanish stock exchange in November 29, 1996, the value of the Company has increased by 6% with respect to the initial value. The selective IBEX-35 index has risen by 115% during the same period.

Evolución de la Capitalización de Abengoa en Bolsa
(comparado con Ibex-35)



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.

In February 2017, Standard & Poor's ("S&P") and Moody's Investor Service, Inc. ("Moody's") proceeded to remove Abengoa's rating upon request of the company itself.

In March 2017, Moody's Investor Service, Inc. ("Moody's") likewise removed its credit ratings due to reasons specific to the business.

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 463 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 period of payment	463
Paid transactions ratio	245
Unpaid transactions ratio	712
2016	Days
Total payments	601,732
Total outstanding payments	526,436

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, 2017.

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 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 at 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 2 of 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.
 - › Consistency: 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

On March 5, 2018, the company reported that all the preceding conditions related to the agreement signed with Algonquin Power & Utilities Corp., for the sale of Atlantica Yield Plc, had been satisfied or waived.

Since December 31, 2017, 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. Consolidated management report

03.1 Corporate governance annual report



01. Annual report on corporate
governance of listed public limited
companies

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
30-10-2017	36,088,747.70	18,836,119,300	180,443,738,506

State 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	1,632,400,194	0.02	100	Without different rights
B	17,203,719,106	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:

Personal or corporate name of the shareholder	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct owner of shares	Number of voting rights	
Banco Santander, S.A.	473,180,497	Banco Popular Español, S.A.	6,544,959,736	3.97 %
		Banco Santander Brasil, S.A.	139,890,132	
Banco Popular Español, S.A.	6,544,959,736	–	–	3.63 %

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

On 28 March 2017 and within the financial restructuring framework undertaken by the Company, the share capital increase that was approved at the general meeting of Shareholders held on 22 November 2016 was executed, thus increasing the Company's share capital by a total nominal amount of thirty-four million eight hundred and twenty-two thousand one hundred and fifty Euros and four hundred and two thousandths (34,822,150.402) of a Euro, by issuing and circulating one thousand five hundred seventy-seven million nine hundred forty three thousand eight hundred twenty-five (1,577,943,825) new Class A Shares and sixteen thousand three hundred sixteen million three hundred sixty-nine thousand five hundred and ten (16,316,369,510) new Class B Shares.

As a consequence of said share capital increase, the previous holders of the significant shares, Inversión Corporativa IC, S.A. and Finarpisa, S.A., saw their shares shrink by 95% from holding 50.71% of the voting rights to a mere 2.54%. In addition, as a result of said capital increase, a group of financial entities, which included the entities referred to in Section A.2 above, became part of the Company's shareholders although, on the year end date, the only entities holding significant shares are those listed in Section A.2. See Section H "Other Information of Interest".

Personal or corporate name of the shareholder	Date of the transaction	Description of the transaction
Inversión Corporativa IC, S.A.	28-03-2017	Dissolution of its shares as a consequence of capital increase
Finarpisa, S.A.	28-03-2017	Dissolution of its shares as a consequence of capital increase
Banco Santander, S.A.	28-03-2017	Acquisition of significant shares as a consequence of capital increase through capital offsetting
Banco Popular Español, S.A.	28-03-2017	Acquisition of significant shares as a consequence of capital increase through capital offsetting

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 Wahnnon Levy	0	0	0	0
Ramón Sotomayor Jáuregui	0	0	0	0
Josep Piqué Camps	0	0	0	0
Pilar Cavero Mestre	0	0	0	0
% total de derechos de voto en poder del consejo de administración				0,000

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

Personal or corporate name of the director	Number of direct rights	Indirect rights		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 Wahnnon Levy	0	0	0	0	0
Ramón Sotomayor Jáuregui	0	0	0	0	0
Josep Piqué Camps	0	0	0	0	0
Pilar Cavero Mestre	0	0	0	0	0

A.4 State, 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
Banco Santander, S.A.	Business	Banco Santander, S.A owns 100 % of the shares in Banco Popular Español, S.A.
Banco Popular Español, S.A.		

A.5 State, 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:

Name or related corporate name	Relationship type	Brief description
Banco Santander, S.A./Abengoa, S.A.	Contractual	The bank is the usual financier of Abengoa, S.A. and its group of companies
Banco Popular Español, S.A./Abengoa, S.A.	Contractual	The bank is the usual financier of Abengoa, S.A. and its group of companies

A.6 State whether any private (paracorporate) shareholders' agreements affecting the company pursuant to the provisions of sections 530 and 531 of the Corporate Enterprise Act (Ley de Sociedades de Capital) have been reported to the company. If so, briefly describe them and list the shareholders bound by the agreement:

No

Participants of the agreement	% of share capital affected	Brief outline of the agreement

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

No

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

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

On 23rd December 2016 the Company informed the National Stock Exchange Committee, through significant event with record number 246416, the termination of the agreement of the investment agreement signed with First Reserve Corporation (FRC) on 3rd 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 said termination, the partnership agreements between FRC and other shareholders, to which reference has been made, which led to the investment agreement with FRC, are rendered null and void.

Equally so, as was reported to the CNMV on 5th March, on 30th March 2017, Inversión Corporativa IC, S.A., Finarpisa, S.A. and First Reserve Fund XII L.P. terminated the shareholders agreement signed on 10th October 2011, just as it had been modified on 27th August 2012, since First Reserve no longer owned any shares in Abengoa's share capital.

A.7 State 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:

No

Name or company name

Comments

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

At year end:

Number of direct shares	Number of indirect shares (*)	% Total on share capital
5,519,106 (Class A Shares)	0	0.31%
0 (Class B Shares)	0	0%
5,519,106 (Total Shares)	0	0.31%

(*) 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, which have occurred during the financial year:

Not Applicable

Explain any significant changes

Date Informed	Total of direct shares acquired	Total of indirect shares acquired	% Total on share capital
---------------	---------------------------------	-----------------------------------	--------------------------

A.9 Describe the terms and conditions and current time-frames that shareholders confer upon the board of directors to issue, repurchase, or transfer treasury stock:

The ordinary general meeting of shareholders held on 29 March 2015 authorized 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 this very date, subject to article 144 et seq of the Corporate Enterprises 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 authorization conferred upon the board of directors for the same purposes, by virtue of the decision taken at the Ordinary General Meeting of Shareholders held on 29 March 2015, was specifically revoked.

During the 2017 financial year there were no transactions in relation to treasury stock. At year end there were no contracts of liquidity in vigour.

A.9 bis Estimated free-float:

	%
Estimated free-float	96.03

A.10 State whether there are any restrictions on the transferability of 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 on the market.

There are no bylaw restrictions on the transferability of securities or on voting rights. However, in the context of the financial restructuring of the Company, its significant shareholders made a commitment not to transfer their shareholding in the Company until the restructuring operation had been completed, a milestone achieved on 31 March 2017.

Description of restrictions

A.11 State whether the general meeting of shareholders has agreed to implement any neutralization 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 will become ineffective:

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

No

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

B. General meeting

B.1 State and, if applicable, describe whether there are differences with the minimum requirements set out in the Corporate Enterprises Agreement (LSC) in connection with the quorum needed for the general meeting of shareholders.

No

	% of quorum different from that set out in article 193 of the Corporate Enterprises Act for general cases	% of quorum different from that set out in article 194 of the Corporate Enterprises Act for special cases
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Quorum required in 1st call

Quorum required in 2nd call

Description of the differences

B.2 State and, if applicable, describe any differences with regard to the system contemplated in the Corporate Enterprises Act (LSC) for the adoption of corporate resolutions:

No

Describe how they differ from the rules set out in the Corporate Enterprises Act.

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

Describe the differences

B.3 State 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.

The modification of the Company bylaws is governed by the Corporate Enterprises Act, specifically in Section 285 et seq, and by the Company's internal regulations.

The bylaws and (Articles 13 and 29 respectively of) the rules and regulations of the general meeting establishes 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 attendance 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 Corporate 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 Corporate Enterprises 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:

Date of General Meeting of Shareholders	Attendance data				
	% of physical presence	% of proxy	% of absentee voting		Total
			Electronic voting	Other	
30-06-2017	0.70	15.24	1.54	3.02	20.50
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

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

Yes

Number of shares required to attend the general meeting of shareholders	375
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See Section H "Other Information of Interest".

B.6 Section deleted.

B.7 State 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 Corporate Enterprises Act, Abengoa has an electronic forum for shareholders so as to facilitate communication between shareholders regarding convening and holding all of the general meetings of shareholders. Pursuant to the shareholders' electronic forum regulations, the following may be submitted prior to holding the shareholders' general meeting:

- › Proposals intended for inclusion as part of the agenda outlined in the call for the general meeting of shareholders.
- › 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	Representative	Category of the director	Seat on the board	Date of first appointment	Date of last appointment	Election procedure
Gonzalo Urquijo Fernández de Aroz		Executive	Chairman	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
Manuel Castro Aladro		Independent	Coordinating Director and Member	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
José Luis del Valle Doblado		Independent	Director	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
José Wahnnon Levy		Independent	Director	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
Ramón Sotomayor Jáuregui		Independent	Director	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
Josep Piqué Camps		Independent	Director	13/07/2017	13/07/2017	Co-optation
Pilar Cavero Mestre		Independent	Director	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders

Total number of directors	7
---------------------------	---

State 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
Javier Targhetta Roza	Independent	26/01/2017
Miguel Antoñanzas Alvear	Independent	19/05/2017

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

External proprietary directors

Not applicable

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	Not applicable
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 Pontificia 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.

Personal or corporate name of the director	Profile
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 chairman of Lar España, and is an independent director of Ocaso Seguros and Verditek plc.
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 1987 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 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.
Josep Piqué Camps	Holds Bachelor's and Doctorate degrees in Business and Finance from the University of Barcelona and a Law degree from same university. He has served as Professor Economic Theory since 1984 and has been Principal Economist of the Study Service of "la Caixa". In the public sector, he has served as Minister of Industry and Energy, Ministry Spokesperson, Minister of Foreign Affairs and Minister of Science and Technology, as well as representative and Senator at the Spanish Parliament and the Catalan Parliament. In the private sector, he has held various responsibilities in companies like Ercros (director and executive chairman between 1988 and 1996) and Vueling, where he served as chairman between 2007 and 2013. He served as vice-chairman and CEO of OHL between 2013 and 2016 and board member of the Airbus Group (EADS). He is currently vice-chairman of Alantra and BCG, among others and board member of Aena. He has served as chairman of the Círculo de Economía and is presently vice-chairman of the Círculo de Empresarios (Business Society), Chairman of the Ibero-American Business Foundation and of the Forum and the Japanese-Spanish Foundation and of "CITPax", among others.
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 Merlin Properties.

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

State 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
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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:

Not Applicable

Personal or corporate name of the director	Reasons	Company, executive or shareholder with whom the connection is held
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Total number of other external directors	
Total % of the Board	

State the changes, if any, in the class of each director during the period:

Personal or corporate name of the director	Date of change	Previous category	Current category
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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 2017	Financial year 2016	Financial year 2015	Financial year 2014	Financial year 2017	Financial year 2016	Financial year 2015	Financial year 2014
Executive	0	0	0	0	0	0	0	0
Proprietary	0	0	0	1	0	0	0	14.28
Independent	1	1	2	2	14.29	14.29	33.33	40
Other External	0	0	0	0	0	0	0	0
Total:	1	1	2	3	14.29	14.29	15.38	18.75

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

Explanation of the measures

The regulations of the Appointments and Remunerations Committee, in its Article 1, establishes as follows:

"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 responsible for verifying compliance with the board member selection policy. It sets out that, when making a selection, this shall be based on analyzing 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.

