02

Legal and Economic-Financial Information

ABENGOA

Annual Report 2018

Innovative technology solutions for sustainability

01. Auditor’s report

This version of the independent auditor´s report on the consolidated annual accounts is a free translation from the original, which is prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the independent auditor´s report on the consolidated annual account takes precedence over this translation.

Independent auditor´s report on the consolidated annual accounts

To the shareholders of Abengoa, S.A.:

Report on the consolidated annual accounts

Opinion

We have audited the consolidated annual accounts of Abengoa, S.A. (the parent company) and subsidiaries (the Group), which comprise the balance sheet as at December 31, 2018, and the income statement, statement of other comprehensive income, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at December 31, 2018, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

Material uncertainty in relation to going concern

We draw attention to the accompanying consolidated statement of financial position that shows that at 31 December 2018 the Group presented negative consolidated equity of €4,251 million and that at that date, the Group's current liabilities exceeded its current assets by €4,360 million. Additionally, the consolidated income statement reflected losses attributable to the parent company of €1,498 million. Note 2.2 to the accompanying consolidated annual accounts describes, among other things, the significant limitations in terms of financial resources that the Group and its parent company have had to deal with in the past few years and how this situation has affected the performance of the operating business, resulting in the slow-down and deterioration of the Group's entire operation and the initiation of different insolvency or judicial bankruptcy proceedings in some of its subsidiaries. Also, at the year end 31 December 2018 the parent company presented positive equity of €99 million after

having recognised losses for the year of €432 million, as a result among other things of the significant impairment recognised on its investments in Group companies, based on estimates of the fair value of its subsidiaries. As indicated in Note 2.2., the fact that the main assumptions taken into account in those estimates have not played out may substantially vary the value of the investments and, in this respect, affect the parent company's equity.

In light of the situation described and the strong pressure on liquidity experienced by the Group, the Group and its parent company negotiated during 2018 and agreed in April 2019 a new financial restructuring that requires, among other things, the validation of the agreements formalised in accordance with the relevant requirements of the Bankruptcy Law, as described in Note 2.2, which also details the main characteristics of the new financial instruments issued, including several bonds convertible into shares of the intermediate holding companies of the Group's operating businesses.

The Group's consolidated negative equity, consolidated negative working capital and losses, the need to homologate the restructuring agreement to ensure the necessary liquidity in the short term, as described in Note 2.2., mentioned above, and the need for strict compliance with the 10 year feasibility plan approved by the directors and the remaining assumptions taken into account in the estimation of the fair value of the Group's subsidiaries, whose materialization is subject to uncertainty and that has a direct effect on the parent company's equity, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore on the recovery of its assets and realisation of its liabilities and the fulfilment of the commitments covered by surety and guarantees for the amounts included in the accompanying consolidated annual accounts.

The parent company's directors have prepared these consolidated annual accounts on a going-concern basis, factoring in, as explained in Note 2.2, that it secures the final validation of the financial restructuring described and the necessary adherence of its financial creditors and its confidence that the main assumptions of the feasibility plan approved, in terms of the business, and those assumptions affecting debt, will be met such that the Group's feasibility is not negatively affected.

Our opinion has not been modified for this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts 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 section *Material uncertainty in relation to going concern*, we have determined that the matters described below are the key audit matters which should be communicated in our report.

Key audit matters	How the matters were addressed in the audit
Ten year feasibility plan and valuation of the businesses and financial debt	
As detailed in Note 2.2. to the consolidated annual accounts, Group management has carried out, together with the support of an independent expert, the analysis of the fair value of the businesses based on the 10 year feasibility plan and of the financial debt, on a going-concern basis, factoring in certain critical assumptions, including (i) Delivery on the 10 year feasibility plan and assumptions on which it was built, (ii) Consolidation of the business at normalised levels starting in 2029, (iii) Projection of post-restructuring financial debt using discount rates comparable with financial debt relief in determining fair value and (iv) Completion of the financial restructuring process under the terms envisaged. Given that the drafting of the 10 year feasibility plan is a significant event in the year and that the results of the valuation of the businesses and the financial debt could have a significant effect on the estimation of the recoverable amount of the consolidated assets and the evaluation of the capacity to realise consolidated liabilities as well as on the evaluation of the capacity to deliver on commitments and manage claims in accordance with the amounts included in the consolidated annual accounts and due to the high level of judgement in relation to the basic assumptions considered to the extent that if any fail to materialise, the results of the valuation could be significantly affected, we have considered the 10 year feasibility plan and the assessment of the valuation performed as key to our audit.	We assessed and questioned the composition of future cash flow forecasts and the process through which they were prepared and recorded in the 10 year feasibility plan approved by the parent company's directors. With respect to the Group management expert, we carried out the relevant procedures in accordance with prevailing auditing regulations in Spain regarding the use of the work of management's independent experts, including, among other procedures, the evaluation of their competence, independence and integrity, conducting interviews during which certain aspects of their work were discussed. With respect to the content of the 10 year feasibility plan and the Group's business and financial debt valuation exercise, we questioned and corroborated, with the support of our internal valuation experts, the assumptions contained in the value opinion: • Compound annual growth rates of revenues and EBITDA taken into account for the period 2019 to 2028 by comparing them with sector forecasts and analysis of comparables. • The discount rate, assessing the cost of capital for the Group and comparable organisations. • Long-term growth rates, comparing them with economic and industry forecasts. • Discount rates applicable to the debt by analysing comparables. Group management has determined that the calculations were more sensitive to the assumptions relating to revenue growth rates, EBITDA, the discount rate and the long-term growth rate and the discount rates applicable to the debt, as disclosed in Note 2.2 to the consolidated annual accounts.

Key audit matters	How the matters were addressed in the audit
	We assessed the reasonableness of the analyses performed and the information included in the consolidated annual accounts in this respect. As a result of the procedures performed, we consider that the valuation exercise performed by Group management is reasonable and consistent with the evidence obtained, factoring in the high level of judgement and sensitivity inherent in the assumptions used.
Measurement of assets held for sale	
At 31 December 2018 the consolidated statement of financial position presents a balance of €2,117 million under assets held for sale and €1,345 million under liabilities held for sale. These assets and disposal groups of assets held for sale relate to certain lines of business and certain projects that Group management considers not strategic based on an initial asset divestment plan that has been updated based on the 10 year feasibility plan and certain assets securing part of the corporate debt, which Group management is expecting to sell in the short term in order to reduce that debt. The estimation of fair value less cost to sell of the assets and disposal groups of assets described in Note 7 was carried out based on the calculation of the present value of future cash flows of the assets and disposal groups of assets or based on third party binding offers, if any. The information on assets held for sale is detailed in Notes 2.30, 3 and 7 to the consolidated annual accounts. We consider this a key audit matter since the preparation of this analysis requires a high level of judgement by Group management in relation to the main assumptions taken into account in the measurement process for assets and disposal groups of assets held for sale.	Our audit procedures included, among other procedures, the evaluation of the design and implementation of the relevant controls established by Group management in relation to the risks associated with the measurement of the assets and disposal groups of assets held for sale as well as tests of the efficiency of certain relevant controls. Additionally, in those cases in which fair value has been estimated based on a future cash flow estimation model, we assessed the reasonableness of the basic assumptions in terms of revenues and returns factored in by Group management. Moreover, we involved our internal valuation experts on order to corroborate the discount rates used. In relation to the third party offers received for certain assets and disposal groups of assets, we verified the price included therein, its validity and the feasibility of the offer. Lastly, we verified that Notes 2.30, 3 and 7 to the consolidated annual accounts contain the appropriate disclosures. As a result of the procedures performed, we consider that the analysis of the measurement of assets and disposal groups of assets held for sale performed by Group management is reasonable, considering compliance with the assumptions envisaged in the 10 year feasibility plan and consistent with the evidence obtained in the course of our work.

Key audit matters	How the matters were addressed in the audit
Recovery of deferred tax assets	
At 31 December 2018 the consolidated statement of financial position presents a balance of €137 million under deferred tax assets. At the year end, Group management has prepared projections for revenues and returns on projects in order to assess the Group's capacity to recover deferred tax assets by projecting the Group's tax bases, factoring in applicable tax legislation and updates of the forecast return on different projects. Group management has factored in the assumptions contained in the 10 year feasibility plan signed off by the Board of Directors in these projections, leading to the recognition of an expense on the derecognition of deferred tax assets amounting to €215 million in 2018. The information on deferred tax assets is detailed in Notes 2.20, 3 and 24.2 to the consolidated annual accounts. We consider this a key audit matter since the preparation of these projections requires a high level of judgement by Group management, that affects the estimation of the value of the deferred tax assets whose recovery is probable.	Our audit procedures included, among other procedures, the evaluation of the design and implementation of the relevant controls established by Group management in relation to the risks associated with the evaluation of the recovery of the deferred tax assets and tests of the efficiency of certain relevant controls. Additionally, we evaluated the basic assumptions on which the tax projections were made and their consistency with the Group's 10 year feasibility plan. We also involved our internal tax experts in considering the reasonableness of the tax assumptions used based on applicable legislation in order to verify that they are complete and appropriate. Lastly, we verified that Notes 2.20, 3 and 24.2 to the consolidated annual accounts contain the appropriate disclosures. As a result of the procedures performed, we consider that the analysis of the recovery of deferred tax assets performed by Group management is reasonable, considering compliance with the assumptions envisaged in the 10 year feasibility plan, and consistent with the evidence obtained in the course of our work.
Revenue recognition on engineering and construction contracts	
As detailed in note 5 to the consolidated annual accounts, the Group has recognised €1,112 million in revenues from engineering and construction activities during 2018. The Group recognises revenue on this type of contracts based on the recognition of revenue over time, in accordance with IFRS 15, by reference to the percentage of completion of the project.	Our audit procedures included, among other procedures, the evaluation of the design and implementation of the relevant controls established by Group management in relation to the risks associated with the revenue recognition process on engineering and construction contracts and tests of the efficiency of certain relevant controls.

Key audit matters	How the matters were addressed in the audit
Under the percentage of completion method, Group management uses significant estimates and employs relevant judgement regarding the total costs necessary to execute the contract and the amount of claims that are included, if appropriate, as an increase in contract revenue. The information on engineering and construction revenues is disclosed in Notes 2.25, 3, 26 and 27 to the consolidated annual accounts. We consider this a key audit matter given the relevance of the estimates made that primarily affect the occurrence and accuracy of revenues and the cut-off of operations, and their quantitative significance in the consolidated income statement.	In order to carry out substantive tests, firstly we made a selection applying quantitative and qualitative criteria, like identifying relevant contracts in terms of the total contract selling price or the amount of revenue or margins recognised in the year or the risk associated with the costs not yet incurred to complete the contract, among other factors, and we also applied sampling techniques. For the projects selected, we obtained the contacts and read them and gained an understanding of the most relevant clauses and their implications and the budgets and the execution monitoring reports for such projects. We carried out the following procedures, among others: • Analysis of the development of the margins compared with variations in both the selling price and total budgeted costs. • We assessed the consistency of the estimates made by Group management in the previous year with the real data of the contracts in the current year. • Recalculation of the level of completion of the projects selected and comparison of the results with the Group's calculation. • With respect to changes in scope, obtaining the corresponding amendments to the contract signed by the parties. • For claims being negotiated with customers, we obtained evidence of the technical approvals and status of the economic negotiations. • Review of a sample of collections. • We obtained explanations of the reconciliation of the financial information and project monitoring reports provided by project management.

Key audit matters	How the matters were addressed in the audit
	Lastly, we verified that Notes 2.25, 3, 26 and 27 to the consolidated annual accounts contain the appropriate disclosures. As a result of the procedures performed, we consider that the revenue recognition exercise performed by Group management for engineering and construction contracts is reasonable and consistent with the evidence obtained in the course of our work.
Contingencies	
As mentioned in Note 23 to the consolidated annual accounts, the Group has handed over to third parties several bank guarantees and surety to secure certain commitments entered into amounting to €706 million. Additionally, the Group has handed over to third parties several guarantees through statements of intent and commitments entered into and duly documented amounting to €2,526 million. The information relating to these commitments and associated claims is disclosed in Notes 2.22, 3,22.2, and 23 to the consolidated annual accounts. We consider the evaluation of the analysis performed by Group management a key audit matter given the possibility of the Group having to address these commitments and claims within the current financial context and taking into account that both the actual evaluation of the existence of potential non-compliance and the estimation of its potential impact entail the application of a high level of judgement that, if not adequate, could affect the integrity and measurement of the liabilities recognised in this respect in the consolidated annual accounts.	Our audit procedures included, among other procedures, the evaluation of the design and implementation of the relevant controls established by Group management in relation to the risks associated with contingency-related processes and on the measurement and integrity of the associated liabilities and tests on the efficiency of certain relevant controls. Additionally, we performed an analysis of Group management's judgements reached based on the opinion of its legal, tax and financial departments, after factoring in, if appropriate, the opinion of its external legal and tax advisers and other information available at the time of the evaluation. In this regard, we obtained a list of guarantees and surety in effect at the year end as well as the information available on the main projects to which they relate and the status of claims and ongoing legal and tax processes. We sent letters of confirmation to the main legal and tax advisers with whom the Group works, for their assessment of such matters, and we assessed this information, along with the status of the Group's principal projects in order to verify the integrity of ongoing claims and assess the probability assigned to each contingency and assess, where warranted, their recognition by the Company. Also, we involved our internal legal and tax experts in the technical analysis of certain ongoing claims.

Key audit matters	How the matters were addressed in the audit
	Lastly, we verified that Notes 2.22, 3, 22.2 and 23 to the consolidated annual accounts contain the appropriate disclosures. As a result of the procedures performed, we consider that the analysis of the evaluation and monitoring exercise performed by Group management of the contingencies deriving from the commitments and claims mentioned is reasonable, considering compliance with the assumptions envisaged in the 10 year feasibility plan and consistent with the evidence obtained in the course of our work.

Other matters

The Group's consolidated annual accounts for the year ended 31 December 2017 were audited by other auditors that expressed an unqualified opinion on those consolidated annual accounts on 07 March 2018.

Other information: Consolidated management report

Other information comprises only the consolidated management report for the 2018 financial year, the formulation of which is the responsibility of the Parent company´s directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility for the information contained in the consolidated management report is defined in prevailing audit regulations, which distinguish two levels of responsibility:

a) A specific level applicable to the non- annual accounts, as well as certain information included in the Corporate Governance Report, as defined in article 35.2 b) of Law 22/2015 on auditing, which solely requires that we verify whether said information has been included in the management report or where applicable, that the management report includes the corresponding reference to the separate non-financial report as stipulated under prevailing regulations and if not, disclose this fact.

b) A general level applicable to other information included in the consolidated management report that consists of assessing and reporting on the consistency of that information with the consolidated annual accounts, on the basis of the understanding of the Group obtained in the performance of the audit of those annual accounts, without including information other than that obtained as evidence during the audit and assessing and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements; we are required to report them.