Moreover, through the Company's Equality Framework Plan, Abengoa has defined a corporate strategy in the field of equal rights between men and women All Abengoa Group of companies and work centres take and use this Plan as a reference for developing and approving their own.

In 2009, to ensure the practice of these values, Abengoa created the Equal Opportunity and Treatment Office (OITO) under the Equality Framework Plan. The mission of this office is to advocate gender equality with the whole organization, promoting, developing and managing the Equality Framework Plan and all plans associated with it.

In addition, the Equal Opportunity and Treatment Committee was created to ensure a worldwide monitoring and subsequent development of issues affecting Equal Opportunities for men and women alike in the Abengoa Group. The Equal Opportunity and Treatment Committee is headed by the Human Resources Director and is integrated, as permanent members, by the heads of Human Resources of the various Business and geographical areas, as well as by the director in charge of Corporate Social Responsibility.

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

It is the responsibility of the Appointments and Remunerations committee to assess the competencies, knowledge and experience required on the Board, to define the aptitudes and capabilities required of the candidates to fill each vacancy and assess the time and dedication required for them to properly perform their duties.

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

In the context of the restructuring of Abengoa and in accordance with the terms of the Restructuring Agreement signed by the Company on 24 September 2016, the Board of Directors of Abengoa was completely modified, both in number as well as composition, at the Extraordinary General Meeting of Shareholders held on 22 November 2016. In the process of selecting new members of the Board of Directors as well as their replacements appointed in the 2017 financial year, all independent except for one, the Appointments and Remuneration Committee, which relied for that purpose on the proposal of Spencer Stuart, ensured the inclusion of women among candidates and at least one woman was among the members finally appointed.

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 Meeting of Shareholders 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 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 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 analyzing 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 advisers may be brought in to assist with the selection of directors.

In accordance with the policy of selection of directors, said directors must be people that are respectable, qualified and with recognized 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 Meeting of Shareholders held on 22 November 2016, following a positive report from the Appointments and Remuneration Committee in the case of the executive director and at the proposal of this committee in the event of independent directors, renewed the composition of the Board of Directors by appointing the majority of 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, 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 recapitalization 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 Meeting of Shareholders 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 specializes in providing human resource consulting services, to enable the Company's Board of Directors to comprise a majority of independent external directors.

The selection of directors, made by the Spencer Stuart firm and on which the Nomination Committee bases itself for 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 set out therein when selecting candidates.

In line with the above, the selection of two board members who were appointed in the 2017 financial year (Messrs Antoñanzas and Piqué for the former to occupy the vacancy left by Mr. Targheta and the latter the vacancy necessarily left by Mr. Antoñanzas), was based on the criteria described above and also with the help of Spencer Stuart, the company that identified the candidates.

Based on the considerations above, the Appointments and Remunerations Committee concluded that in 2017 the board member selection policy was applied satisfactorily.

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

With the exception of the Chairman, who holds an executive position, the Company's Board of Directors is composed of independent board members such that the significant shareholders are not represented on the board by Proprietary members.

Said composition of the board derives from the obligations assumed by the Company under the Agreement for the Restructuring of the Financial Debt and the Re-financing of the group of companies headed by Abengoa. In addition, as a result thereof, a group of financial entities became part of the Company's shareholders although, on the year end date, the only entities holding significant shares are those listed in Section A.2. These entities, with regards to the commitments assumed within the restructuring framework, do not hold any representation on the Board.

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
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State whether there has been no answer to formal petitions for presence on the board received from shareholders whose shareholding interest is equal to or greater than that of others at whose proposal proprietary directors have been appointed. If so, describe the reasons why such petitions have not been answered:

Not Applicable

Personal or corporate name of the shareholder	Explanation
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C.1.9 State whether any director has withdrawn from the 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
Javier Targhetta Roza	Submitted his resignation to the Board of Directors on 26/01/2017 for personal reasons.
Miguel Antoñanzas Alvear	Submitted his resignation to the Board of Directors on 19/05/2017 for personal reasons.

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

Personal or corporate name of the director	Brief description
Gonzalo Urquijo Fernández de Arazo	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
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C.1.12 Provide details, where applicable, of company directors who also sit on the boards of other entities listed on official stock markets different from those of 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 Arazo	Vocento, S.A.	Director
	Gestamp Automocion, S.A.	Director
	Atlantica Yield, plc	Director
José Luis del Valle Doblado	Lar España Real Estate SOCIMI, S.A.	Chairman
	Verditek PLC	Director
Pilar Cavero Mestre	Merlin Properties	Director
Josep Piqué Camps	Aena, S.A.	Director

C.1.13 State 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 sets out the limit with regards to 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 duties are performed irrespective of the legal nature of the duties performed.

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 authorization 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 State the overall remuneration of the board of directors:

Remuneration of the board of directors (in thousands of Euros)	1,645
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 state the total remuneration accruing to them during the financial year:

Name or company name	Post	Body	Communication Date
Joaquín Fernández de Piérola	CEO	Executive Committee	From 22/11/16
Daniel Alaminos Echarri	Secretary General and Secretary of the Board	Executive Committee	From 22/11/16
Víctor Manuel Pastor Fernández	Finance Director	Executive Committee	From 22/11/16
David Jiménez-Blanco Carrillo de Albornoz	Director of Restructuring and Strategy	Executive Committee	From 22/11/16
Álvaro Polo Guerrero	Director of Human Resources	Executive Committee	From 22/11/16
Total remuneration to senior management (in thousands of Euros)			3,240 thousands of Euros

C.1.17 State 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
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Describe any significant relationships, other than the ones contemplated in the prior item, of the members of the board of directors linking them to significant shareholders and/or companies within their group:

Not Applicable

Name or company name of associated director	Name or company name of associated significant	Description of relationship
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C.1.18 State whether the regulations of the board have been amended during the financial year:

No

Description of amendments

C.1.19 State the procedures for the selection, appointment, re-selection, 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-optation or for subsequent submission before the General Meeting of Shareholders, as well as proposals for their re-election or discharge by the General Meeting of Shareholders, applying criteria of independence and professionalism set out in the board regulations and the commission regulations, and ensuring that they hold the recognized 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 their selection is based on the principles of merit and capacity, promoting equality amongst men and women and rejecting all forms of direct or indirect discrimination based on gender.

Thus, the Appointments and Remunerations Committee performs annual inspections to verify the sustenance of the conditions met for the appointment of the director and the nature and typology assigned to such appointee, and then includes the information in the annual report on corporate governance. The appointments committee likewise strives to ensure that the selection procedures for filling vacancies refrain from implicit biases 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 meeting of shareholders for the appointment or dismissal of directors, even in cases of co-optation by the board of directors itself.

The assessment of the performance of the Board of Directors and their Committees are supervised and organized by the same Appointments and Remunerations Committee through reports issued to the Board at year end in question and closing the accounts and issuing the audits report, or at least a summary of it, given its significance as an assessment criterion. Based on the results of the assessment, the Appointments and Remunerations Committee proposes an action plan aimed at correcting the deficiencies detected.

C.1.20 Explain the extent to which the self-assessment of the board has given rise to significant changes in its internal organization and regarding the procedures applicable to its activities:

The yearly assessment of the Board of Directors was assigned to a consultancy not connected to the company (Egon Zehnder) given the fact the existing components of the Board had not had any shares whatsoever in this organ throughout most of 2016. They were all appointed towards the end of November (22) of the year that was supposed to be assessed such that they lacked direct knowledge of the functioning of the Board of Directors until then. The assessment done by the consultant only had two board members who had been in their posts prior to 22 November 2016 and all the board members with existing posts at the time of the consultancy. The result of the assessment identified recommendations to be implemented but which had not been tackled as yet by the incoming board of directors given the short time that had passed since the appointment of the new board members and given the preference they had until then given to

other urgent decisions. There has not been any major change as a consequence of the board's annual assessment for the 2017 financial year.

Description of amendments

Not applicable

C.1.20.bis Describe the process of self-evaluation and the areas assessed 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.

The assessment of the Board of Directors is centred, on the one hand, on analyzing the functioning of the board and its committees, which is why information is sought on all who were board members at the close of the 2017 financial year and those who may have at one time or the other acted as such during the year. The request for information was made by issuing them questionnaires to be filled out in relation to matters deemed of special relevance with regards to the functioning of the board; and, on the other, in evaluating the individual participation and performance of each of the board members of the Company, in light of the functions and duties that, based on the varying typologies to which they are assigned, they are attributed by law and by the internal regulations of the Company's corporate governance.

The report from the independent consultant was considered by the Appointments and Remunerations Committee and by the governing body.

C.1.20.ter List any business relationships of the consultant or any company of its group has with the company or any company of its group.

Not Applicable

C.1.21 State 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 formalize 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 the 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 director having infringed upon his/her obligations. 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 cases in which 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.

Not Applicable

Description of requirements**C.1.25** State whether the chair has the casting vote:

Yes

Matters in which there is a casting vote

In the event of ties.

C.1.26 State 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** State 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 State 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 State 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	20
Number of Board meetings without the Chairman attending	0

If the chair is an executive director, state 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
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State 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	Not Applicable
Number of meetings of the audit committee	14
Number of meetings of the appointments and remuneration committee	12
Number of meetings of the appointments committee	NA
Number of meetings of the remuneration committee	NA

C.1.30 State 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	20
% of attendances of the total votes cast in the year	100

C.1.31 State 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
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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 former reports, 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 audit 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 article 27(b) and 3.2, respectively, that the said Committee shall carry out in all cases the duty to "ensure that the Board of Directors presents the annual accounts to the General Meeting of Shareholders 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 director, 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 State 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 Audit 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 Audit 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.

The Committee should also issue every year, prior to the issuance of the financial auditing report, a report stating the judgement on the independence of the external auditor.

In addition, the internal regulations of the audit committee sets out in article 3.16 c.(iv) order the Audit Committee "that it strives to ensure that the remuneration of the external auditor for its work does not compromise either its quality or independence."

Insofar as financial analysts and investment banks are concerned, the company has an internal application procedure in place with three tenders for the procurement thereof; in turn the company draws up a mandate letter where the exact terms and conditions of the procured work are outlined.

Regarding the rating agencies, at the 2017 year end the Company had not been rated by any agency.

C.1.36 State whether the Company has changed the external auditor during the financial year. If so, identify the incoming audit firm and the outgoing auditor:

If the change occurred during the 2017 financial year but in light of the accounts auditor for the 2018 financial year.

Outgoing auditor	Incoming auditor
Deloitte	PWC

If there has been any disagreement with the outgoing auditor, provide an explanation thereof:

Not Applicable

Explanation of the disagreements

C.1.37 State whether the audit firm performs other non-audit work for the company and/or its group. If so, state 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)	0	91	91
Fees for non-audit work/Total amount invoiced by the audit firm (in %)	0	7.3	3.8

C.1.38 State whether the audit report on the annual accounts for the prior financial year has observations or qualifications. If so, state 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

Not applicable

C.1.39 State 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, state 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	6	6
Number of years audited by the current audit firm / Number of years in which the company has been audited (%)	22	22

C.1.40 State whether there is any procedure for directors to hire external advisory services, and if so, describe it:

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 specialized body tasked with guaranteeing the formal and material legality of the board's actions, the Secretary of the Board has the full support of the Board in order 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 linked with the exercise of such duties".

C.1.41 State whether there is any procedure for directors to obtain sufficiently in advance the information required to prepare for meetings of management-level decision-making bodies and, if so, describe it:

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 the matters to be submitted for consideration.

C.1.42 State whether the company has established any rules requiring directors to inform the company—and, if applicable, resign from their position—in cases in which the prestige and reputation of the company may be damaged, and if so provide a detailed description:

Yes

Explain the rules

Article 13 of the regulations of the Board of Directors sets forth that "[...]Directors are obliged to surrender their posts to the Board of Directors and to formalize 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 the law; (b) If deemed severely liable by any public authority for infringing upon their obligations as Directors; (c) If the Board itself requires it as due to infringement on obligations as Board Member. [...] (e) In cases in which their actions may harm the credit and 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 State whether any member of the board of directors has informed the company that such member has become subject to an order for further criminal prosecution upon indictment or that an order for the commencement of an oral trial has been issued against such member for the commission of any of the crimes contemplated in section 213 of the Companies Act:

No

Name of director	Criminal Case	Comments
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State whether the board of directors has analyzed 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 through the date of this report or that it plans to take.

Not Applicable

Decision taken / action taken	Reasoned explanation
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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 enter into force, whether specifically amended or expired as a result of a change of control in the Company deriving from a takeover bid.

While it is true that the company has signed agreements in which change of control clauses are set out, these clauses are not necessarily triggered as a result of a takeover bid. Control is understood as the ability or power (whether it be 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 conclude upon the request of creditors in the event of a change of control or takeover.

The financial contracts signed under the restructuring framework also include change of control or takeover clauses in the sense referred to in the paragraph above.

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.

The business contract of the Executive Chairman, Gonzalo Urquijo Fernández de Araoz, entitles him to compensation equivalent to two years' fixed and annual variable salary, in the event of termination of the contract (unless said termination is a consequence of voluntary resignation, death or incapacity, or due to non-performance of his obligations) -it is not considered as such if brought about by the very Executive Chairperson in relation to a change of control of the group- and one of the annual payments is as a non-competition payment.

Elsewhere, senior management contracts for members of the Executive Committee (with the exception of Gonzalo Urquijo Fernández de Araoz, whose compensation is set out in the previous paragraph), Messrs Fernández de Piérola, Pastor, Jiménez-Blanco, Alaminos and Polo are entitled to compensation for an amount equivalent to one year's fixed salary plus variable remuneration in the event of termination, which will be two years in the case of a change of control and succession of the business. There shall be no compensation if the termination is unilateral or due to serious non-performance and culpability of obligations by the senior director. The post-contractual non-competition compensation shall be the payment of a fixed annual salary plus variables understood as included in the aforementioned compensation amount should such be the case. In the event of voluntary termination of the contract by Abengoa it will be necessary to give 6 months' notice and, if this is not fulfilled, the Company will compensate the other party by paying the amount of remuneration for the period not respected.

Number of beneficiaries	6
Type of beneficiary	Description of the agreement
Executive Chairman	
CEO	
General Secretary	See previous paragraph
Finance Director	
Director of Human Resources	
Director of Strategy	

State 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 authorizes 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 therein 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 organization and operation thereof, and summarize the most significant activities thereof during the year.

Not Applicable

State whether the composition of the executive committee reflects the participation of the different directors within the board based on their class:

Not Applicable

If the answer is No, explain the makeup of your Executive Committee

Audit committee

Name	Post	Current
José Wahnón 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 organization and operation thereof, and summarize the most significant activities thereof during the year.

Pursuant to Articles 44 bis of the bylaw and 27 of the Board of Directors' regulations, the Audit Committees shall exclusively comprise of external board members appointed by the Board of Directors, the majority of whom must be independent members. All likely members of the Committee must be appointed based on their knowledge and experience in accounting, auditing or risks management matters, and one of them, at least, considering their knowledge and experience in accounting, auditing or both areas. The Board of Directors shall appoint the Chairperson of the Committee from among the independent board members forming part of them. The duty of the Audit Committee Chairperson shall be held for a maximum period of four years, at the end of which the candidate may not be re-selected for a period of one year after said end, notwithstanding the candidate's continuity or re-selection as member of the Committee.

The function of the Audit Committee shall be governed by the Company bylaws, the Board of Directors' regulations and the internal regulations of the Committee itself.

They will 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 the internal audit and, where applicable, on the accounting criteria applied.
2. To ensure that the Board of Directors presents the accounts to the General Meeting of Shareholders 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 Meeting of Shareholders 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 Meeting of Shareholders.
7. To supervise the internal audit services, which shall functionally depend on the Committee Chairperson. 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 control and risks management function.
9. To know the process of the Company's financial reporting and internal monitoring systems.
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 directors' report.
13. To prepare an annual report on the transactions with related parties, which should be published on the Company's web-page before the ordinary Shareholders' Meeting is held.
14. To supervise compliance with the corporate governance regulations, the internal code of conduct regulations on stock market-related issues and the rest of the internal code 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 the events that may have occurred during its execution; to approve the orientation and its work plans, ensuring that its activity is mainly focused on the Company's relevant risks, to obtain regular information on the activities, including a report at the end of each financial year, and the budget of the service; and to ensure that senior management considers 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 regard 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 Meeting of Shareholders 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 annually issue a report stating the judgement on the independence of the financial auditor, prior to the issuance of the financial auditing report. This report should always state the value of the additional services provided and referred to in previous section (c). (ii), individually and consolidated, different from the legal audit and with regards 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 companies.
 - (f) 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.

The main interventions of the Audit Committee were as follows:

- › Revision and analysis prior to the preparation of the individual accounts of Abengoa S.A and the consolidated accounts of its group for the 2016 financial year.
- › Revision and analysis prior to the approval of the financial information for the intermediate periods of 2017 remitted to the CNMV.
- › Monitoring of the works carried out in the framework of the restructuring process.
- › Approval of the 2017 and 2018 budget and revision of the cash-flow plans.
- › Examining of tender proposals for auditors, their appointment and remuneration, revision of the scope of work and analysis of the requirements of their independence.
- › Approval of divestitures including, in particular, the sale of 25 % of Atlantica Yield.
- › Identification and monitoring of the Company's financial risks in light of preparing the 2017 financial statement.
- › Approval of verification duties performed by the external auditor.
- › Monitoring of accounting impacts from the restructuring agreement.
- › Internal audit: approval of the work plan and supervision and assessment of the work.
- › Supervision of whistle-blowing channels.

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 state the number of years that the Chairman of this committee has been carrying out the role.

Name of director with experience	José Wahnón Levy
Number of years in chairman role	1

Appointment and remunerations committee

Name	Post	Current
Pilar Caveró Mestre	Chairwoman	Independent
Josep Piqué Camps	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 organization and operation thereof, and summarize the most significant activities thereof 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 bylaw and 27 of the Board of Directors' regulations, the Audit Committees shall exclusively comprise of external board members appointed by the Board of Directors, the majority of whom must be independent members, ensuring consideration of the appropriate knowledge, aptitude and experience in the functions to be performed. The Board of Directors shall appoint the Chairperson of the Committee from among the independent board members forming part of them.

The function of the Appointments and Remunerations Committee shall be governed by the Company 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 functions shall include the following:

1. To present proposals before the Board of Directors to appoint independent directors by co-optation or for submission for approval before the General Meeting of Shareholders, as well as proposals for their re-selection or discharge by the General Meeting of Shareholders.
2. To present proposals to appoint all other Directors by co-optation or for submission for approval before the General Meeting of Shareholders, as well as proposals for their re-selection or discharge by the General Meeting of Shareholders.
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 organize 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 appointment and discharge proposals of top executives that the chief executive may propose to the Board of Directors and 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. To 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 Meeting of Shareholders, as well as regularly revising said policy and guaranteeing that the individual remuneration for each of them is proportional to what is paid to the rest of the board members and the general managers of the Company.
 - (ii) The individual remuneration of board members and the other contractual conditions of each executive director.
 - (iii) The basic conditions of the contracts for senior management.
 9. Ensure the remuneration policy of Directors approved by the Company's General Meeting of shareholders is observed.
 10. Check with the Chairman or CEO of the Company, especially when these are issues associated to executive directors and senior management.
 11. Organize, 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. Analyze 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 2017, the main interventions of the Appointments and Remunerations Committee were as follows:
- › Recommendations on the handling of possible expectation of receiving annual variable remuneration for the staff for the 2015 and 2016 financial years.
 - › Recommendations on the structure of requirements, on metrics and on quantified objectives for the annual variable remuneration for the 2017 financial year.
 - › To report favourably on the Annual Report on Board Member Remunerations for the 2016 financial year.
 - › To report favourably on the Remunerations Policies for the 2018, 2019 and 2020 financial years as well as the modification of the remunerations policy for 2017.
 - › Approval of and favourable report on the long-term Management Incentives Plan (MIP).
 - › To approve the Annual Report of the Appointments and Remunerations Committee for the 2016 financial year.
 - › Submission of the results, of the annual appraisal of the performance of the Board of Directors and its committees, to the Board of Directors for approval.
 - › Proposal for the appointment of Miguel Antoñanzas Alvear (in replacement of Javier Targhetta, who resigned for personal reasons) and Josep Piqué Camps (in replacement of Miguel Antoñanzas Alvear, who resigned for personal reasons) as new board members.
 - › Proposal on the modification of the Executive Chairman's contract, to the Board of Directors.

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 2017 Number %	Financial year 2016 Number %	Financial year 2015 Number %	Financial year 2014 Number %
Executive committee	Not applicable	Not applicable	Not applicable	Not applicable
Audit committee	0 (0)	0 (0)	2 (50)	2 (66.66)
Appointments and remuneration committee	1 (33.33)	1 (33.33)	2 (50)	2 (66.66)
Appointments committee	Not applicable	Not applicable	Not applicable	Not applicable
Remunerations committee	Not applicable	Not applicable	Not applicable	Not applicable

C.2.3 Section deleted.

C.2.4 Section deleted.

C.2.5 State, 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 state if any annual report of the activities performed by each committee has been voluntarily prepared.

Both the audit committee and appointments and remunerations committee have their own internal operating regulations available on the Company's website.

Such regulations were not modified during the financial year.

These Committees prepare annual reports on activities. The reports on the activities undertaken in 2016 were made available to shareholders together with the call to convene the Ordinary General Meeting of Shareholders held on 30 June 2017. That of the Audit Committee was also made public, forming part of the annual report for the 2016 financial year.

C.2.6 Section deleted.

D. Related-party transactions and intragroup transactions

D.1 Explain any procedures for approving related-party and intragroup transactions.

Procedure to report the approval of related-party transactions

The procedure for approving transactions with related parties is set forth 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 board members 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) They are governed by standardized agreements that are 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 amount does not exceed 1 % of the company's annual revenue.

Only in duly justified circumstances of urgency may decisions be adopted on previous matters by the delegated bodies or individuals. In this case, they should be ratified in the first Board meeting that is held following the adoption of the decision.

The Audit Committee shall prepare an annual report on the transactions with related parties, which should be published on the Company's web-page before the Ordinary Shareholders' Meeting is held.

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)
Banco Santander, S.A.	Abengoa, S.A.	Trading	Financial Consultancy on the sale of the shares in Atlantica Yield	Fees payable for said services are calculated over a percentage of the value of the transaction and its accrual is subject to the divestment in compliance with the conditions set forth in said agreements

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)

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 intragroup 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 State the amount of transactions with other related parties.