On the basis of the work performed, as described in the previous paragraph, the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2018 financial year, and its content and presentation are in accordance with the applicable regulations.

Responsibility of the directors and the audit committee for the consolidated annual accounts

The Parent company´s directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with International Financial Reporting Standards as adopted by the European Union and other provisions of the 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 annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent company´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 company´s audit committee is responsible for overseeing the process of preparation and presentation of the consolidated annual accounts.

Auditor's responsibilities for the audit of the consolidated annual accounts

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, 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 company´s directors.
- Conclude on the appropriateness of the Parent company´s directors´ use 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 annual accounts 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 annual accounts, including the disclosures, and whether the consolidated annual accounts 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 annual accounts. 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 company´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 company´s audit committee with a statement that we have complied with relevant ethical requirements, including those relating to independence, and we communicate with the audit committee those matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Parent company´s audit committee, we determine those matters that were of most significance in the audit of the consolidated annual accounts 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.

Report on other legal and regulatory requirements

Additional report for the parent company's audit committee

The opinion expressed in this report is consistent with the content of our additional report for the parent company's Audit Committee dated 30 April 2019.

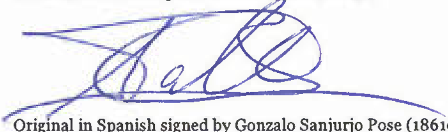
Term of engagement

The General Ordinary Shareholders' Meeting held on Junes 30th, 2017 appointed us as auditors of the Group for a period of three years, as from the year ended December 31st, 2018.

Services rendered

Non-audit services provided to the Group are detailed in note 33.5 to the consolidated annual accounts

PricewaterhouseCoopers Auditores, S.L. (S0242)



Original in Spanish signed by Gonzalo Sanjurjo Pose (18610)

30 April 2019

02. Consolidated
financial statements

02.1 Consolidated statements of financial position

Consolidated statements of financial position as of December 31, 2018 and 2017

- Amounts in thousands of euros -

Assets	Note (1)	12/31/2018	12/31/2017
Non-current assets			
Goodwill		-	-
Other intangible assets		46.645	63.574
Intangible assets	8	46.645	63.574
Property, plant & equipment	9	141.733	171.410
Concession assets in projects		343.941	158.633
Other assets in projects		3.029	6.039
Fixed assets in projects (project finance)	10	346.970	164.672
Investments in associates carried under the equity method	11	15.266	33.873
Financial assets at fair value	13	1.143	2.316
Other receivable accounts	15	25.944	37.956
Derivative assets	14	939	481
Financial investments		28.026	40.753
Deferred tax assets	24	136.709	375.814
Total non-current assets		715.349	850.096
Current assets			
Inventories	16	60.445	74.696
Trade receivables		430.527	667.993
Credits and other receivables		172.288	296.784
Clients and other receivables	15	602.815	964.777
Financial assets at fair value	13	1.759	2.508
Other receivable accounts	15	127.949	192.355
Derivative assets	14	3	101
Financial investments		129.711	194.964
Cash and cash equivalents	17	204.600	195.870
		997.571	1.430.307
Assets held for sale	7	2.116.859	4.078.194
Total current assets		3.114.430	5.508.501
Total assets		3.829.779	6.358.597

(1) Notes 1 to 33 are an integral part of these Consolidated financial statements as of December 31, 2018 and 2017

Consolidated statements of financial position as of December 31, 2018 and 2017

- Amounts in thousands of euros -

Equity and liabilities	Note (1)	12/31/2018	12/31/2017
Equity attributable to owners of the Parent			
Share capital	18	35.866	36.089
Parent company reserves	18	495.063	(5.888.236)
Other reserves		(10.066)	(1.896)
Fully or proportionally consolidated entities		(1.180.636)	(1.202.956)
Associates		2.451	15.438
Accumulated currency translation differences	18	(1.178.185)	(1.187.518)
Retained earnings	18	(3.721.307)	4.171.700
Non-controlling Interest	18	127.613	462.073
Total equity		(4.251.016)	(2.407.788)
Non-current liabilities			
Project debt	19	95.015	11.197
Borrowings		62.252	620.278
Notes and bonds		1.116	858.597
Financial lease liabilities		6.864	7.511
Other loans and borrowings		129.418	124.845
Corporate financing	20	199.650	1.611.231
Grants and other liabilities	21	113.290	52.275
Provisions and contingencies	22	61.794	53.866
Deferred tax liabilities	24	125.058	523.286
Personnel liabilities	29	11.996	8.088
Total non-current liabilities		606.803	2.259.943
Current liabilities			
Project debt	19	224.671	96.754
Borrowings		1.777.016	798.850
Notes and bonds		1.907.228	901.094
Financial lease liabilities		7.127	8.466
Other loans and borrowings		516.128	324.118
Corporate financing	20	4.207.499	2.032.528
Trade payables and other current liabilities	25	1.360.509	1.882.217
Income and other tax payables	31	315.800	128.260
Provisions for other liabilities and charges		20.372	23.286
		6.128.851	4.163.045
Liabilities held for sale	7	**1.345.141**	**2.343.397**
Total current liabilities		7.473.992	6.506.442
Equity and liabilities		3.829.779	6.358.597

(1) Notes 1 to 33 are an integral part of these Consolidated financial statements as of December 31, 2018 and 2017

02.2 Consolidated income statements

Consolidated income statements as of December 31, 2018 and 2017

- Amounts in thousands of euros -

	Note (1)	2018	2017
Revenue	27	1.302.726	1.479.768
Changes in inventories of finished goods and work in progress		1.938	615
Other operating income	28	79.812	161.869
Raw materials and consumables used		(531.232)	(773.113)
Employee benefit expenses	29	(326.664)	(344.156)
Depreciation, amortization and impairment charges	5	(40.132)	(405.011)
Other operating expenses	28	(338.145)	(398.052)
Operating profit		148.303	(278.080)
Financial income	30	7.169	21.222
Financial expense	30	(417.292)	(438.094)
Net exchange differences	30	13.822	50.206
Other financial income/(expense), net	30	(1.162.455)	6.121.989
Financial expense, net		(1.558.756)	5.755.323
Share of profit (loss) of associates carried under the equity method	11	107.399	(72.680)
Profit (loss) before income tax		(1.303.054)	5.404.563
Income tax (expense) benefit	31	(131.584)	(824.726)
Profit for the year from continuing operations		(1.434.638)	4.579.837
Profit (loss) from discontinued operations, net of tax	7	(53.031)	(295.819)
Profit for the year		(1.487.669)	4.284.018
Profit attributable to non-controlling interests	18	(10.192)	(793)
Profit attributable to non-controlling interests discontinued operations	18	-	(5.455)
Profit for the year attributable to the parent company		(1.497.861)	4.277.770
Weighted average number of ordinary shares outstanding (thousands)	32	18.836.119	14.608.342
Basic earnings per share from continuing operations (€ per share)	32	(0,077)	0,31
Basic earnings per share from discontinued operations (€ per share)	32	(0,003)	(0,02)
Basic earnings per share attributable to the parent company (€ per share)		(0,08)	0,29
Weighted average number of ordinary shares affecting the diluted earnings per share (thousar	32	19.704.004	15.489.112
Diluted earnings per share from continuing operations (€ per share)	32	(0,077)	0,30
Diluted earnings per share from discontinued operations (€ per share)	32	(0,003)	(0,02)
Diluted earnings per share attributable to the parent company (€ per share)		(0,08)	0,28

(1) Notes 1 to 33 are an integral part of these Consolidated financial statements as of December 31, 2018 and 2017

02.3 Consolidated statements of comprehensive income

Consolidated statements of comprehensive income for the years 2018 and 2017

- Amounts in thousands of euros -

	2018	2017
Profit for the period after income tax	(1.487.669)	4.284.018
Items that may be subject to transfer to income statement:		
Change in fair value of available for sale financial assets	-	52
Change in fair value of cash flow hedges	3.352	64.206
Currency translation differences	7.127	(422.792)
Tax effect	(3.586)	(14.676)
Net income/(expenses) recognized directly in equity	6.893	(373.210)
Change in fair value of available for sale financial assets	-	(1.911)
Change in fair value of cash flow hedges	(10.789)	(10.249)
Tax effect	2.697	2.562
Transfers to income statement for the year	(8.092)	(9.598)
Other comprehensive income	(1.199)	(382.808)
Total comprehensive income for the period	(1.488.868)	3.901.210
Total comprehensive income attributable to non-controlling interest	(7.830)	74.252
Total comprehensive income attributable to the parent company	(1.496.698)	3.975.462
Total comprehensive income attributable to the parent company from continuining operations	(1.480.086)	4.230.078
Total comprehensive income attributable to the parent company from discontinued operations	(16.612)	(254.616)

(1) Notes 1 to 33 are an integral part of these Consolidated financial statements as of December, 2018 and 2017

02. Consolidated financial statements

02.4 Consolidated statements of changes in equity

Consolidated statements of changes in equity as of December 31, 2018 and 2017

- Amounts in thousands euros -

	Notes	Attributable to the owners of the Company					Non-controlling interest	Total equity
		Share capital	Parent company and other reserves	Accumulated currency translation differences	Retained earnings	Total		
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	6.248	4.284.018
Other comprehensive income (loss)		-	39.798	(342.107)	-	(302.309)	(80.500)	(382.809)
Total comprehensive income (loss)	18.3 y 18.4	-	39.798	(342.107)	4.277.770	3.975.461	(74.252)	3.901.209
Treasury shares		-	78	-	-	78	-	78
Capital increase	18.1	34.822	443.560	-	-	478.382	-	478.382
Capital decrease		(567)	567	-	-	-	-	-
Distribution of 2016 profit	18.5	-	(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	18.5 y 18.6	-	-	-	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)
Profit for the year after taxes		-	-	-	(1.497.861)	(1.497.861)	10.192	(1.487.669)
Other comprehensive income (loss)		-	(8.170)	9.333	-	1.163	(2.362)	(1.199)
Total comprehensive income (loss)	18.3 y 18.4	-	(8.170)	9.333	(1.497.861)	(1.496.698)	7.830	(1.488.868)
Capital decrease	18.1	(223)	223	-	-	-	-	-
Distribution of 2017 profit	18.5	-	6.383.200	-	(6.383.200)	-	-	-
Transactions with owners		(223)	6.383.423	-	(6.383.200)	-	-	-
Scope variations and other movements	18.5 y 18.6	-	(124)	-	(11.946)	(12.070)	(342.290)	(354.360)
Scope variations, acquisitions and other movements		-	(124)	-	(11.946)	(12.070)	(342.290)	(354.360)
Balance at December 31, 2018		35.866	484.997	(1.178.185)	(3.721.307)	(4.378.629)	127.613	(4.251.016)

Notes 1 to 33 are an integral part of these Consolidated financial statements as of December 31, 2018 and 2017

02.5 Consolidated cash flow statements

Consolidated cash flow statements as of December 31, 2018 and 2017

- Amounts in thousands euros -

	Note (1)	2018	2017
I. Profit for the period from continuing operations		(1.434.638)	4.579.837
Non-monetary adjustments			
Depreciation, amortization and impaiment charges	5	40.132	405.011
Finance (income/expenses)		549.249	485.163
Fair value gains on derivative financial instruments	30	7.221	(4.753)
Shares of (profits)/losses from associates	11	(107.399)	72.680
Income tax	31	131.584	824.726
Other non-monetary items	30	987.110	(6.444.494)
II. Profit for the year from continuing operations adjusted by non monetary items		173.259	(81.830)
Variations in working capital and discontinued operations			
Inventories		(5.312)	9.253
Clients and other receivables		353.249	71.984
Trade payables and other current liabilities		(450.755)	(182.531)
Financial investments and other current assets/liabilities		105.864	99.209
Elimination of flows from discontinued operations		(12.872)	(20.921)
III. Variations in working capital and discontinued operations		(9.826)	(23.006)
Income tax paid/collected		(8.569)	(2.966)
Interest paid		(141.697)	(90.145)
Interest received		2.498	11.168
Elimination of flows from discontinued operations		12.461	45.885
IV. Interest and tax paid / collected		(135.307)	(36.058)
A. Net cash provided by operating activities from continuing operations		28.126	(140.894)
Acquisition of subsidiaries		(4.057)	(27.489)
Investment in property, plant & equipment	9 y 10	(27.138)	(39.003)
Investment in intangible assets	8 y 10	(133.889)	(121.730)
Elimination of flows from discontinued operations	7	25.427	35.701
I. Investments		(139.657)	(152.521)
Acquisition of subsidiaries		880.952	95.645
Investment in property, plant & equipment	9 y 10	17.500	-
Investment in intagible assets	8 y 10	5.173	-
Other non-current assets/liabilities		-	-
Elimination of flows from discontinued operations	7	(80.743)	-
II. Disposals		822.882	95.645
B. Net cash used in investing activities from continuing operations		683.225	(56.876)
Proceeds from loans and borrowings		76.936	1.011.039
Repayment of loans and borrowings		(850.705)	(888.751)
Elimination of flows from discontinued operations		83.579	11.060
C. Net cash provided by financing activities from continuing operations		(690.190)	133.348
Net increase/(decrease) in cash and cash equivalents		21.161	(64.422)
Cash, cash equivalents and bank overdrafts at beginning of the year	17	195.870	277.789
Translation differences cash or cash equivalent		(47)	(15.022)
Elimination of cash and cash equivalents classified as assets held for sale during the year		(12.384)	(2.475)
Cash and cash equivalents at end of the year		204.600	195.870

(1) Notes 1 to 33 are an integral part of these Consolidated financial statements as of December 31, 2018 and 2017

02. Consolidated financial statements

02.6 Notes to the consolidated financial statements

Contents

Note 1.- General information 22
Note 2. - Summary of significant accounting policies 23
Note 3.- Critical accounting estimates and judgements 56
Note 4.- Financial risk management 58
Note 5.- Financial information by segment 61
Note 6.- Changes in the composition of the Group 64
Note 7.- Assets held for sale and discontinued operations 68
Note 8.- Intangible assets 72
Note 9.- Property, plant and equipment 73
Note 10.- Fixed assets in projects 75
Note 11.- Investments accounted for using the equity method 77
Note 12.- Financial instruments by category 78
Note 13.- Financial assets at fair value 79
Note 14.- Derivative financial instruments 80
Note 15.- Clients and receivable accounts 82
Note 16.- Inventories 84
Note 17.- Cash and cash equivalents 85
Note 18.- Net equity 85
Note 19.- Project debt 89
Note 20.- Corporate financing 91
Note 21.- Grants and other liabilities 95
Note 22.- Provisions and contingences 95
Note 23.- Third-party guarantees and commitments 99
Note 24.- Tax situation 100
Note 25.- Trade payables and other current liabilities 103
Note 26.- Construction contracts 104
Note 27.- Revenues 104
Note 28.- Other operating income and expenses 104
Note 29.- Employee benefit expenses 105
Note 30.- Finance income and expenses 106
Note 31.- Income tax 107
Note 32.- Earnings per share 108
Note 33.- Other information 109

Notes to the Consolidated Financial Statements as of December 31, 2018

Note 1.- General information

Abengoa, S.A.,(referred to hereinafter as "the Company"), is the parent company of the Abengoa Group (referred to hereinafter as "Abengoa" or "the Group"), which at December 31, 2018, was made up of 372 companies: the parent company itself, 334 subsidiaries, 22 associates and 15 joint ventures; likewise, the Group subsidiaries participate in 124 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, 1 Energía Solar St., Seville, 41014.