Corporate name of entity of group	Brief description of the transaction	Amount (thousands of Euros)
Atlantica Yield	On 1st November Abengoa signed an agreement with companies belonging to Atlantica Yield, including Atlantica Yield itself, as well as with the Department of Energy of the United States (USA – DOE) - (Omnibus Agreement) which sets forth the responsibilities of Abengoa to the DOE with regards to the construction of a Thermosolar plant in Solana, currently operated by Atlantica Yield.	As a result of the agreement the company registered an impact of €94M in the income of the financial year.

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

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, compress 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 organization.

The internal auditing unit is in charge of ensuring compliance with and the proper functioning of these systems.

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 Corporate Enterprises Act.

The duty of elaborating and executing the risks management system is basically exercised by the audit committee, specifically through the internal auditor and the risks manager.

The risks manager is in charge of analyzing 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 linked to the economic cycle.
- › Risks derived from depending on regulations in support of activities relating to renewable energy
- › Solar power generation.
- › 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 linked 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.
- › 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.
- › 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.
- › The energy sector products and services are part of a market subject to intensive conditions of competition.

Specific risks for Abengoa

- › Risks derived from the shareholders' equity situation.
- › 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 related to the sale of the shares in Atlantica Yield and A3T.
- › Abengoa operates with high levels of borrowing.
- › Risks arising from the need to generate positive cash flows.
- › The results of the Company depend significantly on it being able to carry on its engineering and construction activity for third parties.
- › 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 processes.

Risks derived from internationalization 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 taken out 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 are linked with a contingency plan because, when they do occur, the impact can be extremely high.

E.5 State what risks, including tax risks, have materialized during the financial year.

Abengoa endured certain risks during the 2017 financial year, the most significant of which are described below.

Energy and the environment are part of the activities in which Abengoa is engaged. This activity is performed in changing surroundings, with regulations, subsidies or tax incentives that can be changed or even legally challenged. Throughout recent financial years various amendments to regulations have taken place in the jurisdictions where Abengoa operates (mainly in the United States and Brazil), mainly in relation to activity concerning renewable energy generation, which have affected the profitability of Abengoa's current and future projects, the conditions in which to compete with non-conventional renewables and other kinds of energy, and its ability to complete some ongoing projects.

Moreover, 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. The aim was to provide the time necessary to continue working in reach of fallen complete agreement for restructuring of its financial debt and recapitalization 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 through the standstill agreement, the Company, several of the Group companies and a group of financial creditors signed and publicly recorded 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 of the restructuring of the financial debt of the Group and certain financial institutions undertook to provide new funding. This restructuring agreement was placed at the disposal of financial creditors and, after the initial period of adhesion, it received support from 86% of financial creditors at which it was addressed (a percentage that reached 93.97% after the additional period of partnership). On 28 October 2016, a group of financial creditors asked the Commercial Courts of Seville for judicial approval of the agreement, approval that was given 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 maximum period for compliance with said conditions and the closure of the operation was 28 February 2017 although the Company requested authorization to extend said period to 31 March 2017. On 31 March 2017 the Company completed the financial restructuring process.

The agreement was challenged by series of financial creditors. On 25 September 2017, the Commercial Court nº2 in Seville ruled on the challenges filed (i) dismissing the challenges relating to the lack of concurrence of the percentages required by the Bankruptcy Law and thus deciding to uphold the endorsement agreed upon and the effects of the restructuring agreement; and (ii) admitting challenges relating to the disparity of the sacrifice caused to the challengers cited in the ruling.

The nominal value of the debt demanded by the challengers, which, as consequence of the above, was excluded, amounts to approximately €72 Million as at the date of the endorsement agreement.

The Company filed writs of clarification and complements against the ruling, but both petitions were dismissed by the Court.

That meant that the amounts owed object of such proceedings which shall not be affected by the restructuring surpassed the thresholds envisaged in the agreements that caused a possible supposition of their anticipated maturity.

In relation to the above and in anticipation of such scenario, the Company had already requested for the relevant exemption under different financial instruments, exemptions that have now been obtained, for which reason such suppositions of anticipated maturity are deemed not to have occurred.

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.

The following committees are in charge of the executive supervision of the Company's main risks, becoming more relevant in 2017:

- › Executive Committee.
- › Management Committee.
- › Vertical and Countries Committees.

F. Internal risks control and management system 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) the implementation thereof; and (iii) oversight thereof.

The System of Internal Control over Financial Reporting, (hereinafter, ICFRS), 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, pursuant to the Regulations of Abengoa's Board of Directors, is the Board of Directors and, within it, the duty of supervision is conferred to the audit 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 ICFRS, 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 organizational 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 meeting of shareholders, 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 web-page.

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 analyzing breaches and of proposing the corrective actions and sanctions.

At Abengoa there is a code of ethics and professional conduct approved by the board of directors and available on the Intranet in both Spanish and English, which 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 2017 268,844 hours of training were given throughout the Group, with the attendance of 10,014 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 who may have been previously entrusted with performing such duty.

It's appropriate monitoring 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.

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 organization. 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 audit 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 2017 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 organization, 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 that are identified. Among them there is a group that refers to 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 analyzing 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 authorization 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:

- › Probability of occurrence: Degree of frequency at which to be sure that a specific cause will expose Abengoa to an event with negative impact.
- › Impact on the Entity: 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 Audit 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 authorizing 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.

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.

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 studied for mitigating or managing 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 homogenization- 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 authorization 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 organization, 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 standardized 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 ICFRS Also provide information on the scope of the assessment of the ICFRS 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.

La Comisión de Auditoría tiene, además, entre sus funciones la supervisión de los servicios de 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 of 19 professionals. The general characteristics of the team are as follows:

- › They have average professional experience of 8 years.
- › Approximately 65 % of the auditors have previous experience at one of the Big4 external audit firms.

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 2017 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 compliance with internal control under the CNMV standards in conformity with the ICFRS requirements.

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 ICFRS information remitted to the markets was revised by the external auditor.

The auditor of the individual and consolidated annual financial statements of Abengoa, for the financial year ending 31 December 2017 is Deloitte S.L., which is also the Group's main auditor.

G. Degree of follow-up on Corporate Governance recommendations

State 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 headings: A.10, B.1, B.2 and C.1.23

2. 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.

Not Applicable

See headings: D.1, 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 of delegation of powers to issue shares or convertible bonds that the Board of Directors submitted to the Ordinary General Meeting of Shareholders during the 2015 financial year, and which is the one still valid on the date of this report, does not comply with the recommendation. Given the financial structure of the Company and the need to maintain certain appropriate levels of revenue in comparison with its volume of activity and its situation on the market, it was then appropriate for the Company to provide a major flexibility margin to enable it undertake this type of issuance at any time. Thus, the Board of Directors submitted a delegation

of more than 20% of the Abengoa's share capital at that time to the Shareholders' General Meeting for consideration, and the Shareholders General Meeting approved it in those terms and conditions.

Notwithstanding the above, at the Ordinary Shareholders' General Meeting in 2017, the Board of Directors submitted a proposal for the delegation of powers to issue shares or convertible bonds that complied with said recommendation but it could not be voted upon, and so it could not be approved, since the minimum quorum necessary for voting to be cast on the bylaw modification proposal could not be attained.

In spite of the above, the Company has not made use of the capital delegation that was authorized.

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

Since the Company had just completed a complex financial restructuring process, and to avoid both the possible alterations of the normal course of the Meeting and its leakage to non-shareholders, as well as being consistent with the austerity and costs savings policy that the Company has implemented, Abengoa's Board of Directors decided against a live broadcast of its 2017 Ordinary Shareholders' General Meeting.

Nevertheless, the Company sufficiently publishes the General Meetings of Shareholders in the BORME [Official Gazette of the Commercial Registry], on the CNMV website and on its own corporate website. Likewise, the Company, in line with prevailing legislation and its own internal regulations, facilitates participation of all shareholders (who wish it as such) at General Meetings through the possibility of attending General 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 heading 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.

Not Applicable

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

No attendance bonus was paid during the 2017 Ordinary General Meeting.

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 maximizing 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 maximize participation. The recommended range is accordingly between five and fifteen members.

Compliant

See heading 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-selection 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 heading 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 capitalization, 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 places.

Compliant

See heading 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.

Not Applicable

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 heading C.1.21

21. The board of directors should not propose the removal of independent directors before the expiry 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 heading C.1.21

22. Companies should establish rules obliging directors to disclose any circumstance that might harm the organization'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, decides 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 heading 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 heading C.1.9

25. The nominations committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.

The board of directors' regulations should lay down the maximum number of company boards on which directors can serve:

Compliant

See heading 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 heading 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 headings 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 heading 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 reasons of urgency, 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, duly minuted, 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; organize 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.

Not Applicable

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.

Not Applicable

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 heading 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 control systems. This unit should report functionally to the board's non-executive chairman or the chairman of the audit committee.

Compliant

See heading 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 heading 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 heading 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 analyze 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 headings 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 heading C.2.1

48. Large cap companies should operate separately constituted appointment and remuneration committees.

Not Applicable

49. The appointments committee should consult the company's 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 heading 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 heading 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 heading 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) Meeting proceedings should be minuted and a copy made available to all board members.

Not Applicable

See heading 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-organization, 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 cater, 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 to compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of non-executive 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. The above condition will not apply to any shares that the director must dispose of to defray costs related to their acquisition.

Explain

Give the extraordinary situation of Abengoa and its group, and as acknowledgement of the task assumed by the board members to achieve its feasibility and consolidation as a company, it has been deemed appropriate that the board members be entitled to additional remuneration in a single payment in an amount equal to half of what is paid to each of them as board member and for duties performed in their capacities and in committees (excluding remunerations for executive duties) from 22 November 2016 to 31 December 2020 (including board members that may only have exercised their duties for part of the time, as long as for less than a year), if the members of the team of executives who are beneficiaries of the long-term incentive plan for the period between 2017-2020 approved by the Board of Directors in its session dated 24 May 2017 accrue the right to variable remunerations for the plan.

The maximum amount for said single payment shall be €2,320,000 in addition to what is set for the remuneration for the 2020 financial year, and which was approved by the 2017 General Meeting of Shareholders.

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.

Compliant

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.

Compliant

60. Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduces their amount.

Compliant

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

On the date of this report, as a result of the extraordinary circumstances that the Company has been through over the last years, there are no plans to hand out shares as part of the pluri-annual variable remuneration of executive board members, Notwithstanding the above, the Remunerations Policy for the 2018 to 2020 financial years approved by the Shareholders' General Meeting on 30 June 2017 envisages the possibility although the inclusion of shares or options in the remunerations of executive directors would require the approval of the General Meeting if proposed by the Board of Directors following a report from the Appointments and Remunerations Committee.

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.

Not Applicable

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.

Compliant

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, state 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 state 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 to 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 meeting of shareholders 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 the right of conversion by writing the Company or, as the case may be, the agent appointed for such purpose, through the share-holding entity of the Systems Registry Management Company, Compensation and Liquidation of Stocks (Iberclear), by 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 Corporate Enterprises 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. [...]"

On the date of this report, following the last period of the converting of Class A Shares to Class B Shares, the Company's corporate capital was thirty five million eight hundred sixty-five thousand eight hundred sixty-two Euros and seventeen cents of a Euro (€35,865,862.17) represented by eighteen thousand eight hundred and thirty-six million one hundred nineteen thousand three hundred (18,836,119,300) shares completely subscribed and disbursed, belonging to two different classes: one thousand six hundred twenty-one million one hundred forty-three thousand three hundred forty-nine (1,621,143,349) shares belonging to Class A at a nominal value of two cents (0.02) of a Euro each, belonging to the same class and series, each of which confers one hundred (100) votes and which are Class A shares; and seventeen thousand two hundred fourteen million nine hundred seventy-five thousand nine hundred fifty-one (17,214,975,951) shares belonging to Class B at a nominal value of two thousandth (0.0002) of a Euro each, belonging to the same class and series, each of which confers one (1) vote and which are the shares with the privileged financial rights set forth in Article 8 of these bylaws.