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 thoroughly explained in Note 2.2.1.2, on March 31, 2017, the Restructuring Completion Date established in the Restructuring Agreement has taken place and the effective application of such Restructuring Agreement allow the parent company Abengoa, S.A. to rebalance its equity, once the positive effect of the restructuring of the debt to equity swap is registered in the Income Statement of the Company and in the equity.

Abengoa's shares are represented by class A and B shares which are listed the Madrid and Barcelona stock exchanges and on the Spanish Stock Exchange Electronic Trading System (Electronic Market). Class A shares have been listed since November 29, 1996 and class B shares since October 25, 2012.

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. 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. In addition, it performs activities related to the development of solar thermal and water management technologies and innovative technological business activities such as hydrogen or the management of energy crops.

› 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. These assets generate low demand risk and 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, in line with the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and subsequently on January 21, 2019, 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, 2018 and 2017. The classification has been done in accordance with the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations'.

These Consolidated financial statements were approved by the Board of Directors on April 29, 2019.

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 Group's Consolidated financial statements for the year ended December 31, 2018 were prepared by the Directors of the Company in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU), so that they present the faithful image of the Group's equity and financial position as of December 31, 2018 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.

On the other hand, inform that Argentina should be considered a hyperinflationary economy for accounting purposes for periods ending after July 1, 2018, since the accumulated inflation for the last three years using the wholesale price index has now exceeded the 100%; this implies that the transactions in 2018 and the non-monetary balances at the end of the period must be restated in accordance with IAS 29-Financial Information in Hyperinflationary Economies, to reflect a current price index at the balance sheet date, before being included in the Consolidated financial statements. Abengoa has subsidiaries in Argentina, whose weight is not relevant in the Consolidated financial statements, therefore the impact derived from this situation has not been significant.

The amounts included within the documents comprising the Consolidated financial statements (Consolidated 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.

The percentage of interest in subsidiaries, joint ventures (including temporary joint operations) and associates includes both direct and indirect ownership.

2.2. Restructuring process

2.2.1.1 Restructuring process situation update

The following summary shows the relevant facts which took place during the year 2018 until the formulation of the present Consolidated financial statements, in relation with the financial restructuring process:

a) In relation to the financial restructuring process realized in Abengoa, it should be noted that;

- In relation to the Restructuring Agreement closed on March 31, 2017, during the year 2018, meetings have continued to be held with the challengers for the purposes of negotiating and reaching an agreement on the claimed debt. Following said negotiation period, a preliminary agreement has been reached with some of the challengers to restructure their debt, either by issuing a new instrument in terms substantially similar to those of the Senior Old Money but equally classified as senior, or by issuing new Senior Old Money securities in the specific case of one of the challengers, as decided by the pertaining challengers. For said purposes, on April 30, 2018 the Group requested its creditors to authorize the implementation of said agreement which was rejected by the creditors.

  On April 25, 2019 the Company informed that, within the Restructuring Agreement framework, an agreement had been reached with the challengers to refinance said debt as part of the Senior Old Money instruments, all within the terms set forth in said Restructuring Agreement (see Note 2.2.2.).

  In some cases, the real debt held so far by the challengers will be assumed by Abengoa Abenewco 2bis and subsequently exchanged for SOM (Senior Old Money) convertible notes for an approximate amount of USD 76.6 million and €77.0 million, plus an additional contingent amount to be determined in light of future eventualities. In other cases, the debt has been traded by applying payments or payment commitments, debt relief and debt payment extensions, for an approximate amount of €23 million. The aforesaid negotiated agreements allow to eliminate the risk that existed up to now derived from claims.

- In addition to the aforementioned, and as Note 2.2.2. explains, the Company remains working on additional actions that allow to ensure its viability in the short and medium term. In this respect, the Board of Directors approved, at their meetings of December 10, 2018 and January 21, 2019, a new 10-year Viability Plan which, along with the new financial restructuring process will allow it to continue with its activity in a competitive and sustainable manner in the future.

b) On the other hand, in relation to the proceedings in Brazil related to 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 2017, 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, 2017, brown field assets were awarded to Texas Pacific Group through public auction as provided in the Judicial Recovery for an amount of BRL 482 million, subject to conditions precedent.

- In the month of June 2018, all the conditions precedent were fulfilled, resulting in the closing of the operation and the transmission of the assets in operation to the Texas Pacific Group, paying 80% of the price of the assets, which are used to process the payments to creditors as established in the Judicial Recovery Plan. The remaining 20% of the price has been paid during the third quarter of 2018, coinciding with the completion of the audit of the assets.

c) Additionally, in relation to the proceedings in United States, on occasion as well of the mentioned situation of Abengoa, indicate that:

- 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 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.

- In relation to the Chapter 11 processes conducted in Delaware, during the 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 were substantially modified, the requirements set forth in the IAS 39 "Financial Instruments: Recognition and Measurement" were 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 had an impact on the consolidated income statement at December 31, 2017 for €116 million that was recognized under Other finance income.

- The Delaware Reorganization Plan continues to be managed by the *Responsible Person* designated by the Court while the Liquidation Plan continues to be administered by the *Liquidating Trustee* appointed by the Court. In both cases, both the *Responsible Person* and the *Liquidating Trustee* have the obligation to examine the insinuations of debt and claims filed by the different debtors in order to determine the origin of the same. The *Responsible Person* and the *Liquidating Trustee* are responsible for accepting the origin or not of the debts and claims as well as their transaction, if applicable. The Chapter 11 process is therefore kept open until all the claims filed by the debtors are resolved and all the requirements set forth in the plan are met, including the dissolutions and liquidations of the companies.

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;

- 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 are debt collection rights or not against the Company.

- During the 2018 period, and as a continuation to the normal company liquidation procedure, the insolvency administrator has made a preliminary distribution of the available funds following the sale of the asset among the insolvency estate's creditors. At present, the insolvency administrator continues verifying the accuracy and origin of certain creditor claims, pursuant to the usual insolvency and liquidation procedures in the Netherlands. At last, the insolvency administrator has rejected the right to claim part of these credits against the insolvency estate, and no objection has been filed by the holders of said credits. The liquidator continues with the distribution of part of the funds retained for this procedure in the normal course of the insolvency proceeding.

e) Regarding the declaration of bankruptcy of Abengoa México, S.A. de C.V.

- 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 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.

- By virtue of the approved Bankruptcy Agreement, Abengoa México S.A. de C.V. (hereinafter Abemex), committed to make a payment to its recognized common creditors of 10% the final credit's outstanding principal balance in two installments; the first, on March 25, 2018, and the second, on June 25, 2018 ("Second Principal Term"). In addition, the first period of ordinary interest runs from the date on which the judgment of approval took effect until June 25, 2018. Said ordinary interest must be paid in three installments, the first payment being on June 25, 2018 ("First Third of Interest").

  In relation to the foregoing, and as regards the payment of the Second Principal Term and the First Term of the First Third of Interest:

  (i) 50% of the amount corresponding to the Second Principal Term and the First Third of Interest for the first period was paid by Abemex on June 26, 2018, as communicated through a relevant event of the same date as the payment to the Mexican Stock Exchange; and

  (ii) the remaining 50% of the amount corresponding to the Second Principal Term and the First Third of Interest for the first period was paid by Abemex on July 5, 2018, as communicated by means of a relevant event dated July 6, 2018 to the Mexican Stock Exchange.

Although the previous payments have been a breach of Abemex of the obligations assumed in the Bankruptcy Agreement, since they were made on dates other than those agreed and partially, which means in accordance with the Bankruptcy Agreement an early expiration of the final loan automatically, Abemex had no knowledge of the receipt of any communication urging the payment of the final credit derived from the aforementioned delay and partial payment of the Second Term of Principal and First Term of Interest.

Likewise, the company, by means of a relevant event, published on September 21, 2018, informed the market that, due to its financial situation, the Company will not be able to meet the obligation assumed in the Bankruptcy Agreement, consisting of the payment to be made on September 25, 2018. The company also reported that, together with its financial and legal advisers, it was analyzing the financial situation in order to prepare a strategic plan that allows the long-term viability of the company.

› By the ruling dated November 14, 2018, Mexico's Auxiliary Unitary Circuit Court of the Seventh Region (Tribunal Unitario de Circuito Auxiliar de la Séptima Región) resolved to revoke the insolvency agreement approval ruling. By virtue of said decision, dated November 22, 2018, the Sixth Court of Civil Affairs in Mexico City resolved, among other things, to declare the Company to be in an insolvency status until such time as a new agreement approval decision, or whatever the Law requires, is issued.

› Abengoa México filed means of challenge against the aforementioned decisions and still remains in a negotiation process with its creditors for the purpose of reaching an agreement that guarantees its financial feasibility and the equitable treatment of its creditors.

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

› On September 8, 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.

› On August 7, 2018 a first call for the meeting of creditors took place. Due to the lack of quorum, this meeting was suspended and held on second call on August 21, 2018, in which the creditors decided to keep open and postpone the vote on the potential recovery plan to be presented and still in the due diligence phase. At present, creditors have not yet voted to approve the pertinent recovery plan; in fact, creditors have always opted to keep the decision to approve the plan open and to postpone it on different occasions, as on October 4, 2018, November 8, 2018, December 12, 2018, February 12, 2019, March 13, 2019 and April 11, 2019. An agreement was reached at the creditors' meeting held on April 11, 2019 to postpone it again to May 9, 2019.

g) Regarding the restructuring process carried out in Perú, Uruguay and Chile:

› During the 2018 period, Abengoa Perú executed a new financial restructuring agreement and the corresponding payment took place on October 29, 2018.

› Teyma Uruguay; Teyma Forestal; Consorcio Ambiental del Plata; Operación y Mantenimiento Uruguay; and Etarey 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.

During the 2018 period, Teyma Sociedad de Inversión, S.A., Teyma Uruguay, S.A., Consorcio Ambiental del Plata, and Teyma Medioambiente, S.A. executed, as co-borrowers and jointly with Operación y Mantenimiento Uruguay, S.A., Etarey, S.A., y Teyma Forestal, S.A. as guarantors, a new financial restructuring agreement where the payment took place on December 17, 2018.

› 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 Tork branch and Banco do Brasil Chile for the totality of their financial debt with said entities, which allows Abengoa Chile to re-plan and extend their owed obligations.

h) Regarding Construcciones Metálicas Mexicanas, S.A. de C.V.

› The Company Construcciones Metálicas Mexicanas, S.A. of C.V. requested voluntary bankruptcy on February 8, 2018 before the Fifth District Court in civil matters of Mexico City. This request was admitted for processing on April 20, 2018, starting from that date the completion of the procedural phases prior to the declaration of bankruptcy and in accordance with the applicable legislation. Finally, on September 24, 2018, the Fifth District Court in civil matters of Mexico City notified the company of the declaration of insolvency contained in judgment dated on September 21, 2018.

- The provisional list of credits proposed by the conciliator was published in December 2018 and, on the basis thereof, the Judge published the final list of credits in January 2019.
- On June 12, 2017, by resolution of the plenary session of the Twelfth Collegiate Court of Mexico City, the award of one of the properties in which the plant is located has been confirmed, in favor of Banco Autofin, S.A. ("Autofin") derived and in relation to the commercial executive judgment filed by Autofin against Comemsa, before the Fifty-Seventh Civil Court of Mexico City, under file 145/2016.
- Within the bankruptcy proceedings, Autofin filed a motion to remove its assets that was admitted. The admission of said motion was challenged by Comemsa and said appeal is pending resolution.
- On the other hand, a Comemsa creditor filed a motion, admitted on February 6, 2019, to change the backdating date for the purpose of challenging the judgement whereby the property was allocated to Autofin. On February 15, 2019, an additional creditor adhered to this request requesting the Court to adopt the resolution concerning the change of the backdating date; said motion is pending resolution.

i) Finally, an update of the Spanish bankruptcy proceedings is included:

- Abengoa Research, S.L. (hereinafter, "AR") filed a request for voluntary bankruptcy on October 27, 2017. This request was admitted for processing on November 13, 2017 by the Commercial Court No. 2 of Seville, which issued an order declaring the voluntary bankruptcy. Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration but retains the faculties of administration and disposition of its assets with all its duties and responsibilities. By order of March 2, 2018, the judge agreed to open the liquidation phase requested by AR on February 26, 2018, leaving the powers of administration and disposition of AR over its assets and declaring AR dissolved, ceasing its Directors functions, which would be replaced by the Insolvency Administration. By order of May 17, 2018, the judge approved the Liquidation Plan for the assets and rights of AR.
- Abencor Suministros, S.A. filed an application for voluntary bankruptcy of creditors dated March 28, 2018. This request was admitted for processing and on April 27, 2018 the Commercial Court No. 2 of Seville issued an order stating the voluntary bankruptcy of the company agreeing the processing of the same by the channels of the ordinary procedure (number 312/2018). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration but retains the faculties of administration and disposition of its assets with all its duties and responsibilities.
- Servicios Integrales de Mantenimiento y Operación, S.A. (hereinafter, "Simosa") filed a request for voluntary bankruptcy on April 14, 2018. This request was admitted for processing and on May 23, 2018 the Commercial Court No. 2 of Seville issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 388/2018). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.
- Simosa IT, S.A. (hereinafter, “Simosa IT”) was declared to be in an involuntary bankruptcy procedure through an order issued by Commercial Court no. 2 of Seville on November 12, 2018. The competent Court has resolved to process the insolvency procedure through ordinary procedure (court order no. 232/2018). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The administration of the Company has been intervened by the Bankruptcy Administration.
- Abengoa PW I Investments, S.L. (hereinafter, “APWI”) filed a request for voluntary bankruptcy on December 21, 2018. This request was admitted for processing on February 18, 2019 by the Commercial Court No.2 of Seville, which issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 117/2019). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.
- Abengoa Bioenergía Nuevas Tecnologías, S.A. (hereinafter, “ABNT”) filed a request for voluntary bankruptcy on February 1, 2019. Said request was admitted and, on February 25, 2019, the Commercial Court no. 2 of Seville issued a Court Order declaring the Company to be in a voluntary insolvency proceeding and agreeing to process it through ordinary procedure (Court Order no. 122/2019). Likewise, Ernst & Young was appointed Insolvency Administrator. The Company has been intervened by the Insolvency Administrator but retains the authority to administer and dispose of its assets with all its obligations and responsibilities.

2.2.1.2. 2017 Restructuring process

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 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 March 31, 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 pre-existing 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
Costs	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 has been established for Corporate Financing which, at December 31, 2017, the Company has met.

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

The restructuring for the pre-existing 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 pre-existing debt in exchange for 40% of Abengoa's new share capital post restructuring.

- Refinance the 30% remaining of the nominal value of the pre-existing debt through new debt instruments (Old Money), replacing the pre-existing 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 pre-existing debt (after the 70% aforementioned capitalization) exceeds €2.7 billion.

The conditions of the pre-existing 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
Costs	-	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 2.7 billion 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 write-offs, the aforementioned credits before incurring into a cause for accelerated maturity. Throughout 2017 and 2018 up to the publication of the present Consolidated financial statements, the 2.7 billion limit for the Old Money has not yet been exceeded.

The financing of Old Money counts with the joint and several guarantees 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 November 8, 2016. These challenges were declared admissible by the aforementioned judged by order dated January 10, 2017. The hearings of the aforementioned challenges were held on last 13th and 24th of July 2017, the moment at which the trial was remitted for decision.

- On September 25, 2017, the Mercantile Court of Seville Nº 2 issued a ruling in regard 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.

2.2.2. Going concern

Once concluded the Restructuring Agreement described in Note 2.2.1.2., the company has been developing the Revised Viability Plan August 2016 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 Revised Viability Plan August 2016 focused the activity in the energy and environmental industry, combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has developed a competitive advantage, mainly of technological kind, which allows a bigger added value projects. The mentioned Revised Viability Plan August 2016 projected a 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 in markets of high potential growing such as energy and water.

3) Technology abilities 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 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 last years, which has been affected by a strong limitation of financial resources for more than two years, 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 Revised Viability Plan August 2016.

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 S.A., the expected measures in the effective application of the 2017 Restructuring Agreement have allowed to gain a financial stability at December 31, 2017 once there was a positive impact recognized in the income statement derived from debt write-offs and capital increases.

Abengoa, S.A., the parent company, has had a negative profit for the 2018 period that amounts to €431,546 thousand as a result, among other circumstances, of the significant impairment recorded with respect to its investments in Group companies, based on the estimate of its subsidiaries’ fair value, and has presented, in addition, a positive equity for an amount of €99,162 thousand at the end of the 2018 period.

Nonetheless, after the financial restructuring process that concluded in March 2017 the activity has taken longer than expected to recover, in consequence, it has had a negative impact on the business as well as on the consolidate profit for the period, which has entailed a loss amounting to €1,487,669 thousand.

On the other hand, the negative working capital position of the Balance Sheet at December 31, 2018 for an amount of €4,359,562 thousand corresponds to the Group’s situation previously discussed in the restructuring process framework.

Hence, to ensure the viability of the Group in the short and medium term, and for it to be able to continue with its activity in a competitive and sustainable manner in the future, the following becomes necessary:

- To have a stable platform that allows access to the capital markets to finance its working capital.
- To Access new lines of guarantees to ensure the growth of its Engineering and Construction business.
- Maintain an adequate financial structure for the business model that it will develop in the future.

In order to achieve these objectives, the Company has been working on additional actions, specifically a new 10-year viability plan, as well as a financial restructuring process.

In this respect, as reported in the relevant event dated September 30, 2018, Abengoa has signed with the main creditors of New Money 2 and New Bonding a term sheet, subject to the conditions that will be specified later, including the signing of definitive documentation, in order to establish the bases to the aforementioned financial restructuring, that includes, among other issues, the granting of new liquidity for a maximum amount of €97 million, and new lines of guarantees for amount of €140 million, to finance the group's liquidity needs and guarantees of the Group.

Furthermore, in order to optimize the financial structure of the Group and facilitate access to new financing in the future, the Company reached an agreement in December 2018 with a group of investors holding significant interest in the Old Money instruments to consent to an Old Money restructuring. The terms of said restructuring, have been equally offered to the challengers.

Abengoa executed, on December 31, 2018 a Lock Up agreement (the “lock-up agreement”) with a group of financial entities and investors holding the majority of New Money 2, the syndicated guarantee facilities and Senior Old Money, as well as with the new liquidity bookrunners, by virtue of which said creditors have agreed the following, among other matters: (i) to stay certain rights and actions under such facilities vis-à vis the relevant Group companies until any of these events take place, whichever occurs first: the date when the Lock-Up Agreement ends pursuant to its own terms or the Expiration Date, which was originally set on January 31, 2019, and subsequently extended in successive occasions until April 26, 2019 (the “Long-Stop Date”), (ii) to take all actions to support, facilitate, implement, consummate or otherwise give effect to the financial restructuring proposal and, in particular, enter into negotiations with a view to agreeing and executing a restructuring agreement on or prior to the Long-Stop Date, and (iii) agree not to sell or otherwise transfer their debt until the Long-Stop Date or the date of termination of the Lock-up Agreement, except under certain circumstances.

Upon execution of the Lock-Up contract, the remaining New Money 2 creditors, Old Money bonding providers and creditors, as well as challengers, were requested to accede to the Lock-Up agreement pursuant to the procedures established and communicated in the Relevant Fact published in that regard on December 31, 2018.

The majority required for the Lock-Up Agreement to be in effect was reached on January 28, 2019.

On February 22, 2019, the Company requested consent from New Money 2, Senior Old Money and Junior Old Money bondholders to amend certain terms to the bond and to sign an agreement named “Amendment and Restructuring Implementation Deed” (the “Restructuring Contract”), pursuant to the provisions set forth in the two documents named “Amendment and Restructuring Consent Requests” concerning each of the issuances (the “Novation and Restructuring Consent Documents”).

Subsequently, the Company announced, on February 27, 2019, that the General Shareholders’ Meeting (hereinafter, the “GSM”) had been called to be held presumably on March 28, 2019 on second call with the following agenda:

One.- Approval, within the framework of Abengoa Group’s debt restructuring operation, of several issuances of Convertible Notes by certain Group companies other than Abengoa, S.A. pursuant to article 160(f) of the Spanish Capital Companies Law (LSC) and the provision and ratification of guarantees.

Two. - Approval of amendments to the remuneration policy applicable to the 2019-2020 periods.

Three.- Delegation of powers to the Board of Directors to interpret, correct, execute, cause to be recorded as documents of public record and register the resolutions adopted.

Said General Shareholders’ Meeting was held on March 28, 2019 and all the aforementioned agreements were approved.

On March 11, 2019, the Company signed, along with some of the Group subsidiaries and a significant group of financial creditors participating in the existing financial debt, the Amendment and Restructuring Implementation Deed (the “Restructuring Agreement”) for the purpose of amending the terms of the existing financing and of restructuring the Group’s financial debt (the “Restructuring”).

The main terms to the Restructuring include, among others:

(a) The injection of new money to the Group through the issuance, by the subsidiary A3T Luxco 2 S.A. (“A3T Luxco 2”), of convertible notes for a maximum nominal value of €97 million, which would entitle to convert into up to 99.99% the A3T Luxco 2 shares (the “A3T Issuance”).

(b) Within the A3T Issuance framework and for the purposes of ensuring that it is fully repaid in the event that the amount obtained by the sale of the A3T Project does not allow to fully repay the amounts owed under the A3T Issuance (including the accumulated profitability up to the repayment date), non-repaid amounts will be assumed by the subsidiary company named Abengoa Abenewco 1, S.A.U. (“Abenewco 1”) as debt ranking pari passu with the Refinanced NM2 Debt (as defined below). For said purposes, Abenewco 1 will grant a personal guarantee (prior to the notes’ conversion) and a put option (put option agreement) (following the notes’ conversion) over the A3T Project, exercisable until December 2023, to the original subscriber for the A3T Issuance.

(c) The provision of new liquidity to Abenewco 1 in the form of a new syndicated guarantee facility for a maximum amount of approximately €140 million, with the guarantee of certain Group companies and under similar terms as those of the existing guarantee facility (the “New Guarantee Facility”).

(d) The amendment of certain terms and conditions of the existing guarantee facility in favor of Abenewco 1.

(e) The assumption, by A3T Luxco 2, of Abenewco 1’s debt consisting of (i) an amount equivalent to 45% of the debt under the financing agreement and the issuance of New Money 2 creditors’ bonds (together with the related documents, the “NM2 Financing Documents”) and (ii) the total amounts owed under the liquidity facility obtained by the Group in November 2017 and extended in May 2018 (jointly, the “Transferred Debt”) and the amendment of its financial conditions. The Transferred Debt will have the A3T Project as the only recourse.

(f) The amendment of certain terms and conditions of the remaining debt derived from the NM2 Financing Documents different from the Transferred Debt, corresponding to approximately 55% of said debt, which will remain in Abenewco 1 (the "Non-Rolled Over Debt").

(g) The recognition by Abenewco 1 of new debt for an approximate maximum amount of €50.5 million to certain creditors of the Non-Rolled Over Debt and the New Guarantee Facility in consideration for their investment in the Restructuring Operation.

(h) The amendment of certain covenants of the agreement between Group creditors (Intercreditor Agreement) executed on March 28, 2017.

(i) One or several issuances, by Abenewco 1, of compulsorily convertible notes with a total nominal value of €5 million, which would entitle to convert into shares representing up to 22.5% of Abenewco 1's share capital (the "Abenewco 1 Convertible Notes") that will be issued to the original subscriber of the A3T Issuance, certain creditors under the Refinanced NM2 Debt, members of the NM2 Ad Hoc Committee and members of the Senior Old Money Ad Hoc Committee, by offsetting certain credit rights held by said creditors against Abenewco 1; as well as an agreement between shareholders to regulate the relationship between Abenewco 1 shareholders derived from the conversion of Abenewco 1 Convertible Notes.

(j) The implementation of a corporate restructuring whereby Abengoa Abenewco 2, S.A.U. ("Abenewco 2") will contribute, through a non-monetary contribution, to Abengoa Abenewco 2 Bis, S.A.U. ("Abenewco 2 Bis") (a Spanish company fully owned by Abenewco 2), all of Abenewco 1 shares owned by Abenewco 2, which represent 100% of Abenewco 1's share capital. As a consequence of this contribution, the Company will become the sole shareholder of Abenewco 2, which will be the sole shareholder of Abenewco 2 Bis, which will in turn own all Abenewco 1 shares which are currently owned by Abenewco 2.

(k) The assumption by Abenewco 2 Bis of Abenewco 2 and other Group companies' debt derived from the Senior Old Money and, if applicable, from the Challengers (as described below) including, for clarification purposes, the Senior Old Money and Challengers debt regarded as contingent debt for the purposes of materializing the issuance of SOM Convertible Notes (as defined below).

(l) One or several issuances of convertible notes by Abenewco 2 Bis with a total nominal value of €1,423 million plus the amount of (i) the contingent debt crystallized prior to the transaction closure, amounting to €160 million maximum; and (ii) an amount to be agreed upon corresponding to the challengers' debt, with an initial duration of 5 years, guaranteed by the Company, Abenewco 2 and other Group companies ("SOM Convertible Notes") that will be issued to the Senior Old Money creditors and by the creditors who successfully challenged the judicial approval of the Group's debt approved in 2016 (the "Challengers"), by offsetting the credit rights that said creditors hold against the Group. The amortization (whether total or partial) of the SOM Convertible Notes' principal will be made with the Group's available cash that is above a certain threshold. At the moment that the SOM Convertible Notes are fully amortized, any outstanding amount which cannot be repaid in cash will be mandatorily converted into Abenewco 2 Bis shares representing up to a maximum of 100% its share capital, and thus the dilution practiced by the SOM Convertible Notes' possible conversion into capital is expected to be very high. Likewise, in the event that a series of events take place, SOM Convertible Notes bondholders are expected to have the right, at the time of conversion, to require Abenewco 2 to sell their shares in Abenewco 2 Bis to said bondholders.

(m) One or several issuances of convertible notes by Abenewco 2 with a total nominal value equivalent to a portion of the amount owed under the current Junior Old Money instruments (plus the debt crystallized up to the transaction closure date) and an initial duration of 5 years and 6 months, which shall be compulsorily convertible into 49% of Abenewco 2 shares and guaranteed by the Company and other Group companies, that will be issued to creditors under the financing agreement and the issuance of Junior Old Money bonds by offsetting part of the credit rights that said creditors hold against the Group.

(n) An issuance by Abenewco 2 of convertible notes with a nominal value equivalent to the other portion of the amount owed under the current Junior Old Money instruments (plus the debt crystallized up to the transaction closure date) so that the JOM Issuances fully refinance the current Junior Old Money instruments, with an initial duration of 5 years and 6 months, guaranteed by the Company and other Group companies, that will be issued to the Junior Old Money creditors by offsetting part of the credit rights that said creditors hold against the Group. Payment, when due, will be made with the Group's free cash flow available over a minimum amount, and everything that fails to be serviced with cash will be subject to an obligatory conversion to Abenewco 2 shares representing up to 100% its capital stock.

On the other hand, New Money 1 and 3 will maintain its current conditions unaltered, and it has been repaid in its entirety on the date of preparation of these Consolidated financial statements with the bridge financing on A3T entered into with a group of financial entities.

As a condition to the Restructuring, the majorities required of creditors shall consent and approve the modification and restructuring of their existing debt, pursuant to the terms established in the Restructuring Agreement.

To this end, and in the event that they give their approval, creditors (and bondholders through the tabulation agent) shall also adhere to the Restructuring Agreement through the Accession Deed ("Accession Deed").

Contingent upon obtaining the majorities required of the existing creditors, certain conditions established in the Restructuring Agreement shall have to be met prior to implementing the Restructuring process. Once the Restructuring process has been implemented, Abengoa will proceed to request its judicial approval pursuant to the provisions set forth in the Spanish Insolvency Law.

In March 2019, NM2, Senior Old Money and Junior Old Money bondholders held their meetings and approved, by majority of the votes, the proposals made (approval of the restructuring operation and adherence to the Restructuring Agreement).

The period to adhere to the Restructuring Agreement concluded on March 29, 2019. By said date, the number of financial creditors required to adhere to the agreement in order to implement the restructuring operation was reached.