A.2 and A.4

On 31 March 2017 the Company completed the financial restructuring process in which it had been immersed. Among other items, this restructuring operation involved the entry of new money into the group of companies headed by the Company and the capitalization and/or discharge, as appropriate, of certain financial debt. As a result of said capitalization operations and following their execution giving rise to the conclusion of the restructuring operation, the significant shareholders of the Company at the 2016 year end, Inversión Corporativa I.C., S.A. and Finarpisa, S.A. ceased to be holders of significant shares in the Company and, in their stead, the following companies became the holders: Banco Santander, S.A., Credit Agricole Corporate and Investment Bank, Caixabank, S.A., Bankia, S.A., Banco Popular Español, S.A., D.E. Shaw, Arvo Investment Holdings Sarl and Banco de Sabadell, S.A.

Notwithstanding the above, said entities went on selling their shares during the financial year and, by the end of said year, the only entities holding significant shares in the equity of the company are Banco Santander, S.A. and Banco Popular Español, S.A.

A.12

The Company reported a relevant event on 29 April 2016 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 Meeting of Shareholders for approval for the purpose of ensuring that the so-called "defence of minority rights" does 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 difficult to obtain the percentages of the share capital required for the exercise of some voting rights. For example, the 3% the share capital required for convening a General Meeting or proposing the exercise of a corporate liability action. Thus, the General Meeting approved the amendments of Abengoa's bylaws in the terms and conditions shown below to envisage that all rights are exercised, using the number of shares as the base for calculating the percentage, and not the share capital.

Specifically, the General Meeting agreed to modify the Bylaws for the purpose of establishing therein that: (i) to attend the General Meeting of Shareholders it is necessary to have three hundred seventy-five (375) shares, regardless of whether Class A or Class B; (ii) shareholders representing at least 3% of the share capital or 3% of shares with voting rights can request the publication of a supplement to the convening of the Ordinary General Meeting of Shareholders, including one or two points in the agenda, and they can submit proposals of decisions on issues already included or should be included in the agenda of the Meeting convened; (iii) shareholders holding 1% of the share capital or 1% of the shares with voting rights can request the presence of a Notary Public to endorse the minutes of the General Meeting; (iv) shareholders with 3% of the share capital or 3% of shares with voting rights can request the convening of a General Meeting that is to decide on the corporate liability action against administrators, or to exercise corporate liability action without the agreement of the General Meeting or against it; (v) the Board of Directors of the Company shall convene the General Meeting of Shareholders if so requested by shareholders representing 3% of the share capital or the total number of shares with voting rights; (v) that the Board of Directors of the Company shall decide to defer the General Meeting of Shareholders if so requested by shareholders representing 25% of the share capital present or represented at the meeting or 25% of the shares with voting rights; (vii) that the Company's Board Chairman may only suspend the right to information envisaged in Article 197 of the Corporate Enterprises Act if the request is submitted by shareholders representing less than 25% of the capital disbursed, or 25% of the shares with voting rights if said percentage is a number less than shares with voting rights (and as long as, in addition, the other envisaged bylaw conditions are verified).

C.1.2 and C.1.9

The Board of Directors' meeting held on 26 January 2017 accepted the resignation submitted by board member Javier Targhetta Roza for personal reasons of family nature. Subsequently, on 23 March 2017 the Board of Directors, acting on the proposal of the Appointments and Remunerations Committee, agreed to cover, by co-optation, the vacancy existing on the Board as a result of the resignation of Targhetta, by appointing independent board member Miguel Antoñanzas Alvear.

The Board of Directors meeting held on 19 May 2017 accepted the resignation submitted by board member Miguel Antoñanzas Alvear for personal reasons. Subsequently, on 13 July 2017 the Board of Directors, acting on the proposal of the Appointments and Remunerations Committee and after the approval by the General Meeting of Shareholders held on 30 June 2017, agreed to cover, by co-optation, the vacancy existing on the Board as a result of the resignation of Antoñanzas by appointing independent board member Josep Piqué Camps.

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 2017.

C.2.1

It should be stated that on 27 February 2017 Abengoa's Board of Directors unanimously agreed to appoint José Luis del Valle Doblado as temporary member of the Appointments and Remunerations Committee in replacement of Javier Targueta Roza. On 23 March 2017, following the appointment of Miguel Antoñanzas Alvear as board member, the Board of Directors unanimously agreed to appoint him as member of the Appointment and Remunerations Committee in replacement of José Luis del Valle, who had been holding the position temporarily.

On 19 May 2017, following the resignation of Miguel Antoñanzas as board member, the Board of Directors of Abengoa unanimously agreed to appoint José Luis del Valle Doblado as temporary member of the Appointments and Remunerations Committee in replacement of the former. On 13 July 2017, following the appointment of Josep Piqué Camps as board member, the Board of Directors unanimously agreed to appoint him as member of the Appointment and Remunerations Committee in replacement of José Luis del Valle, who had been holding the position temporarily.

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 authorization 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 practised 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 Corporate Enterprises 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 harmonize 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 Corporate Enterprises Act.

The goal that Abengoa hopes to attain by creating this programme and by adapting its standards to the recent amendments in the Corporate Enterprise 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 organization 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 organization. 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 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 7th March 2018.

State 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
<hr/>		



03. Consolidated management report

03.2 Annual report on remunerations



02. Annual Report on Remuneration of Board Members (ARR)

A. The Company's Remunerations Policy for the On-going Year

A.1. Abengoa's Remuneration Policy for the 2018 Financial Year

At Abengoa, S.A. (hereinafter, "**Abengoa**" or the "**Company**" or "**Company**") it is paramount to maintain policies geared towards proposing long-term professional careers within the group headed by the Company (hereinafter, the "**Group**") and, at the same time, to promote long-term profitability and sustainability of the Company and its Group, withholding a reasonable proportion considering the Company's magnitude, its financial situation at all times and the standards of the comparable enterprise markets. In the activities that Abengoa is engaged in, executed in highly competitive environments, the attainment of its goals and objectives, to a great extent, depends on the work quality and capacity, the dedication and knowledge of those holding key positions and leading the organization.

Following the financial crisis that plagued the Company and in light of the new demands of the new situation of the Group, with new focus, challenges and difficulties, the Policy for the Remuneration of Abengoa's Board Members has been redefined to the service of a prevailing goal: attract and retain the most outstanding and appropriate professionals ready to contribute towards the attainment of Abengoa's new strategic goals and objectives, concretized in (a) the relaunching of its original activity as an overseas market frontline contractor, (b) the securing of a margin in its contracts and in the generation of cash to ensure performance of payment commitments owed to its creditors, and to finance its own operations and investments, and (c) the reorganization of Abengoa as a sustainable and profitable enterprise that adjusts its business structure and its costs to the demands of the activity it intends to undertake in future.

These premises determine the remunerations policy for the Group in general and for the board members in particular, especially for the executives, and must be attractive enough to bring in and retain the most distinguished professionals.

Consequently, the board members' remunerations policy aims at ensuring that their remunerations:

- › Are geared towards promoting the Company's long-term profitability and sustainability, taking the necessary cautions to prevent the excessive assumption or risks.
- › Makes efforts to encourage the attainment of specific quantifiable company objectives, aligned with the interests of the shareholders and other interest groups.
- › Are appropriate enough for the situation of crisis that the Company has passed through, the results of which are heavy weight for the viability of the Company in future, so as to attract, commit and motivate professionals able to contribute in getting the Company and its group to overcome the difficulties and recover normalcy in its business and a sustainable

profitability, and for that reason, using the present market standards for comparable companies.

- › Are necessary for remunerating the dedication, qualification and responsibility required for the performance of board member duties, considering the tasks performed in the Board of Directors and on the Committees on which they may serve, but, in the case of non-executive board members, not so high enough to alter their independence.
- › With regards to remuneration of executive board members for the performance of their executive duties:
 - (i) Ensure that the overall remunerations package and its structure remain competitive with what is offered in the international sector and are compatible with our leadership vocation.
 - (ii) Maintain a variable component linked to various periods and specific objectives, in order to link them to the performance of the executive in question, using predetermined and measurable performance indicators.

The remunerations policy for Abengoa's board members reflected in this report was approved by the Ordinary General Meeting of Shareholders held of 30 June 2017, which also agreed that said policy be applicable to the 2017 financial year, thus modifying the policy then in vigour since 2015.

The criteria used for establishing the remunerations policy for the board members are in accordance with the stipulations of the Corporate Enterprises Act (Articles 217 to 219, 249 and 529o to 529r), of the Bylaws (Article 39) and in the Regulations of the Board of Directors (Article 20), setting forth various criteria based on whether or not a board member performs executive duties:

- › **Remuneration of board members based on their condition as such**
The position of board member is remunerated in accordance with the stipulations of Article 39 of the Bylaws. The remuneration of directors shall consist of an amount whose total shall be agreed upon by the Company's Shareholders' General Meeting, in conformity with the remunerations policy of Board Members, in accordance with all or some of the following items and subject, in cases in which it may be deemed necessary if stipulated by law, to the prior approval by the Shareholders' General Meeting:
 - (a) a fixed salary;
 - (b) attendance per diem;
 - (c) variable remuneration with indicators or general parameters of reference;
 - (d) remuneration by payment in shares or in pre-emptive rights over them or the value of which is referenced at the value of the Company's shares;

- (e) compensations for resignation, as long as the resignation is not due to non-performance of the duties assigned to the person;
- (f) savings or forecast systems deemed opportune.

Likewise, the payment may be made through the handover of shares to non-executive board members as long as it is based on the condition that said shares would be maintained (with the exception of those that may need to be assigned to meet the costs of acquiring them) until resignation as board members.

Currently, amongst the various possibilities set forth in the internal regulations of Abengoa, the remuneration of board members, when specified in a fixed annual amount for serving as a member of the Board of Directors, another for serving on the Committees of the Board of Directors, another for serving as Chairperson of the Board of Directors (except if by an executive board member with delegated powers) or on any of the committees and, in addition, a variable remuneration, although such variable remuneration, if accrued, shall not be payable until 2021.

The specific determination of the relevant amount for the aforementioned items to each of the Board Members and the form of payment shall be set by the Board of Directors within the parameters set forth by the remunerations policy. For that purpose, as already pointed out above, duties performed by each board member on the board itself, membership to the board and attendance to the various Committees, shall be considered.

Likewise, the Company shall underwrite civil liability insurance and shall separately reimburse, without such being deemed a remuneration, travel and lodging expenses that may be required for the performance of duties and expenses incurred for acquiring the necessary media and installations.

The rights and duties of any nature derived from membership to the Board of Directors shall be compatible with whatsoever other rights, obligations and compensations to which the Board Member may be entitled for the other duties, including executive, which, as the case may be, members perform in the Company.

› Remunerations for the performance of duties in the Company other than those of board member

It includes board member remunerations for performing executive or other kinds of duties, other than those of supervision and decision-making as member on the Board of Directors or on its Committees.

These remunerations are compatible with receiving remuneration that may be payable thereto for the condition of mere member of the Board of Directors.