On April 25, 2019, the Company informed that the Restructuring Effective Date occurred. Likewise, all the restructuring documents have been signed and the operation has concluded on April 26, 2019 with the issuance of new instruments with the following nominal values: Senior Old Money convertible notes amounting to €1,148 million and USD 562 million; Junior Old Money convertible notes for an amount of €859 million and USD 502 million; A3T convertible notes for an amount of €97 million; as well as Abenewco 1 convertible notes amounting to €5 million.

On the other hand, and as explained above, the Company has been working, within its current financial restructuring context, on a new 10-year viability plan that, together with the new financial restructuration outlined above, will allow it to lay the foundations to ensure its viability in the short and medium term.

In this respect, the Board of Directors approved, at their meetings of December 10, 2018 and later on January 21, 2019, the Company's aforesaid 10-year Viability Plan which was published through a Relevant Fact on January 24, 2019.

The main hypotheses in said Viability Plan include:

- Completion of the financial restructuring proposal in order to reestablish the liquidity and bonding position required by the Group, reducing the financial risk of the business.
- Reduction of the overhead up to a goal of 3% over sales as of 2020.
- A business plan based on EPC projects for third parties with a significant contribution derived from the strategic alliance with AAGEs.
- Improvement in the Group's competitive position and in the markets and geographical locations that are key for the business.
- Execution of the divestment plan with no significant deviations in terms of deadlines and amounts.
- Execution of the provider payment plan with no significant deviations from the estimated forecast.

Additionally, in the 2018 period, the Company requested an independent expert to perform an analysis of the fair value of Abengoa S.A.'s investment portfolio in its affiliated company Abenewco 2, S.A. at December 31, 2018, under certain critical hypotheses that have been defined below:

a) Compliance with the Group's 10-year Viability Plan, whose main hypotheses have been described above.

b) Consolidation of the business at standard levels as of 2029.

c) Post-restructuring financial debt forecasts and determination of its fair value.

d) Valuation of cash flows attributable directly to Abengoa, in accordance with the contracts signed by Abengoa, S.A. with its subsidiaries and the restructuring agreement

e) Completion of the financial restructuring process under the expected terms.

Should any of these hypotheses not materialize, the assessment results may be significantly affected.

The main method used to determine the business' fair value has been the discounted cash flow to equity method for a 10-year period, applying the average cost of the Company's own resources, which the Company has estimated to be in a range between 11% and 12%, as the discount rate. The long-term growth rate has been of 2%. The compounded annual growth rate and the EBITDA considered for the 2019-2028 period have been 13.5% and 6.7%, respectively.

To determine the fair value of the Senior Old Money and Junior Old Money instruments, the discounted flow method has been used pursuant to the issuance conditions included in the restructuring agreement and applying market discount rates based on a selection of comparable quoted bonds. The estimated discount rates for these financial instruments have resulted to be significantly higher than the current average rates of return and comparable to financial debt redemption operations conducted in the international market. The discount rates used for the Senior Old Money and the Junior Old Money range between 40-45% and 75-80% respectively, corresponding to discount rates that a participant in the financial market would consider in equivalent financial debt redemption operations.

As a result of the above, the parent company Abengoa S.A. has recognized a portfolio impairment loss of €275 million in its individual profit and loss account.

The corresponding sensitivity analysis of the critical variables used to determine the assessment of the fair value of Abengoa S.A, and that of its subsidiary Abenewco 2, S.A. has been performed:

- If the compounded annual growth rate decreased by 1% (12.5%), the impairment of the portfolio would increase by €121 million.
- If the EBITDA decreased by 1% (5.7%), the impairment of the portfolio would increase by €63 million approximately.
- If the long-term growth rate decreased by 1% (1%), the impairment of the portfolio would increase by €45 million.
- If the discount rate of the own resources' cost grows by 1%, hence being in a 12%-13% range, the impairment of the portfolio would increase by €90 million approximately.
- If the discount rates of the Senior Old Money and Junior Old Money instruments decreased by 5%, respectively, the impairment of the portfolio would increase by €71 million.

Based on the foregoing, Abengoa´s Directors have considered appropriated to prepare these Consolidated financial statements at December 31, 2018 on a going concern, considering the fundamental aspects of the new Viability Plan approved, which will be reinforced by the aforementioned Restructuring Agreement. Based on the application of the going concern basis, Abengoa´s Directors have applied the International Financial Reporting Standards ("IFRS") consistently with the Consolidated 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, 2018 in accordance with the existing information by the time of preparing these Consolidated financial statements.

2.2.3. Restructuring process accounting impacts

As indicated on Note 2.2.1.2, on March 31, 2017, the Restructuring of the Group was completed 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 valuated on the date in which the liability or a part of it is cancelled.

When valuating the handed over equity instruments, it was applied the IFRS 13 "Fair value measurement" and, consequently, market price was taken as reference 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 was €478 million.

With the portion of debt to be refinanced, and considering the conditions of the debt to be refinanced had been substantially modified after the Restructuring agreement, IAS 39 "Financial instruments, recognition and measurement" was 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 was no obligation to deliver equity instruments in order to cancel 97% of the liabilities, the terms of IAS 39 were 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 was 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 (€5,730 million in the income statement, €35 million in share capital, and €443 million in share premium). The following table shows the breakdown of such impacts (in millions of 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

On the other hand, and as Note 2.2.2. states, the Company has been working on additional actions to ensure the viability of the Group in the short and medium term, which include a new financial restructuring process.

One of the milestones of said restructuring process was the execution of a "Lock-Up Agreement" dated December 31, 2018 with several financial creditors, as the aforementioned Note 2.2.2. states, as well as the initiation of an accession period to said agreement as a step prior to the signature of the restructuring agreement ("Restructuring Agreement"). The majority required for the Lock-Up Agreement to be in effect was reached on January 28, 2019.

As set forth in said Lock-Up Agreement's clauses, the execution of said document, as it entails the commencement of a negotiation process with a substantial part of its creditors to restructure its obligations therewith, constitutes the non-compliance ("Event of Default") of the New Money 2, syndicated guarantee and Old Money (Senior Old Money and Junior Old Money) facilities.

Nonetheless creditors, by acceding to the Lock-Up Agreement, agree on one hand to stay certain rights and actions under such facilities vis-à vis the different Group companies, which include exercise of enforcement actions and, on the other hand, to overlook the noncompliance derived from the signature of the Lock-Up Agreement until any of these events take place, whichever occurs first: the date when the Lock-Up Agreement ends pursuant to its own terms or the Expiration Date, which was originally set on January 31, 2019 and subsequently extended in successive occasions until April 26, 2019 (the "Long-Stop Date").

As a consequence of the above, and since the Company facilities which are subject of the Lock-Up Agreement (New Money 2, Guarantee Facility and Old Money) were in a transitional status of technical non-compliance at the balance end date which resulted from the execution itself of said Lock-Up Agreement, and since the consent to said non-compliance situation agreed-upon by financial creditors in the Agreement itself was established for up to the "Long Stop Date", this is, up to January 31, 2019, and subsequently extended in successive occasions until April 26, 2019, Abengoa has applied the provisions set forth in IAS 1 "Presentation of Financial Statements" and has proceeded to reclassify the Old Money debt from non-current liabilities to current liabilities of the Statement of Financial Position. As for New Money 2 financing, it has not entailed any reclassification as it was already entered under current liabilities at December 31, 2017.

As mentioned above, the Group's creditors agreed, by signing the Lock-Up Agreement, to temporarily stay the exercise of certain rights and actions under such facilities vis-à vis the different Group companies. Nonetheless, since said stay will not meet the minimum period of twelve months after the reporting period, as required in IAS 1, paragraphs 69 et seq., said classification has been deemed convenient.

Additionally, and since both debts (Old Money and New Money 2) were measured at amortized cost using the effective interest rate, said value has been adjusted to reflect its corresponding settlement value.

Said adjustment has entailed a negative impact on the Consolidated Income Statement for an amount of €1,060 million recognized under "Other finance costs – Finance expenses due to restructuring" (see Note 30.3), counterbalanced by "Corporate Financing" of current liabilities of the Consolidated Statement of Financial Position at the end of the 2018 period.

In addition, the tax impact associated to said recognition has entailed the recognition of income amounting to €265 million in the Group's corporate income tax, counterbalanced by a reversal of deferred tax liabilities of the Consolidated Statement of Financial Position at the end of the 2018 period (see Note 24.2).

It is important to highlight that the above negative impact that has occurred in the Consolidated Income Statement and, in consequence, in Abengoa's consolidated shareholders' equity, stems from applying the provisions set forth in the above-explained accounting regulations as concerns the classification and measurement of financial debt for those cases in which the company is in a non-compliance situation at the balance end date and has failed to obtain authorization by its creditors to refrain from early settlement actions for a minimum period of 12 months after the Financial Statement end date.

As Note 2.2.2. indicates, the Restructuring Effective Date occurred on April 25, 2019; thus, the Company estimates that said debt will be recorded under Non-Current Liabilities of the Consolidated Statement of Financial Position.

Consequently, this negative impact at the end of the 2018 period does not reflect Abengoa's future financial status which, at the Directors' discretion, and upon conclusion of the Restructuring Process, will be contingent upon the compliance of the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and January 21, 2019, and associated to the Group's ability to generate resources from its operations and to obtain sufficient liquidity as required by the recovery of the market to continue with its activity in a competitive and sustainable manner.

2.3. Application of new accounting standards

a) Standards, amendments and interpretations yet entered into force, from the year beginning on January 1, 2018:

The following standards, whose application is mandatory, have been adopted by the Group:

› IIFRS 9 "Financial Instruments". This Standard is effective from January 1, 2018 under IFRS-EU.

› IFRS 15 "Ordinary revenues proceeding from contracts with Customers". IFRS 15 is applicable for years beginning on or after January 1, 2018 under IFRS-EU 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 Standards, indicate the following:

› IFRS 9 "Financial Instruments" has been fully applied as of January 1, 2018, without restating the comparative information related to the 2017 year, based on the regulatory exemption. The main identified aspects that entail an impact in the Group's Consolidated financial statements have been summarized below:

- Hedge accounting; the Standard aims to align hedge accounting with the Group's risk management establishing new requirements with a principle-based approach. Notwithstanding the above, even if no significant hedging derivatives exist to this date, the changes in this respect would not differ from those applied by the Group.

- Impairment of financial assets; the Standard replaces a model 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.

- 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 both previous business models are met). Therefore, the categories of instruments held for sale are eliminated from IAS 39 (see Note 2.11).

The Group developed an "expected loss" model, conducting an assessment and estimation of the provision for impairment required due to the application of this new simplified "expected loss" model on the financial assets, recognizing as a first-time application adjustment on the transition date a provision of €8 million directly in the Consolidated Equity (see Note 18.5). No other impact arose in relation to the application of the new Standard.

› IFRS 15 "Revenue from contracts with customers", replaces, from the period beginning on January 1, 2018, the following Standards in force until December 31, 2017, and has been applied as of the transition date without restating the comparative information related to 2017 on the basis of the regulatory exemption:

- 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 recognized 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.

› IFRS 15 (Modification): Clarifications to IFRS 15 “Incomes from contracts with customers”.

The main changes identified that led to an analysis and a review of the possible impacts 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 Standard establishes 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 Standard states that will be combined two or more contracts made at a close point in time with the same client, and that 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).

An assessment was carried out under the estimation that the expected impact of the application of this Standard in the Group’s consolidated annual accounts does not mean that revenue recognition significantly differs from the one applied at present, and hence, no relevant equity impact had been registered as first-time application adjustment on the Consolidated financial statements.

› Yearly improvements to IFRS Cycle 2014 - 2016 (published December 8, 2016).

› IFRS 2 (Amendment) “Classification and valuation of share-based payment transactions"

› 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 foreign currency.

The application of the mentioned improvements, modifications and interpretations have not represented a significant impact in the Consolidated financial statements.

b) Standards, amendments and interpretations applied to existing standards that have not entered into force for the European Union but can be adopted with advance notice at the date of formulation of these Consolidated statements:

› Introduction of IFRS 16 "Leases" that replaces IAS 17. Tenants will include all leases in the balance sheet as if they were financed purchases. This amendment will be applicable for annual periods beginning on or after January 1, 2019, although it has been approved for use in the European Union, and will be prospectively applied, pursuant to paragraph C5,b of such Standard; consequently, the comparative information will not be restructured thereby. Likewise, the Group will opt for the right-of-use asset measurement model, applying the regulatory change to the agreements with a term exceeding 12 months and whose underlying asset is not of low value.

› Amendment of IFRS 9 “Prepayment features with negative compensation”. The amendment to the IFRS 9 clarifies that a party may pay or receive reasonable compensation for the early termination of the contract, which may allow these instruments to be measured at amortized cost or at fair value through other comprehensive income. This amendment will be effective for annual periods beginning January 1, 2019, with earlier application permitted.

› IFRIC 23, “Uncertainty over Income Tax Treatments”: The interpretation provides requirements that add to the requirements in IAS 12 “Income Taxes”, by specifying how to reflect the effects of uncertainty in accounting for income taxes. This interpretation clarifies how the recognition and measurement requirements of IAS 12 are applied where there is uncertainty over income tax treatments. This interpretation will be effective for annual years beginning January 1, 2019, with earlier application permitted.

› IAS 28 (Amendment) "Long-term interests in associates and joint ventures”

› Yearly improvements to IFRS Cycle 2015-2017. Amendments that affect to IFRS 3, IFRS 11, IAS 12 and IAS 23-

› IAS 19 (Amendment)- “Modification, reduction or liquidation of the plan”.

The Group is analyzing the impacts that the new regulations may have. However, it is estimated that there will be no significant impact for the Consolidated financial statements.

c) Standards, amendments and interpretations applied to existing standards that have not been adopted to date by the European Union at the date of publication of the present Consolidated financial statements:

› IFRS 10 (Amendment) “Consolidated Financial statements” and IAS 28 (Amendment) “Investments in Associates and Joint Ventures” 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.

Amendment to IFRS 3 “Definition of a Business”: These amendments will help to determine whether an entity has acquired a business or a group of assets and will be applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting year beginning on January 1, 2020, and to asset acquisitions that occur on or after the beginning of that year. Earlier application is permitted.

› Amendment to IAS 1 and IAS 8 “Definition of Material”: These amendments clarify the definition of “material”. They shall apply to annual periods beginning January 1, 2020, with earlier application permitted.

The Group is currently analyzing the impact that these new regulations may have, although they are not expected to entail significant impact on the Group’s 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/temporary joint operations (UTE) included in the Consolidated Group for the year 2018 (2017) that form the basis of these consolidation perimeter 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 result 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.

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 as an asset or liability in accordance with IFRS 9 (previously 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, 2018, and 2017, 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 UTE partners into a single proposal in order to obtain the most favorable technical assessment possible. UTE are normally limited as standalone entities with limited action, since, although they may enter into commitments in their own name, such commitments are generally undertaken by their partners, in proportion to each investor's share in the UTE.

The partners' shares in the UTE normally depend on their contributions (quantitative or qualitative) to the project, are limited to their own tasks and are intended solely to generate their own specific results. Each partner is responsible for executing its own tasks and does so in its own interests.

The fact that one of the partners acts as project manager does not affect its position or share in the UTE. The UTE's partners are collectively responsible for technical issues, although there are strict pari passu clauses that assign the specific consequences of each investor's correct or incorrect actions.

They normally do not have assets and liabilities on a stand-alone basis. Their activity is conducted for a specific period of time that is normally limited to the execution of the project. The UTE may own certain fixed assets used in carrying out its activity, although in this case they are generally acquired and used jointly by all the UTE's investors, for a period similar to the project's duration, or prior agreements are signed by the partners on the assignment or disposal of the UTE's assets upon completion of the project.

UTE in which the Company participates are operated through a management committee comprised of equal representation from each of the temporary joint operation partners, and such committee makes all the decisions about the temporary joint operation's activities that have a significant effect on its success. All the decisions require consent of each of the parties sharing power, so that all the parties together have the power to direct the activities of the UTE. Each partner has rights to the assets and obligations relating to the arrangement. As a result, these temporary joint operations are consolidated proportionally.

The proportional part of the UTE's Consolidated Statement of Financial Position and Consolidated Income Statement is integrated into the Consolidated Statement of Financial Position and the Consolidated Income Statement of the Company in proportion to its interest in the UTE on a line by line basis, as well as cash flows in the Consolidated cash flow statement.

As of December 31, 2018, and 2017 there are no significant material contingent liabilities in relation to the Group's shareholdings in the UTEs, 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.

Licenses for computer programs and costs directly related to the production of them are 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 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 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.

Nonetheless, due to the Group's current divestment plan, the majority of its concession assets (transmission lines, water desalination plants and power stations) are classified as Assets Held for Sale (see Note 7).

a) Intangible asset

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.

Additionally, as Note 2.25 b) explains, the Group recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with IFRS 15 "Revenue from Contracts with Customers" as of January 1, 2018, and in accordance with IAS 11 up to that date. 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 used.

Once the infrastructure is in operation, the treatment of income and expenses is as follows:

- Revenues from the updated annual royalty for the concession, as well as operations and maintenance services are recognized in each period according to IFRS 15.
- 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 IFRS 15.

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 according to IFRS 15.

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.

Borrowing costs (ordinary interest on principal, late interest, etc.) are expensed in the period in which they are incurred.

2.10. Impairment of non-financial assets

As of December 31, 2018, the majority of non-financial assets are classified as Assets Held for Sale as a consequence of the divestment process that the Group has been conducting these recent years, as Note 2.2.2. describes (see Note 7 for further information on the criteria used to measure the fair value and subsequently quantify the impairment 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.

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.
- At present, the CGU is defined at a concessional asset level and the discount rates (WACC) used to calculate the recoverable amount of those CGUs is between 7% 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 assets abroad are calculated in the functional currency of said assets 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 assets 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 addition, sensitivity analyses are performed, especially in relation to the discount rate used, the residual value and fair value changes in the main business variables, in order to ensure that possible changes in the estimates of these items do not 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 assets are classified into the following categories, based on the entity's management model for said assets as well as the contractual features of the financial asset flows:

a) financial assets at fair value through profit or loss;

b) accounts receivable (financial assets at amortized cost); and

c) financial assets at fair value through other comprehensive income.

The classification of each financial asset is determined by Senior Management upon initial recognition and is reviewed at each year end, mainly taking account of a business model where the main goal is to collect payment of the contractual cash flows; hence, the majority of the Group's financial assets are categorized at amortized cost.

a) Financial assets at fair value through profit or loss

This category includes the financial assets held 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 being sold in the short term or if it is so designated by Senior Management. Financial derivatives are also classified as held for trading when they do not meet the requirements to be designated as hedging instruments.

They are initially and subsequently recognized at fair value, without including transaction costs. Subsequent changes in said 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) Accounts receivable (financial assets at amortized cost)

This category includes the accounts receivable considered as non-derivative financial assets, with fixed or determinable payments, that are not listed on an active market.

In certain cases, and following the application of the IFRIC 12, certain assets that correspond to an infrastructure (e.g., a water desalination plant) under concession qualify as financial receivables (see Note 2.7.1.b)).

They are recognized initially at fair value plus transaction costs, and subsequently at their amortized cost pursuant to 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.

Financial assets measured at amortized cost have the main purpose of obtaining contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through other comprehensive income

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 consolidation perimeter for the 2018 and 2017 periods and in which the parent company's direct and indirect investment is greater than 5% and lower than 20%.

They are initially and subsequently recognized at fair value minus transaction costs. Subsequent changes in said fair value are recognized directly in equity, with the exception of translation differences of monetary assets, which are recognized in 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 financial assets at fair value through other comprehensive income 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 amount of cumulative loss that is reclassified from equity to profit or loss pursuant to the foregoing shall be 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 investments are recognized on the trading date, this is, the date upon which there is a commitment to purchase or sell the asset. Financial assets at fair value through other comprehensive income 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 9.

When hedge accounting is applied, hedging strategy and risk management objectives are documented at inception, as well as the relationship between hedging instruments and hedged items. Effectiveness of the hedging relationship needs to be assessed on an ongoing basis. Effectiveness tests are performed prospectively and retrospectively at inception and at each reporting date, following the dollar offset method or the regression method, depending on the type of derivatives.

The Company has three types of hedges:

a) Fair value hedge for recognized assets and liabilities

Changes in fair value of the derivatives are recorded in the Consolidated Income Statement, together with any changes in the fair value of the asset or liability that is being hedged.

b) Cash flow hedge for forecasted transactions

The effective portion of changes in fair value of derivatives designated as cash flow hedges are recorded temporarily in equity and are subsequently reclassified from equity to profit or loss in the same period or periods during which the hedged item affects profit or loss. Any ineffective portion of the hedged transaction is recorded in the Consolidated Income Statement as it occurs.

When options are designated as hedging instruments (such as interest rate options described in Note 14), the intrinsic value and time value of the financial hedge instrument are separated. Changes in intrinsic value which are highly effective are recorded in equity and subsequently reclassified from equity to profit or loss in the same period or periods during which the hedged item affects profit or loss. Changes in time value are recorded in the Consolidated Income Statement, together with any ineffectiveness.

When the hedged forecasted transaction results in the recognition of a non-financial asset or liability, gains and losses previously recorded in equity are included in the initial cost of the asset or liability.

When the hedging instrument matures or is sold, or when it no longer meets the requirements to apply hedge accounting, accumulated gains and losses recorded in equity remain as such until the forecast transaction is ultimately recognized in the Consolidated Income Statement. However, if it becomes unlikely that the forecasted transaction will actually take place, the accumulated gains and losses in equity are recognized immediately in the Consolidated Income Statement.

c) Net investment hedges in foreign operation

Hedges of a net investment in a foreign operation, including the hedging of a monetary item considered part of a net investment, are recognized in a similar way to cash flow hedges.

- The gain or loss of the hedge which is determined as effective will be directly recognized as equity though the Consolidated Statements of Changes in Equity; and
- The ineffective portion will be recognized in the Consolidated Income Statement.

The gain or loss of the hedge related to the portion which has been recognized directly as equity will be reclassified to the Consolidated Income Statement when the foreign operation is sold or otherwise disposed of.

Contracts held for the purposes of receiving or making payment of non-financial elements in accordance with expected purchases, sales or use of goods ("own-use contracts") of the Group are not recognized as derivative instruments, but as executory contracts. In the event that such contracts include embedded derivatives, they are recognized separately from the host contract if the economic characteristics of the embedded derivative are not closely related to the economic characteristics of the host contract. The options contracted for the purchase or sale of non-financial elements which may be cancelled through cash outflows are not considered to be own-use contracts.

Changes in fair value of derivative instruments which do not qualify for hedge accounting are recognized immediately in the Consolidated Income Statement. Trading derivatives are classified as a current assets or liabilities.

2.13. 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 abilities.
- Level 2: Fair value is measured based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. 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 cap and floors (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 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.

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 Weighted Average Cost (WAC) 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. 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. Nonetheless, as indicated in Note 2.3 relative to the application of the new IFRS 9, that is applicable from January 1, 2018, the new expected loss model is applied based on the credit risk and the clients and receivables' loss ever outstanding.

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)).

2.16. 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.

2.17. 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.

2.18. 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.

2.19. 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.

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.

2.20. 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.

2.21. 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.

2.22. 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 recognized as on 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. Contingences are not recognized in the Consolidated Statements of Financial Position unless they have been acquired in a business combination.

2.23. 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

The International Financial Reporting Standards ("IFRS") do not explicitly state the accounting treatment applicable to the aforementioned transactions. Nevertheless, the European Securities and Markets Authority (ESMA) issued a public statement on October 27, 2015 which defines their priorities when preparing the Financial statements for the year 2015, in order to promote consistent application of the IFRS among issuers. The aforementioned statement state that these types of transactions (also called "reverse factoring") should be analyzed depending on the economic substance of the agreements, so that issuers can conclude whether the trade debt should be classified as financial debt within the Statements of financial position, or payments made should be classified as financial or operational within the Cash flow statements. In either case, ESMA recommends that the issuer provides clear details of the accounting classification policy that it has applied, indicating the assumptions that have been made and the corresponding quantitative impacts.

Consequently, provided that there are no material changes to the conditions of the trade debt (for example, to the due date, the amount or the interest rates, if applicable), the fact that due to the use of confirming, the new legal creditor is a financial institution instead of the supplier, does not change the economic character of the debt that arose from the operational activities of the Group company,

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.

2.24. 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 c) 2) 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.

2.25. 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 those that are highly probable not to entail a significant reversal thereof in the future.

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 (pursuant to IAS 37). 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 they have been approved and signed and it is highly probable that no reversal will occur.

Claims from clients due to not included costs in the initial scope of the contracted work will be registered as revenues only when a formal approval from the client exists.

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.

2.26. 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.

As Note 2.3 states, the new IFRS 16 “Leases” accounting standard will apply as of January 1, 2019.

2.27. 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 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.

2.28. 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.

2.29. 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 2018, 4 Employment Regulatory Records that have led to objective dismissals with severance payments, (13 in 2017).

2.30. 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 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 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".

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

2.31. 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

These Consolidated financial statements under IFRS-EU standards require estimates and assumptions that have an impact in assets, liabilities, income, expenses and disclosures related. Actual results could be shown differently than estimated. The most critical accounting policies, which show the most significant estimates and assumptions of the business to determine the amounts in these Consolidated financial statements, are:

- Valuation of assets classified as held for sale.
- Revenue and expense from construction contracts.
- Service concession agreements.
- Income taxes and recoverable amount of deferred tax assets.
- Guarantees provided to third parties and contingent liabilities.

Some of these critical accounting policies require the development of significant judgment by The Board of Directors in order to determine appropriate assumptions of and estimates to determine these critical accounting policies. These estimates and assumptions of are not only based on historical experience of the Company, but also, on the advice of experts and consultants, as well as 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 of and estimates used. Upon the occurrence of such event, assets and liabilities would be adjusted.

Based on what has been exposed in Note 2.2.2 regarding the application of the going concern accounting principle and during the accounting policies adaptation process, the best 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 and expenses 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 the management 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".

Valuation 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 assets held for sale.

A loss in the value of these assets due to impairment is recognized 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 Consolidated financial statements.

At the end of the 2018 period, a reversal of an impairment loss of assets classified as held for sale amounting to €38 million (€317 million of net expense in 2017) has been recognized, as the difference between the carrying amount and the fair value less cost of sale (see Note 7).

Revenue and expenses from construction contracts

Revenue from construction contracts is recognized pursuant to the applicable accounting standard IFRS 15 (see Note 2.3a)) and is estimated 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 up to those that will not entail a significant reversal thereof in the future.

As described in Note 2.25.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, such as total estimated costs, allowances or provisions related to the contract, period of execution of the contract and recoverability of the claims. The Company has established, throughout its trajectory, 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.

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 2.7.1), 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 2018, there is an expense due to the deferred tax assets impairment amounted to €215 million (€416 million in 2017) (see Note 24).

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.

Third-party guarantees and contingent liabilities

The analysis of the guarantees committed to third parties and contingent liabilities, given the exceptional nature and uncertainty of the current situation of the company, requires a complex judgment to estimate the contractual breaches that may exits and as a consequence of possible breaches, the outflow of resources probability that may give rise to the recognition of a financial liability on the company's consolidated balance sheet.

Such situation could affect the facts and circumstances in which these estimations are based and that could arise significant changes on them.

At the 2018 year-end, a financial liability in the concept of guarantees in the amount of €253 million was recognized (€227 million in 2017) (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.

Abengoa counts with a Risk Management Model which aims to minimize potential adverse effects on the Group's return of equity.

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 addition, and given the Group's current financial position, the first option considered in newly-awarded projects is to arrange a natural hedge between payments and collections in the same currency.

In the event that the US dollar exchange rate had increased by 5% against the Euro at December 31, 2018, with the remaining variables remaining constant, the effect on the Consolidated Income Statement would have been a loss of €66,947 thousand (€22,095 thousand in 2017) mainly due to the Group's net liability position in said currency in companies with a different functional currency.

At December 31, 2018 and 2017, no derivatives relating to amounts receivable and payable in foreign currencies have been contracted (see Note 14).

› Interest rate risk: arises mainly from financial liabilities at variable interest rates.

In this respect, 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.

As a general rule, hedges were carried out for 80% the amount and a variable interest rate financing period using caps and/or swaps contracts.

Nonetheless, due to the Group's current financial position, which has resulted in a lower level of new financing or in the already-acquired financing to be at a fixed interest rate (mainly New Money/Old Money), contracting additional hedging for the interest rate risk has not been necessary.

At December 31, 2018, if the Euribor interest rate had increased by 25 basis points, with the remaining variables remaining constant, the effect on the Consolidated Income Statement would have been a loss of €188 thousand (€184 thousand in 2017), mainly due to a variation in time value of interest rate caps and to a decrease of €11 thousand (a decrease of €85 thousand in 2017) in other reserves, mainly due to the increased value of interest rate hedges, mainly caps.