It is the Company's Board of Directors duty to set the remuneration of the Board Members for the performance of executive duties. It should be noted that since the Extraordinary Shareholders' General Meeting held on 22 November 2016, the only executive board member still on the board is the current Executive Chairman, Gonzalo Urquijo Fernández de Araoz.

A.2. The process for determining the remunerations policy

Pursuant to Article 28 of Abengoa's Board of Directors' regulations, it is the duty of the Appointments and Remunerations Committee to propose the remuneration policy for Directors, managing directors or those with executive responsibilities reporting directly to the Board, and for executive Committees or Chief Executives, to the Board of Directors for approval by the Company's General Meeting of Shareholders, as well as regularly revising said policy and guaranteeing that the individual remuneration for each of them is proportional to what is paid to the rest of the board members and the general managers of the Company.

The remunerations policy for Abengoa's board members reflected in this report was approved by the Ordinary General Meeting of Shareholders held of 30 June 2017, which also agreed that said policy be applicable to the 2017 financial year, thus modifying the policy then in vigour since 2015. Said remunerations policy was prepared, discussed and formulated in the heart of the Appointments and Remunerations Committees, submitting the resulting proposal to the Board of Directors to be subjected to the General Meeting for approval. Its realization in relation to board members holding positions on the date of this report required the consideration of market references based on the information provided by renowned consultants, as indicated hereunder in this same section A.2.

In accordance with the bylaws and Abengoa's Board of Directors regulations, the majority of the members of the Appointments and Remunerations Committee have to be independent board members and its Chairperson must be appointed from amongst the independent Board Members forming part of said Committee. Currently, the Appointments and Remunerations Committee is exclusively made up of independent board members, including its Chairlady, all appointed based on their knowledge, aptitude and experience in matters to be handled by the Committee.

The current members of the Appointments and Remunerations Committee, and as such, participants in the definition and regular revision of the remunerations policy, are as follows:

Pilar Cavero Mestre	Chairman	Independent Board Member
Josep Piqué Camps	Member	Independent Board Member
Ramón Sotomayor Jáuregui	Member	Independent Board Member
Juan Miguel Goenechea Domínguez	Secretary	Non-Board Member

Ms. Cavero Mestre was appointed as member of the Committee by and at the Meeting of the Board of Directors of Abengoa, S.A. held on 22 November 2016, and selected as Chairlady by and at the Meeting of the Appointments and Remunerations Committee held on that same date; on the other hand, the Secretary was appointed by and at the Meeting of Board of Directors of Abengoa, S.A. held on 22 November 2016.

Mr. Piqué Camps was appointed member of the Committee by and at the Meeting of the Board of Directors of Abengoa, S.A. held on 13 July 2017, in replacement of José Luis del Valle Doblado, who served on the Committee briefly after the resignation of Miguel Antoñanzas Alvear.

In the context of the restructuring of Abengoa and in accordance with the terms of the Restructuring Agreement signed by the Company on 24 September 2016, the Board of Directors was completely modified, both in number as well as composition, at the Extraordinary General Meeting of Shareholders held on 22 November 2016. To set up the remunerations for new members of the Board of Directors, all independent except for the Executive Chairman, the Appointments and Remunerations Committee obtained information on market reference provided by a specialized firm, Spencer Stuart. To determine the contractual conditions of the Executive Chairman, Mercer, a consultancy company also specialized in matters of remunerations, was also consulted.

A.3. Components of the fixed remuneration

(a) Remuneration of board members as such

The remuneration of the board members of Abengoa as such consists of a fixed annual amount that can vary based on membership and, as the case may be, chairmanship of the Board of Directors and its Committees, and a variable remuneration.

Regarding the fixed remuneration, the relevant amounts can only accrue for attendance of the board member to sessions of the relevant organ. Below is a list of the items.

- › For membership of the board: €80,000, at the rate of €8,000 per session.
- › For membership of any committee of the Board of Directors: €10,000 for each committee, at the rate of €2,500 per session.
- › For chairmanship of the Board of Directors, except if held by an executive board member: €40,000, at the rate of €4,000 per session.
- › For the post of Coordinating Board Member, when held by a Board Member not presiding over any of the committees of the Board of Directors: €10,000, at the rate of €1,000 per session.

- › For chairmanship of any committee of the Board of Directors: €10,000 for each committee, at the rate of €2,500 per session

The maximum amount calculated for the entire board members would be €1,160,000 per annum, in the expectation of a possible increment within the triennium of the validity of the Remunerations Policy, for (a) the number of members of the Board of Directors up to ten, (ii) the number of the members of each of the committees by up to five board members and (c) the number of committees that the Board of Directors may set up with consultative duties for the better performance of its functions.

The exact amount of the aggregated remuneration set forth in the paragraph above may be lower than what is set forth as maximum if the individual amount set forth above is accrued as such by the board members who have held posts during the financial year in question. In the event of only serving for a part of the financial year, the accrual shall be proportional to the time during the year in question during which the post is held. The form of payment shall be set by the Board of Directors.

(b) Remuneration of board members for the performance of executive functions

Executive board members receive a fixed payment or salary for rendering services in their executive capacities. This consists of a fixed gross amount equally divided into twelve months.

Its amount must be within the normal parameters of remuneration for analogous positions in companies with similar profile. Its determination requires the consideration, in the manner possible, of market studies by external consultants.

The fixed remuneration may be increased annually based on the revision conducted by the Board of Directors, upon the proposal of the Appointments and Remunerations Committee and on the applicable remuneration policy.

As already indicated, since 22 November 2016 the only executive board member Abengoa has had is its Executive Chairman, Gonzalo Urquijo Fernández de Araoz, whose remuneration is set for the 2018 financial year as €1,000,000, same as that of 2017 financial year. Should other executive board members be appointed during the financial year, their fixed remuneration shall be governed by the stipulations set for the fixed remuneration of the Executive Chairman with a maximum limit of 70% of the fixed remuneration for said chairman.

Executive chairpersons are also entitled to life insurance and/or accident insurance as well as medical insurance, and the premiums shall be paid by the Company.

Abengoa shall also assume the expenses of security, displacement, communication media and others incurred in relation to the performance of duties, without such being a reward.

A.4. Variable components of the remuneration systems

(a) Variable remuneration of board members as such

Board members, in their condition as such, shall be entitled to additional remuneration in a single payment in an amount equal to half of what is paid to each of them as board member and for duties performed in their capacities and in committees (excluding remunerations for executive duties) from 22 November 2016 to 31 December 2020 (including board members that may only have exercised their duties for part of the time, as long as for less than a year), if the members of the team of executives who are beneficiaries of the long-term incentive plan for the period between 2017-2020 approved by the Board of Directors in its session dated 24 May 2017 accrue the right to variable remunerations for the plan, described in section C.1(iii) in relation to the pluriannual variable remuneration of the Executive Chairman as board member with executive duties.

The maximum amount for said single payment shall, in the event of its accrual, be €2,320,000 in addition to what is set for the remuneration for the 2020 financial year.

(b) Variable remuneration of board members for the performance of executive functions

The Executive Chairman and, as the case may be, other board members with executive duties, shall receive variable remunerations with double components – one annual and another pluriannual - with their respective accruals being conditioned to the attainment of specific goals predetermined by the Board of Directors following a report from the Appointments and Remunerations Committee.

Each of the components of the variable remuneration is structured in coherence with the distinct time period to which it is linked, and its accrual is tied to the verification of the attainment of the corresponding pre-defined goals and objectives, which are predetermined, quantified, and measurable and linked to:

- (a) Abengoa's own financial econometrics like the progress of the company's equity or its shares, its various margins, its profits at various levels, the debt, the generation of free cash-flow and liquidity, and other magnitudes of Abengoa's creation, and

- (b) the attainment of the specific goals, in line with the Strategic Plans or valid Business Plans at all times, in connection with the professional performance and execution of the executive board member and with financial and non-financial factors.

(b.1) Annual variable remuneration (or bonus)

The annual variable remuneration of the executive board members is entered in the general policy of the remuneration of Abengoa's Senior Management, participating in the same general structure as the annual variable remuneration of the senior directors. In relation to the executive board members, the Board of Directors is entitled to, following a report from the Appointments and Remunerations Committee, set yearly objectives and their adjustment in conformity with the stipulations of the applicable remunerations policy.

The annual variable remuneration (or bonus) of the executive board members is linked to the performance of goals and objectives. These objectives are fundamentally referenced to the Earnings Before Interest, Taxes, Depreciation and Amortization or "EBITDA", as commonly referred to) as well as other indicators related to the Business of the Group. Based on such criteria a range of total variation of the variable remuneration of the executive board members is estimated at the start of the financial year.

The variable remuneration is the annual bonus and is payable in bulk.

For the purpose of calculating the annual variable remuneration of the Executive Chairman, the variable target of reference amounts to 100% of its fixed annual remuneration and is the amount of the bonus in the event of performing 100% of all the objectives set for the year in question. Should it accrue, the annual variable remuneration can be between 80 % and a maximum of 140 % of the variable target referred to. In addition, for the purpose of attaining a balanced implementation of all the marked goals and objectives the Board of Directors may establish that to accrue the right to any amount of annual variable remuneration during a financial year it is a requirement ("trigger" or "necessary condition") that a minimum degree of one or several or all of the objectives be attained.

In 2017 the objectives of the Executive Chairman's annual variable remuneration was the same as set forth for the entire team of directors, with the same metric weighting. After assessing the conditions set forth for such and upon establishing the non-performance of one of the general triggers, it was decided that it had not accrued and, was therefore not recognised for either the company's Executive Chairman, its directors or employees.

(b.2) Pluriannual Variable Remuneration

Executive Board Members, as members of top management of Abengoa, can enter the system of the pluriannual variable remuneration for directors that may at anytime be approved by the Board of Directors on the recommendation of the Appointments and Remunerations Committees.

Currently, in compliance with the commitments assumed in the Group's financial debt restructuring agreement that was legally endorsed on 8 November 2016, there is a four (4) years long-term incentives plan, 2017-2020 ("ILP") and whose conditions are listed in section C.1, which was approved by the Board of Directors, on the proposal of the Appointments and Remunerations Committee, on 24 May 2017, and of which a group of approximately 125 directors are beneficiaries, including the Executive Chairman.

As regards the executive directors, on the date of this report, only as regards the Executive Chairman, the potential aim of the plan is the withholding and motivation, to incentivise dedication and commitment to the Company.

A.5. Long-term savings system

The remunerations package of Abengoa's board members does not include any long-term savings system.

A.6. Compensations

There are no plans to pay any compensation to board members in the event of termination of their services as such. The payment of compensations is only envisaged in possible terminations of executive services that, as the case may be, they may be performing, such as listed in section A.7 below.

A.7. Conditions of executive directors' contracts

The Board of Directors, upon the proposal by its Appointments and Remunerations Committee, sets the remuneration for executive directors for the performance of their executive duties and other basic conditions that their contracts must adhere to, duly approved by the Board of Directors under the terms and conditions set forth in Article 249 of the Corporate Enterprises Act.

Below are the main conditions of the contract signed by the Company with the Executive Chairman, Gonzalo Urquijo Fernández de Aroz, the only executive board member still in power on the date of this report:

a) Time indefinite

The contract of the Executive Chairman is time indefinite and it envisages a financial compensation in the event of the termination of the contractual relationship with the Company, except if said termination is voluntary, caused by death or incapacity of the board member or is a result of serious non-compliance and breach of his obligations.

b) Periods of prior notification

The contract of the Executive Chairman envisages a period for prior notice to be respected, of, at least, three months from the moment he issues notice of his decision to terminate the contract. In the event of non-compliance with the period, the board member shall compensate Abengoa with an amount equal to the total annual remuneration, fixed and variable, to which he may be entitled during the breached prior notice.

c) Exclusivity and Non-competition

The contract of the Executive Chairman sets forth that his obligation is to dedicate all that involves executive duties exclusively to the Company.