A breakdown of the interest rate derivatives as of December 31, 2018 and 2017 is provided in Note 14 of these 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, 2018 and 2017 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.

a) Clients and other receivables (see Note 15).

b) Current financial investments and cash (see Notes 13, 14 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, the Group uses different measures, which include an analysis of the client's credit risk as a step prior to any trade agreement, the establishment by contract of a payment schedule beforehand from the beginning of the construction contract, a reduction of the payment collection period for invoices though a prompt payment discount as well as, and to the extent possible within the context of the current financial position, counting with 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 9 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 this respect, and if it is concluded, from the individual assessment made of each contract, that the relevant risk associated to these contracts has been transferred to the financial entity, said receivables are derecognized from the Consolidated Statement of Financial Position at the moment that they are transferred to the financial entity pursuant to IFRS 9.

  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.

  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, 2018 and 2017.

- 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.

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 2018, no significant amounts in arrears are susceptible to be disclosed in addition to the information required by IFRS 7.

On the other hand, and as explained in Note 2.3. on the application of the new accounting standard IFRS 9 "Financial Instruments" in the Group as of January 1, 2018, the effect of the impairment provision required by the implementation of the new "expected loss" model introduced by said standard has not had a significant impact in the Consolidated financial statements of the Group.

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, this is, financing associated to entities "with recourse". 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 2.2.1.1, this management process is now conducted by Abengoa Abenewco 1, S.A.U.

At the end of the 2018 period, the Group's main financing, which represents approximately 80% of the total corporate financing of the Statement of Financial Position at the end of the period, corresponds to the financing named New Money 1, New Money 2 and Old Money financing, as well as to the syndicated guarantee facilities (see Note 20).

As Note 2.2.2. explains, at the date of preparation of these Consolidated financial statements, the Group has announced the conclusion of a financial restructuring process with the New Money 2 and Old Money creditors at the date of preparation of these Consolidated financial statements, that allows the former to ensure the viability of the Group in the short and medium term and which, along with the attainment of the new approved 10-year Viability Plan, associated to the capacity of the Group to generate resources from its operations, allows them, at the same time, to maintain Abengoa, S.A.'s, (the parent company) balance in the equity accounts and to provide sufficient liquidity as required to recover the market confidence, which are essential for the company to continue its activity in a competitive and sustainable manner in the future.

Said restructuring agreement contemplates the provision of additional liquidity to the Group up to €97 million, as well as of a new guarantee facility, which are essential for the award of new projects which allow the Group to generate additional liquidity as well as to regain the market's confidence.

The aforementioned viability plan includes the main payment commitments that the Company needs to undertake in the short and medium term, counting with the contractual instruments agreed-upon with the main financial creditors, which contain the required mechanisms, within specific limits, so that the parent company receives part of the funds generated by the Group.

On the other hand, the Group is thoroughly monitoring the short-term liquidity plan as well as the divestment plan, taking the appropriate measures to ensure compliance with its obligations. In this regard, significant divestments have been carried out during the 2018 period that have allowed it to amortize a significant portion of its debt, as well as to reduce the related financial expenses.

In addition, the Group is conducting an active policy in the management of providers, with special focus on the oldest balances, aiming to reach trade, financing or restructuring agreements for its debt that allow to accommodate the repayment of its obligations to the generation of future cash flow.

The Group will continue with this process in the future as part of its liquidity strategy.

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, adopting the required measures established in the corresponding regulatory framework such as, for example, capital reduction or merging operations, among others, that allow it to continue with its operations in a more efficient manner and, if applicable, generating synergies.

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 goal is to maintain reasonable leverage, while considering the restrictions established in the main financing contracts at all times as pertains to the assumption of new corporate financial debt.

As indicated in the previous section, the Group has concluded a financial restructuring process as to allow it to ensure its viability in the short and medium term, as well as to mitigate both the aforementioned liquidity risk and the capital risk.

Note 5.- Financial information by segment

5.1. Information by business segment

› As indicated in Note 1, Abengoa's activity is grouped under the following two activities:

› Engineering and construction; includes the traditional engineering business in the energy and water sectors, with more than 75 years of experience in the market. Abengoa is specialized in carrying out complex "turnkey projects" for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuels plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others. In addition, it performs activities related to the development of solar thermal and water management technologies and innovative technological business activities such as hydrogen or the management of energy crops.

› 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. These assets generate low demand risk and 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, in line with the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and subsequently on January 21, 2019, 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, 2018 and 2017. The classification has been done in accordance with the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations".

› 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. 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 period ended December 31, 2018 and 2017:

	Revenue			Ebitda		
Item	2018	2017	Var (%)	2018 (1)	2017 (1)	Var (%)
Engineering and construction	1,111,659	1,316,624	(16)	75,017	24,904	201
Concession-Type infrastructure	191,067	163,144	17	113,418	102,027	11
Total	1,302,726	1,479,768	(12)	188,435	126,931	48

(1) Includes fees by independent professionals other than the advisors who participated in the restructuring process amounting to €28 million and €52 million at December 31, 2018 and 2017, respectively.

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

Item	2018	2017
Total segment EBITDA	188,435	126,931
Amortization and depreciation	(40,132)	(405,011)
Financial expenses net	(1,558,756)	5,755,323
Share in profits/ (losses) of associates	107,399	(72,680)
Income tax expense	(131,584)	(824,726)
Profit (loss) from discontinued operations, net of tax	(53,031)	(295,819)
Profit attributable to non-controlling interests	(10,192)	(6,248)
Profit attributable to the parent company	(1,497,861)	4,277,770

b) The assets and liabilities by segment as of December 31, 2018 and December 31, 2017 are as follows:

Item	Engineering & Const.	Concession-Type Infrastructure	Balance at 12.31.18 (1)
Allocated Assets			
Intangible Assets	46,645	-	46,645
Property, Plant and Equipment	141,733	-	141,733
Property, Plant and Equipment in Projects	1,682	345,288	346,970
Current Financial Investments	112,040	17,671	129,711
Cash and Cash Equivalents	171,470	33,130	204,600
Allocated Subtotal	473,570	396,089	869,659
Unallocated Assets			
Non-current Financial Investments	-	-	28,026
Deferred Tax Assets	-	-	136,709
Other Current and Non-current Assets	-	-	678,526
Assets Held for Sale and Discontinued Operations	-	-	2,116,859
Unallocated Subtotal			2,960,120
Total Assets			3,829,779

Item	Engineering & Const.	Concession-Type Infrastructure	Balance at 12.31.18 (1)
Allocated Liabilities			
Debt with Financial Institutions and Bonds Current and Non-current	4,356,058	51,091	4,407,149
LT & ST Non-recourse Financing	4,473	315,213	319,686
Allocated Subtotal	4,360,531	366,304	4,726,835
Unallocated Liabilities			
Grants and Other Liabilities	-	-	113,290
Provisions and Contingencies	-	-	61,794
Deferred Tax Liabilities	-	-	125,058
Employee Benefit Liabilities	-	-	11,996
Other Current Liabilities	-	-	1,696,681
Held-for-Sale Liabilities	-	-	1,345,141
Unallocated Subtotal			3,353,960
Total Liabilities			8,080,795
Unallocated Equity	-	-	(4,251,016)
Total Liabilities and Unallocated Equity			(897,056)
Total Liabilities			3,829,779

(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'.

Concept	Engineering & Const.	Concession-Type Infrastructure	Balance at 12.31.17 (2)
Allocated Assets			
Intangible Assets	61,811	1,763	63,574
Property, Plant and Equipment	171,237	173	171,410
Property, Plant and Equipment in Projects	1,018	163,654	164,672
Current Financial Investments	194,964	-	194,964
Cash and Cash Equivalents	195,870	-	195,870
Allocated Subtotal	624,900	165,590	790,490
Unallocated Assets			
Non-current Financial Investments	-	-	40,753
Deferred Tax Assets	-	-	375,814
Other Current and Non-current Assets	-	-	1,073,346
Assets Held for Sale and Discontinued Operations (1)	-	-	4,078,194
Unallocated Subtotal			5,568,107
Total Assets			6,358,597

Concept	Engineering & Const.	Concession-Type Infrastructure	Balance at 12.31.17 (2)
Allocated Liabilities			
LT & ST Corporate Financing	3,586,741	57,018	3,643,759
LT & ST Non-recourse Financing	1,220	106,731	107,951
Allocated Subtotal	3,587,961	163,749	3,751,710
Unallocated Liabilities			
Grants and Other Liabilities	-	-	52,275
Provisions and Contingencies	-	-	23,286
Deferred Tax Liabilities	-	-	523,286
Employee Benefit Liabilities	-	-	8,088
Other Current Liabilities	-	-	2,064,343
Held-for-Sale Liabilities	-	-	2,343,397
Unallocated Subtotal			5,014,675
Total Liabilities			8,766,385
Unallocated Equity	-	-	(2,407,788)
Total Liabilities and Unallocated Equity			2,606,887
Total Liabilities			6,358,597

(1) Includes Atlantica Yield, Plc in the item “Assets held for sale”.
(2) 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´.

The criteria used to obtain the assets and liabilities per segment, are described as follows:

- With the objective of presenting liabilities by segment, Net Corporate Debt has been allocated to the Engineering and Construction segment, as it will be the activity in which Abengoa will focus over the next few years as established in the new 10 years Viability Plan approved (see Note 2.2.2) and in line with the prior Revised Viability Plan of August 2016.

c) The investments in intangible assets, property, plant and equipment and fixed assets in projects for the years, 2018 and 2017 is as follows:

Item	Balance at 12.31.2018	Balance at 12.31.2017
Engineering and construction	1,711	3,302
Concession type infrastructure	133,889	121,731
Discontinued operations	25,427	35,701
Total	161,027	160,734

d) The detail of depreciation, amortization and impairment charges by segments for the period ended at December 2018 and 2017 is as follows:

Item	2018 (1)	2017 (1)
Engineering and construction	(70,605)	(51,244)
Concession type infrastructure	30,473	(353,767)
Total	(40,132)	(405,011)

(1) This section includes a positive impact in 2018 amounting to €39 million for the reversal of the impairment loss of certain assets classified as “Assets Held for Sale” (see Note 7.2.) (impairment expenses for an amount of €-312 million in 2017).

5.2. Information by geographic areas

a) The revenue distribution by geographic region for period ended December 31, 2018 and 2017 is as follows:

Geographical region	2018	%	2017	%
- North America	212,901	16%	194,947	13%
- South America (except Brazil)	305,039	23%	324,237	22%
- Brazil	40,890	3%	45,864	3%
- Europe (except Spain)	121,873	9%	148,370	10%
- Africa	203,642	16%	255,453	17%
- Middle East	268,817	21%	353,309	24%
- Other regions	12,143	1%	10,203	1%
- Spain	137,421	11%	147,385	10%
Consolidated Total	1,302,726	100%	1,479,768	100%
Outside Spain amount	1,165,305	89%	1,332,383	90%
Spain amount	137,421	11%	147,385	10%

b) The distribution of Intangible assets and Property, plant and equipment by geographic region as of December 31, 2018 and 2017 is as follows:

Geographic region	Balance as of 12.31.18	Balance as of 12.31.17
Spain	115,953	146,720
- North America	14,864	24,419
- South America (except Brazil)	19,691	22,317
- Brazil	33,140	39,942
- Europe (except Spain)	960	1,095
- Other regions	3,770	491
Foreign market	72,425	88,264
Total	188,378	234,984

c) The distribution of Fixed assets in projects by geographic region as of December 31, 2018 and 2017 is as follows:

Geographic region	Balance as of 12.31.18 (*)	Balance as of 12.31.17
Spain	1,391	1,601
- South America (except Brazil)	86,109	98,482
- Brazil	-	7,261
- South Africa	179,786	-
- Other regions	79,684	57,328
Foreign market	345,579	163,071
Total	346,970	164,672

(*) This section includes Concession assets amounting to €159.3 million recognized as Financial assets according to IFRIC 12 (€83.7 million in South America and €75.6 million in Other regions).

Note 6.- Changes in the composition of the Group

6.1. Changes in the consolidation group

a) In 2018 a total of 6 subsidiaries (6 in 2017), 2 associates (zero in 2017) and 4 joint ventures (2 in 2017), were included in the consolidation group, which are identified in Appendices I, II, XII, XIII to these Consolidated financial statements.

These changes did not have a significant impact on the overall consolidated amounts in 2018 and 2017.

In addition, during 2018, 3 temporary joint operations (UTE) were included in the consolidation perimeter (2 in 2017), 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 2018, and which have been listed in Appendixes III and XIV of these Consolidated financial statements.

The amounts set out below represent the Group's proportional interest in the assets, liabilities, revenues and profits of the UTE with non Group partners, which have been included in the Consolidated financial statements in 2018 and 2017:

Item	2018	2017
Non-current assets	29,010	35,168
Current assets	51,663	127,242
Non-current liabilities	13,103	19,725
Current liabilities	67,570	142,685

Item	2018	2017
Revenue	97,857	45,486
Expenses	(85,542)	(48,845)
Profit (loss) after taxes	12,315	(3,359)

b) During the year ended December 31, 2018 a total of 35 subsidiaries were no longer included in the consolidation perimeter (166 in 2017), 56 associates (6 associates in 2017) and 5 joint ventures (10 in 2017), which are identified in Appendix IV and V and which did not have any material impact in the Consolidated income statement, except for disposals mentioned in Note 6.2.b).

During 2018, 22 temporary joint operations (UTE) are no longer included in the consolidation perimeter (52 in 2017), 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 2018 has been €85 thousand (null amount in 2017). A breakdown thereof has been included in Appendix VI of these Consolidated financial statements.

Within the companies that have ceased to form part of the consolidation perimeter during 2017 were 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 2.2.1). As a result of the loss of control, and based on the provisions of IFRS 10, Abengoa's Consolidated income statement was reclassified, within the income statement of discontinued operations, a loss of €80 million 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.

6.2. Main acquisitions and disposals

a) Acquisitions

During the year 2018 there were no significant acquisitions.

b) Disposals

› During the year 2018, two significant disposals took place: the completion of sale of Atlantica Yield and the operating transmissions lines in Brazil as part of the Divestment plan established in the Updated Viability Plan, detailed as follows:

› On November 1, 2017 Abengoa S.A. 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”). In addition, the parties agreed on an "earn-out" mechanism under which Abengoa could benefit from 30% of the first USD 2 in which the share of AY is revalued, up to a maximum of USD 0.60 per share.

Additionally, on November 1, 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.

On March 9, 2018, the Company announced that the operation with Algonquin Power & Utilities Corp has been completed for a total price of USD 607 million, where the debt repayment has reached USD 510 million approximately, according to the New Money financing agreements.

On April 17, 2018, Abengoa announced that has reached an agreement for the sale of its remaining 16.47% stake of Atlantica Yield to Algonquin Power & Utilities Corp. (APUC). This new sale was subject to certain conditions precedent which include the approval of the transaction by certain regulatory bodies and by Abengoa's creditors.