In addition, it includes a post-contractual non-competition agreement to last for a period of one year following the termination of his contractual relationship with the Company. In exchange for that commitment, the Executive Chairman shall be entitled to compensation in the amount equal to one year of his fixed and annual variable remuneration. In the event of voluntary termination, the Company reserves the right to or not to activate the agreement. In the event that the termination compensation referred to in section e) et seq. is recognized, the post-contractual non-competition compensation shall be understood as included in said amount.

If the board member breaches the post-contractual non-competition agreement, he shall be bound to pay the Company a fine equal to a year of his annual fixed remuneration and received over the last year as annual variable. The payment of the fine shall not exempt the rights to claims for other damages that may have been caused.

d) Compensation Clauses

The contract of the Executive Chairman acknowledges his right to collect a compensation in the amount equal to two annual payments of his fixed and variable salaries in the event of the termination of the contract, except if said termination is voluntary (not considered as such if caused by the Executive Chairman him/herself as a result of a change in the control of the group), caused by death or incapacity of the board member, or is as a result of a breach of his obligations. In the event of voluntary termination, the resignation must be preceded by a prior notice issued at least three months in advance, and the board member shall be bound to compensate the Company in the event of a breach with an amount equal to his annual fixed and variable remuneration for the part of the prior notice period not respected. If it is recognized that the board member must pay such compensation for terminating the contract, one of the two annual payments of salary shall be understood as received as compensation for the non-competition agreement described in section b) above.

e) Claw Back Clause

The contract of the Executive Chairman contains a clause that allows Abengoa to claim the reimbursement of the variable components of the remuneration, both annual and pluriannual, that may have been paid to the Executive Chairman if one of the financial parameters sustaining such payment is overturned by Abengoa's audits service, and it shall be set at the new result in the case of the variable remuneration if less, or even null as the case may be (for the application of a necessary requirement or "trigger", or for not reaching the minimum thresholds), with the Executive Chairman being obliged to return the resulting difference.

A.8. Complementary Remunerations

On the date of this report, no complementary remuneration has accrued as payment for services rendered other than those inherent in the post of board member or, as the case may be, the performance of executive duties.

A.9. Advances, credits and guarantees granted

On the date of this report, there are no advances, credits or guarantees granted to members of the Abengoa's Board of Directors.

A.10. Remunerations in kind

As remunerations in kind, the Executive Chairman receives a life and accidents insurance with the premiums paid for the Company.

Likewise, it be noted that all of Abengoa's board members are covered by civil liability policy engaged by the Company under normal conditions of the market.

A.11. Remunerations accrued by the board members in lieu of payments made to a third party entity

No payments were made to any entity for the purpose of remunerating services rendered to Abengoa by external board members.

A.12. Other items payable

There are no other items payable other than those set forth in sections above.

A.13. Actions taken for the reduction of risks

To guarantee the good running of the organization and to guarantee the long-term future of the Company, in addition to a good strategic planning, there must be accurate and rigorous management that bears in mind the risks associated with the activity of the company and envisages how to mitigate them.

Thus, Abengoa has an overall system of managing its own risks, which allows for the control and identification of the risks and which is regularly updated for the purpose of creating a common management culture, of attaining the goals and objectives set forth herein and for having an adaptation capacity to mitigate the threats that may emerge within such competitive environments as the present.

The implementation of this system obliges:

- › The management of risks at all levels of the organization, without exception.
- › Its full integration into the strategy and into the systems for the attainment of the fixed goals and objectives.
- › The full support of the Management for evaluating, following-up on and complying with the marked guidelines relating to the handling of threats.

This risks management system is formalized in three tools:

- › Compulsory compliance rules (NOC).
- › Compulsory compliance processes (POC).
- › The Universal Risks Model (MUR).

Compliance thereof is guaranteed through verifications done by the Internal Audits Department and regularly committee meetings held by the Senior Management and the Chairmanship of the Company.

These tools or common management systems are designed based on quality standards for the purpose of complying with the international rules and regulations, like the ISO 31000 and the Sarbanes-Oxley rules, and have been certified by internationally renowned firms.

The Universal Risk Model (MUR) is the methodology that Abengoa uses to identify, compress and assess the risks that affect the company. The purpose is to obtain an integral vision of them, designing an efficient system that is in line with the business objectives of Abengoa.

The MUR is comprised by more than 55 risks belonging to 20 different categories grouped into 4 great areas: financial, strategic, regulatory and operational.

The MUR is revised annually, ensuring that the calculations designed for each risk are the most appropriate for the reality of the Company.

C. Overall Summary of How The Remunerations Policy was Applied During the Closed Financial Year

C.1. Remunerations Policy applied during the 2017 financial year: remunerations structure and items

Below is a detail of the structure and items of the remunerations policy applied in the 2017 financial year, distinguishing between the remuneration of board members as such and their remuneration for the performance of executive duties:

Remuneration of board members in their condition as such

The structure and items of the remunerations policy applied in the 2017 financial year to board members as such are as follows:

- › Per diem for attendance of Board of Directors sessions: 552 thousands of Euros.
- › Per diem for attendance to Audit Committee sessions and to Appointments and Remunerations Committee, and for chairmanship thereof: 92.5 thousands of Euros.

The amounts shown are the aggregated calculation for all the board members.

Pursuant to the Board Member Remunerations Policy for the 2018-2020 period (in its sections 3.2 and 4.2.3D), which regulates the long-term variable remunerations for Board Members and Executive Chairman, respectively, the Company reserved the amount of €1,018 thousands of Euros, the 2017 estimate. Said amount shall not be payable in the event of the non-performance of the goals and objectives set forth and shall not be paid before 31st December 2020.

Remunerations for the performance of duties in the Company other than those of board member

The structure and items of the remunerations policy applied in the 2017 financial year for the performance of executive duties are as follows:

(i) Fixed Remuneration

The amount of the fixed remuneration paid to the Executive Chairman, the only board member who performed executive duties during the 2017 financial year, according to the contract approved by the Board of Directors on the proposal of the Appointments and Remunerations Committee reached a total of € 1,000,000 Euros.

(ii) Annual variable remuneration (or bonus)

The amount of the annual variable remuneration accrued for the Executive Chairman during the 2017 financial year reached 0 Euros (see section A above).

(iii) Pluriannual Variable Remuneration

As shown in paragraph (b.2) of section A.4, there is currently a four (4) years long-term incentives plan (“ILP”) of which a group of approximately 125 directors are beneficiaries, including the Executive Chairman.

The ILP demands compliance with a requirement as necessary condition (“trigger”), that is based on the fact that the ratio representing the bank debt generated by the business activity after the restructuring – excluding, therefore, the debt inherited from the restructuring, that of suppliers and of financial instruments like factoring or confirming – at the close of the last financial year of the ILP with regards to the EBITDA of that last financial year being equal to or lower than 3. If the ratio is above the rights to incentives shall not accrue.

Once this condition is met, the accrual of the amount of the ILP is tied to the attainment of two objectives that have been defined by the Board of Directors following a report from the Appointments and Remunerations Committee, with an adjustment of 50% each:

- (a) the ratio representing the free cash flow generated in 2020 with regards to the EBITDA of that last 2020 financial year (EBITDA which must be equal to or above €100 million as fixed goal and objective in the business plan) is equal to or above 80%; and
- (b) the attributed value, at the end of the ILP accrual period, in the operations of the secondary market, to the “Senior Old Money” debt, inherited from the restructuring, is equal to or above 25%.

The ILP shall accrue if the metrics of performance of the objectives is, in each of them, 90% or above. In that minimum threshold of performance of 90% in both objectives, 50% of the ILP reference shall be for the beneficiary, including the Executive Chairman. In the performance of 100%, it will be 100% of the reference figure. In the performance of 120%, it will be 150% of the reference figure. The degree of intermediate performance shall determine the relevant percentage of the reference figure based on the lineal interpolation between the two referents

immediately above and farther up. A performance lower than 90% of any of the two objectives means that no amounts shall be paid from the ILP. A performance above 120% shall not entitle the right of receipt of more than 150% of the reference figure.

The reference figure for the Executive Chairman for performance of 100% of the objectives is set at 175% of the amount of his fixed annual remuneration of €1,000,000. Consequently, if the necessary requirements or “trigger” are met and the 100% of the goals and objectives are attained, the Executive Chairman shall be entitled to a pluriannual variable remuneration of €1,750,000 at the end of the four years. If the performance is 90% he shall be entitled to half of the amount, that is, €875,000. If he attains 120% or above, he shall be entitled to €2,625,000.

The evaluation of the degree of attainment of the goals and objectives shall be executed by the Audit Committee and, as the case may be, the Appointments and Remunerations Committee, upon the closure of the financial year and the preparation of the annual accounts. Based on that information, the Appointments and Remunerations Committee shall make a proposal for the acknowledgement, as the case may be, of that remuneration, a proposal that shall be remitted to the Board of Directors, the body that shall take a decision in that regard.

As already mentioned above, pursuant to the Board Member Remunerations Policy for the 2018-2020 period (in its sections 3.2 and 4.2.3D), which regulates the long-term variable remunerations for Board Members and Executive Chairman, respectively, the Company reserved the amount of €1,018 thousands of Euros, the 2017 estimate. Said amount shall not be payable in the event of the non-performance of the goals and objectives set forth and shall not be paid before 31st December 2020.

(iv) Remuneration in kind

In the 2017 financial year, the Executive Chairman, Gonzalo Urquijo Fernández de Araoz, was beneficiary of life and accidents insurance paid for by the Company.

The premiums paid amount to €25,043.28 Euros in total.

(v) Other items. Advances, credits and guarantees. Payments to third parties. Complementary Remunerations

In the 2017 financial year Abengoa’s Board of Directors did not accrue any remunerations in the financial year for executive duties for items other than those listed in sections (i) to (v) above.

In the 2017 financial year no advances, credits or guarantees were granted to board members; no payments were made to any entity for the purpose of paying for services rendered to Abengoa by external board members; and there was no accrual of any amounts for any board member as complementary remuneration in payment for services other than those inherent in board member duties or, as the case may be, in the performance of executive duties.

D. List of Individual Remunerations Accrued by each Board Member

D.1. List of individual remunerations accrued by board members

a) Remunerations accrued in Abengoa, S.A. (in thousands of Euros):

Name	Typology	Period	Salary	Fixed Remuneration	Per Diem	Variable Remuneration at short-term	Variable Remuneration at long-term	Remuneration for belonging to Board Committees	Compensation	Other items	Total 2017 Financial Year	Total 2016 Financial Year
Javier Benjumea Llorente ⁽¹⁾	Executive	01/01/2016-30/06/2016										111
José Borrell Fontelles ⁽²⁾	Independent	01/0/20161-22/11/2016										185
Mercedes Gracia Díez ⁽²⁾	Independent	01/0/20161-22/11/2016										185
Ricardo Martínez Rico ⁽²⁾	Independent	01/0/20161-22/11/2016										100
Alicia Velarde Valiente ⁽²⁾	Independent	01/0/20161-22/11/2016										176
Ricardo Hausmann ⁽²⁾	Independent	01/0/20161-22/11/2016										229
José Joaquín Abaurre Llorente ⁽²⁾	Proprietary	01/0/20161-22/11/2016										100
José Luis Aya Abaurre ⁽³⁾	Proprietary	01/01/2016-12/02/2016										20
Inayaba, S.L. ^{(2) (4)}	Proprietary	07/03/2016-22/11/2016										80
Claudi Santiago Ponsa ⁽⁵⁾	Proprietary	01/01/2016-25/05/2016										36
Ignacio Solís Guardiola ⁽²⁾	Proprietary	01/0/20161-22/11/2016										71
Antonio Fornieles Melero ^{(2) (6)}	Independent/Executive	01/0/20161-22/11/2016										548
José Domínguez Abascal ⁽⁷⁾	Executive/External	01/01/2016-18/04/2016										119
Joaquín Fernández de Piñola Marín ^{(2) (8)}	Executive	01/0/20161-22/11/2016										571
Gonzalo Urquijo Fernández de Araoz ^{(9) (10)}	Executive	01/01-31/12	1,000		80						1,080	124
Manuel Castro Aladro ⁽¹⁰⁾	Independent	01/01-31/12			80			10			90	19
José Wahnnon Levy ⁽¹⁰⁾	Independent	01/01-31/12			80			20			100	21
Pilar Caveró Mestre ⁽¹⁰⁾	Independent	01/01-31/12			80			20			100	26
José Luis del Valle Doblado ^{(10) (11)}	Independent	01/01-31/12			80			20			100	19
Javier Targhetta Roza ^{(10) (12)}	Independent	01/01-26/01			8						8	21
Ramón Sotomayor Jáuregui ⁽¹⁰⁾	Independent	01/01-31/12			80			10			90	21

Name	Typology	Period	Salary	Fixed Remuneration	Per Diem	Variable Remuneration at short-term	Variable Remuneration at long-term	Remuneration for belonging to Board Committees	Compensation	Other items	Total 2017 Financial Year	Total 2016 Financial Year
Miguel Antoñanzas Alvear ⁽¹³⁾	Independent	23/3-19/5			16			5			21	–
Josep Piqué Camps ⁽¹⁴⁾	Independent	13/7-31/12			48			8			56	–
Total			1,000	0	552	0	0	93	0	0	1,645	2,782

Note (1): Javier Benjumea Llorente was removed from his duty as board member in the General Meeting of Shareholders held on 30 June 2016.

Note (2): Antonio Fornieles Melero, Joaquín Fernández de Piérola Marín, Ms. Alicia Velarde Valiente, Ms. Mercedes Gracia Díez, José Borrell Fontelles, Ricardo Hausmann, Ricardo Martínez Rico, José Joaquín Abaurre Llorente, Inayaba, S.L. (represented by Ms. Ana Abaurrea Aya) and Ignacio Solís Guardiola submitted their respective resignations as board members on 22 November 2016.

Note (3): José Luis Aya Abaurre passed away on 12 February 2016.

Note (4): Inayaba, S.L. was appointed proprietary board member of Abengoa, in replacement of Aya Abaurre, on 7 March 2016, naming Ms. Ana Abaurrea Aya as personal physical representative.

Note (5): Claudi Santiago Ponsa submitted his resignation as board member 25 May 2016.

Note (6): Fornieles Melero was appointed independent Board Member of Abengoa on 19 January 2015, in replacement of Aplidig, S.L. Later, on 1 March 2016, Fornieles Melero was appointed Executive Chairman of the Board of Directors of Abengoa in replacement of José Domínguez Abascal.

Note (7): Domínguez Abascal was appointed proprietary board member and non-executive Chairman of the Board of Directors of Abengoa on 23 September 2015, in replacement of Felipe Benjumea Llorente. Later, on 27 November 2015, the Board of Directors of Abengoa approved the conferment of all legally and statutorily conferrable powers on Domínguez Abascal. Later, on 1 March 2016, Domínguez Abascal was removed as Executive Chairman of the Board of Director of Abengoa, and replaced by Fornieles Melero, then made to hold the condition of another external board member.

Note (8): Fernández de Piérola Marín was appointed Managing Director Board member of Abengoa, in replacement of Seage Medela, on 27 November 2015. Until his appointment as Managing Director Board member, Fernández de Piérola Marín held the post of chairman of the board of director of Abengoa México, S.A. de C.V. Later, on 1 March 2016, Fernández de Piérola Marín was appointed CEO of Abengoa.

Note (9): Urquijo Fernández de Araoz was appointed independent consultant of the Board of Directors of Abengoa, without the condition of board member, on 10 August 2016. Later, on 22 November 2016, he was appointed executive board member and Chairman of the Board of Directors of Abengoa in replacement of Antonio Fornieles Melero.

Note (10): Messrs. Castro Aladro, Wahnnon Levy, Cavero Mestre, del Valle Doblado, Targhetta Roza and Sotomayor Jáuregui were appointed independent board members of Abengoa on 22 November 2016 in replacement of previous members of the Board of Directors, who resigned on that date.

Note (11): José Luis del Valle was appointed member of the Appointments and Remunerations Committee on 27 February 2017 in replacement of Javier Targhetta Roza, a post he held until 23 March 2017, the date on which he was replaced by Miguel Antoñanzas. Later, following the resignation of Antoñanzas, he was again appointed as member of the Appointments and Remunerations Committee from 19 May 2017 to 13 July 2017, when he was replaced by Piqué Camps.

Note (12): Targhetta Roza resigned as board member on 26 January 2017.

Note (13): AntoñanzasAlvear was appointed independent board member of on 23 March 2017 in replacement of Targhetta Roza. He later resigned as board member on 19 May 2017.

(Note (14): Piqué Camps was appointed independent board member on 13 July 2017 in replacement of Antoñanzas Alvear.

c) Summary of remunerations (in thousands of Euros):

Name	Typology	Remuneration accrued in the Company				Remuneration accrued in the Group's companies				Total		Contribution to the savings system during the financial year
		Total Cash remuneration	Value of shares granted	Gross Benefit of options exercised	Total 2017 Financial Year company	Total Cash remuneration	Value of shares granted	Gross Benefit of options exercised	Total 2017 Financial Year Group	Total 2017 Financial Year	Total 2016 Financial Year	
Javier Benjumea Llorente	Executive	-	-	-	-	-	-	-	-	-	111	-
José Borrell Fontelles	Independent	-	-	-	-	-	-	-	-	-	185	-
Mercedes Gracia Díez	Independent	-	-	-	-	-	-	-	-	-	185	-
Ricardo Martínez Rico	Independent	-	-	-	-	-	-	-	-	-	100	-
Alicia Velarde Valiente	Independent	-	-	-	-	-	-	-	-	-	176	-
Ricardo Hausmann	Independent	-	-	-	-	-	-	-	-	-	229	-
José Joaquín Abaurre Llorente	Proprietary	-	-	-	-	-	-	-	-	-	100	-
José Luis Aya Abaurre	Proprietary	-	-	-	-	-	-	-	-	-	20	-
Inayaba, S.L.	Proprietary	-	-	-	-	-	-	-	-	-	80	-
Claudi Santiago Ponsa	Proprietary	-	-	-	-	-	-	-	-	-	36	-
Ignacio Solís Guardiola	Proprietary	-	-	-	-	-	-	-	-	-	71	-
Antonio Fornieles Melero	Independent/Executive	-	-	-	-	-	-	-	-	-	548	-
José Domínguez Abascal	Executive/External	-	-	-	-	-	-	-	-	-	119	-
Joaquín Fernández de Piérola Marín	Executive	-	-	-	-	-	-	-	-	-	571	-
Gonzalo Urquijo Fernández de Araoz	Executive	1,080	-	-	1,080	-	-	-	-	1,080	124	-
Manuel Castro Aladro	Independent	90	-	-	90	-	-	-	-	90	19	-
José Wahnnon Levy	Independent	100	-	-	100	-	-	-	-	100	21	-
Pilar Caveró Mestre	Independent	100	-	-	100	-	-	-	-	100	26	-
José Luis del Valle Doblado	Independent	100	-	-	100	-	-	-	-	100	19	-
Javier Targhetta Roza	Independent	8	-	-	8	-	-	-	-	8	21	-
Ramón Sotomayor Jáuregui	Independent	90	-	-	90	-	-	-	-	90	21	-
Miguel Antoñanzas Alvear	Independent	21	-	-	21	-	-	-	-	21	-	-
Josep Piqué Camps	Independent	56	-	-	56	-	-	-	-	56	-	-
Total		1,645	-	-	1,645	-	-	-	-	1,645	2,782	-

D.2. Relation between remuneration and Company profit and loss outcome

The remuneration of the executive board members of Abengoa is related to the profit and loss outcome of Company through the variable components pointed out in sections A.4 and C.1:

- › the annual variable remuneration or bonus, linked to the attainment of goals and objectives mainly linked referenced to EBITDA and others determined by the Board of Directors on the proposal of the Appointments and Remunerations Committee; and
- › the pluriannual variable remuneration, structured through the ILP, also pointed out in sections A.4 and C.1, and whose maturity is envisaged for 31 December 2020.

As already mentioned above, pursuant to the Board Member Remunerations Policy for the 2018-2020 period (in its sections 3.2 and 4.2.3D), which regulates the long-term variable remunerations for Board Members and Executive Chairman, respectively, the Company reserved the amount of €1,018 thousands of Euros, the 2017 estimate. Said amount shall not be payable in the event of the non-performance of the goals and objectives set forth and shall not be paid before 31st December 2020. Regarding the 2017 annual variable, after assessing the conditions set forth for such and upon establishing the non-performance of one of the general triggers, it was decided that it had not accrued and, was therefore not recognised for either the company's Executive Chairman, its directors or employees.

D.3. Result of the consultative votes cast by the General Meeting of Shareholders on the annual report of the remunerations of the previous financial year

	Number	% of total
Votes cast	36,711,208,050	20.197

	Number	% of those cast
Votes in favour	25,676,190,795	69.94
Votes against	508,802,502	1.39
Abstentions	10,526,214,753	28.68

E. Other Information of Interest

Not Applicable

This annual remunerations report has been unanimously approved by the Board of Directors of the Company, in its session dated 7th March 2018.



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 2017

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 30 January 2018, 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 2017, 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 2017 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.

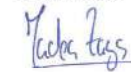
The procedures applied were as follows:

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.



Tadea Zayas Carvajal

7 March 2018

Abengoa SA
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Palmas Altas
41014 Sevilla (España)

ABENGOA

c/ Manuel Pombo Angulo, 20
28050 Madrid (España)

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, 2017, 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, 2017, have been audited by the Company's independent 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, 2017 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, 2017. 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, 2017.

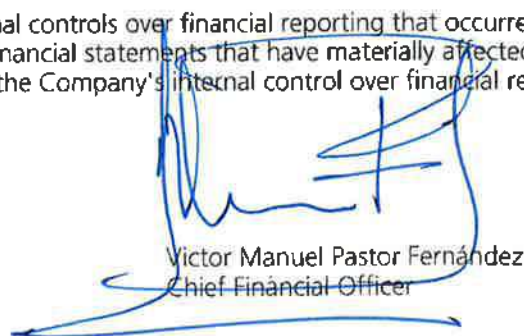
The Company's internal control over financial reporting, as of December 31, 2017, has been audited by Deloitte S.L., an independent registered public accounting firm, as stated in their report which is included herein.

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 Aroz
Executive Chairman

7 March 2018



Victor Manuel Pastor Fernández
Chief Financial Officer