Likewise, an agreement was signed where Abengoa agrees to indemnify Algonquin in case there is a reduction in the annual dividend distributed by Atlantica Yield derived from the performance of the plants, limited by a CAP of USD 0.30 per share and compensable with the "earn-out" described above.

On November 22, 2018, the Company announced that the conditions precedent required to complete the sale of 16.47% had been met, thus completing the divestment of the total of 41.47% shares that it held on Atlantica Yield.

As agreed upon in the aforesaid agreement signed in April 2018 to sell 16.47% of Atlantica Yield's shares, the price was USD 20.90 per share (last closing price of Atlantica Yield prior to the agreement), which entailed a premium of 6.2% over the closing market price on April 16 and 8% over the closing market price of November 21, 2018. The operation has represented a total amount of USD 345 million, which must be reduced by USD 20 million by way of transaction costs and other deductions, as well as by USD 40 million which will be temporarily withheld until certain contingencies are released. On November 27, 2018, the net amount obtained, USD 285 million, was used towards the partial repayment of the New Money 1 debt pursuant to the financing agreements.

As a consequence of the above, a positive impact for an amount of €108 million was registered on December 31, 2018 on the Consolidated income statement as a difference between the book value and the sale value of 41.47% of the stock shares.

› 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 BRL482 million. The transaction was 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.

  On May 30, 2018, all the conditions precedent were fulfilled for the sale in public auction within the Judicial Recovery to Texas Pacific Group of the transmission lines in operation in Brazil for an amount of BRL 482 million.

› On December 20, 2018, the subsidiary Abeinsa Asset Management, S.L. formalized the sale of its interest in the company named Cogeneración Villaricos, S.A. to Neoelectra SC Fuente de Piedra Gestión, S.L.U., with a sale price of €5.2 million.

› On the other hand, on February 18, 2018 the Company signed an 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-ServiceTM (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). This divestment has a price of USD 20 million approximately, is subject to potential adjustments at closure.

  This operation is expected to be fully completed during the first semester of 2019, following the fulfillment of certain conditions which include the restructuring of the water sale contract with GWLC.

› On December 27, 2018, the Company entered into an agreement with Abengoa-Algoquin Global Energy Solutions ("AAGES") to transfer the ATN 3 transmission line in Peru, contingent upon the fulfillment of certain conditions that are standard in this type of agreements, which include the approval by the Peruvian State.

› 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 were fulfilled (among others, the approval of the transaction by the Spanish Anti-trust Authority).

The transaction amount (enterprise value) was €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". In addition, there is an amount outstanding to be received (in a 5 to 10 year period) subject to certain conditions, of which €3 million were released in 2018. The total cash amount to be received could reach €111 million.

› 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 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 the concessional asset Zapotillo. 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 would provide complementary capital for the development of the infrastructure; while Abengoa would 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 would 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 Acueducto Zapotillo S.A. de CV 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.

On November 27, 2018, the concessionary company Concesionaria Acueducto Zapotillo, S.A. de C.V (hereinafter, "CAZ") received a notification from the grantor whereby it accepted the refusal submitted on August 25, 2017 but rejected the right to do so without responsibility. On January 27, 2019, the concessionary company challenged said notification through contentious administrative proceeding, and on March 4, 2019 the Court ordered its precautionary suspension, making it void. This is, the effects of the administrative act whereby the Comisión Nacional del Agua (National Water Commission) accepted CAZ's refusal to the concession, but rejected their right to do so without responsibility as well as their right to receive the payments claimed, are definitely suspended until the litigation is resolved.

On March 14, 2019, Conagua filed an appeal against the court order that granted the definitive suspension. To this respect, CAZ has filed, in due time and as appropriate, the corresponding statements by law. Said appeal is pending resolution by the Federal Court of Administrative Justice' Specialized Chamber in Online Trials.

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).

6.3. Business combinations

During the years 2018 and 2017, there have not been further business combinations in the Group.

Note 7.- Assets held for sale and discontinued operations

The asset disinvestment plan started at the end of 2014 Abengoa's Board of Directors, on September 23, 2015, aimed to reinforce its financial structure through the implementation of the plan through the sale or partial divestment, in case of external equity partners, of certain assets through a new plan that involves the divestment of those assets included in the initial plan which had not been sold at that date, as well as the new assets which were incorporated. Based on this disinvestment plan, other 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, as well as the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and subsequently on January 21, 2019 (see Note 2.2) conforming the asset disinvestment plant of the company.

7.1. Assets in the asset disinvestment plan

The table below shows the included assets of such plan which at December 31, 2018 and 2017, were classified as assets 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 12.31.18 (2)
Solar Power Plant One (SPP1) (1)	Combine cycle in Algeria	150 MW	159,134
Manaus Hospital (1)	Concession in Brazil	300 beds / 10,000 persons	112,346
Xina Solar One (1)	Solar plant in South Africa	100 MW	87,787
Tenés / Ghana / Chennai (1)	Desalination plants	360,000 m3/day	227,398
Zapotillo	Drinking Water Pipeline in Mexico	139 km	-
Abent 3T (A3T) and ACC4T (1)	Cogeneration plants in Mexico	840 MW	523,637
ATN 3, S.A. (1)	Transmission line in Peru	355 km	80,269
ATE XVI-XXIV (1)	Transmission lines in Brazil	6,218 km	222,608
Bioethanol	Bioethanol plant in Brazil	235 ML	263,682
San Antonio Water System	Drinking Water Pipeline in USA	50,000 acres	17,662
Iniciativas Hidroelectricas, S.A.	Hidroelectric concession in Spain	4,376 kw	3,636
Inapreu, S.A.	Court concession in Spain	-	850

(1) Circumstances and events that have occurred outside the control of the company since last August 2015 (see Note 2.2) are delaying the disinvestment process. However, the intention of the Management continues to be the disposal of such companies as established in the 10-year Viability Plan approved by the Board of Directors (see Note 2.2).

(2) Net book value of asset includes Property plant and equipment, Fixed assets in projects and Investments in associates. Additionally, and in cases which it applies, accumulated impairments up to December 31, 2018 coinciding with their reasonable value. For further detail of the remaining assets and liabilities held for sale see note 7.3

Asset	Details	Capacity	Net book value of asset 2017 (2)
Solar Power Plant One (SPP1) (1)	Combined cycle in Algeria	150 MW	160,648
Manaus Hospital / Concecutex (1)	Concessions in Brazil and Mexico	300 beds / 10.000 persons	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/day	259,493
Abent 3T and 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 and Norte Brasil (1)	Transmission lines in Brazil	9.750 km	1,338,272
Bioethanol (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 the classification

In the 2018 period, Khi Solar One solar thermal power plant in South Africa ceased being classified under "Non-current assets and liabilities held for sale" as it no longer met the cases and requirements of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations" according to the deadlines established in the approved 10-Year Viability Plan for the divestment of said asset. In addition, the assets related to the solar power plants located in Chile (Atacama Solar Platform) have also ceased being classified under said item as they do not meet the IFRS 5 requirements based on the new approved 10-year Viability Plan, with no significant impact.

On the other hand, and based on the aforementioned 10-Year Viability Plan, the San Antonio Water System has been classified under "Non-current assets and liabilities held for sale" as it meets the cases and requirements set forth in IFRS 5.

b) Impairment on the assets

As of December 31, 2018, a positive net impact of assets classified as held for sale and discontinued operations for an amount of €38 million was recognized as a difference between their net book value and their fair value less costs to sell. The main positive impact corresponds to the agreement reached with suppliers for the sale of the main equipment, as well as the updates of the corresponding fair values of certain assets, as detailed in the following section.

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:

› 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, (see Note 6.2.b)).

There have not been substantial changes in the key hypotheses considered with respect to the hypotheses at the end of the 2017 period.

› Cogeneration plants

The assets linked to the generation plants in Mexico (Abent 3T and ACC4T) were recognized, at the closing of 2018, at fair value less the cost to sell, since this is less than the carrying value.

Its fair value was obtained from the recovery value expected after its sale, obtained from the measurement of the asset performed by an independent expert.

The main change in the key hypotheses considered with respect to the 2017 period has been the progress made on the negotiations within the sale process as well as the aforesaid measurement, which has entailed the recognition, at the end of the 2018 period, of an income for the reversal of an impairment loss amounting to €37 million.

In addition, the Group has recognized income for an amount of €36 million, derived from the agreement reached with suppliers for the cancellation of its debt, through the sale of main equipment units which were completely impaired.

› 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 2017 period has been the progress of the negotiations with the third party within the sale process and the corresponding proposal received.

The foregoing has resulted in the recognition, at the end of the 2018, of an impairment loss for €13 million.

› Bioethanol

The assets connected with the 1G bioethanol plants in Brazil have been recognized 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 2.2.1.1) 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 2017 period.

› Transmission lines in Brazil

The assets related to transmission lines in Brazil (lines under construction or "Greenfields") have been recognized at the closing of 2018 at fair value less the cost of sale, which is less than the book value.

The calculation of fair value is 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 considered within the Legal Recovery proceedings underway in Brazil for lines under construction (see Note 2.2.1.1).

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

In relation to the transmission lines under operation ("Brownfields"), their sale has been improved during the 2018 period within the Legal Recovery framework in which said assets were involved. This has resulted in the derecognition of their net assets from Non-current assets and liabilities held for sale in the Consolidated Statement of Financial Position at the end of the period (see Note 6.2.b)).

› 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 10.77%. 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 €4 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.

› Manaus Hospital

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.

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

As the company that owns the Manaus Hospital is a subsidiary of Abengoa Construçao Brasil, which is under judicial recovery, it has been considered not to have a recoverable equity book value, as in the 2017 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.

Its fair value was obtained from the recovery value expected after its sale, obtained from the proposal prices received within the mentioned asset's sale process, which is higher than the carrying value at which it has been recognized.

› 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.

Their fair values were obtained from the recovery value expected after their sale, obtained from the proposal prices received within the mentioned assets' sale process.

As concerns Tenés, the main change in the key hypotheses considered with respect to the 2017 period has been the progress of the negotiations with the third party within the sale process and the corresponding proposal received. At the end of the 2017 period, the fair values were obtained using the discounted cash flow method, applying a discount rate of 10.3% and without applying a growth rate.

This change in the key hypotheses considered has resulted in the recognition, at the end of the 2018, of an impairment loss for €20 million.

› 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. reached with Abengoa-Algonquin Global Energy Solutions (“AGEES”) in December 2018 (see Note 6.2.b)).

Said Agreement has not entailed substantial changes in the key hypotheses considered with respect to the hypotheses at the end of the 2017 period.

› San Antonio Water System

The San Antonio Water System potable water aqueduct is a concession for the water withdrawal and channeling project that was entered into through a water sale agreement (Water Transportation and Purchase Agreement) with the city of San Antonio, Texas (USA) for a 30-year period. The project is currently under construction and is expected to start operating in April 2020.

Its fair value was obtained from the recovery value expected after its sale, obtained from the proposal prices received within the mentioned asset’s sale process, which is higher than the carrying value at which it has been recognized.

7.3. Detail of assets held for sale

At December 31, 2018 and December 31, 2017, the details of assets and liabilities classified under assets and liabilities held for sale in the consolidated statement of financial position are as follow:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Property plant and equipment (*)	8,222	532
Fixed assets in projects (*)	1,577,905	2,795,925
Investments in associates (*)	112,882	737,213
Financial investments	47,898	68,293
Deferred tax assets and others	32,134	63,786
Current assets	337,818	412,445
Project debt	(858,745)	(1,656,941)
Corporate financing	(70,114)	(66,640)
Other non-current liabilities	(208,226)	(322,505)
Other current liabilities	(208,056)	(297,311)
Total net assets and liabilities held for sale	771,718	1,734,797

(*) The Net book value of the asset is detailed in Note 7.1.

7.4. Details of discontinued operations

a) Brazilian transmission lines

› At December 31, 2018 and 2017, 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	2018	2017
Revenue	35,615	146,217
Other operating income	83,366	3,599
Operating expenses	(131,987)	(207,293)
I. Operating profit	(13,006)	(57,477)
II. Financial expense, net	410	(468)
III. Share of profit/(loss) of associates carried under the equity method	-	184
IV. Profit before income tax	(12,596)	(57,761)
V. Income tax (expense)/benefit	-	(940)
VI. Profit for the period from continuing operations	(12,596)	(58,701)
VII. Profit attributable to minority interests	-	(476)
VIII. Profit for the period attributable to the parent company	(12,596)	(59,177)

› Additionally, the details of the Cash flow statements of the companies that own the concession assets of the Brazilian transmission lines at December 31, 2018 and 2017 which were reclassified under the heading of discontinued operations are as follows:

Item	2018	2017
Profit for the year from discontinued operations adjusted by non monetary items	-	51,771
Variations in working capital	3,399	13,684
Interest and income tax received / paid	(10,545)	(44,510)
A. Net cash provided by operating activities	(7,146)	20,945
B. Net cash used in investing activities	80,743	-
C. Net cash provided by financing activities	(75,570)	-
Net increase/(decrease) in cash and cash equivalents	(1,973)	20,945
Cash, cash equivalents and bank overdrafts at beginning of the year	51,588	37,893
Elimination of Cash and Cash Equivalents of Discontinued Companies that have been sold	(49,608)	-
Translation differences cash or cash equivalent	(3)	(7,250)
Cash and cash equivalents at end of the year	4	51,588

b) Bioenergía

› At December 31, 2018 and 2017, the details of the bioenergy business companies, considered as a business segment before the above mentioned dates, that was restated under the heading of profit (loss) from discontinued operations on the income statement are as follows:

Item	2018	2017
Revenue	133,476	170,306
Other operating income	67,527	(71,889)
Operating expenses	(203,707)	(197,648)
I. Operating profit	(2,704)	(99,231)
II. Financial expense, net	(40,546)	(104,697)
III. Share of profit/(loss) of associates carried under the equity method	-	-
IV. Profit before income tax	(43,250)	(203,928)
V. Income tax (expense)/benefit	2,815	(33,188)
VI. Profit for the period from continuing operations	(40,435)	(237,116)
VII. Profit attributable to minority interests	-	-
VIII. Profit for the period attributable to the parent company	(40,435)	(237,116)

› Additionally, the details of the Cash flow statements of the bioenergy business at December 31, 2018 and 2017, considered as a business segment before the above mentioned dates, which were reclassified under the heading of discontinued operations are as follows:

Item	2018	2017
Profit for the year from discontinued operations adjusted by non monetary items	19,069	(167,767)
Variations in working capital	9,473	7,237
Interest and income tax received / paid	(1,916)	(1,374)
A. Net cash provided by operating activities	26,626	(161,904)
B. Net cash used in investing activities	(25,427)	(35,701)
C. Net cash provided by financing activities	(8,009)	(11,060)
Net increase/(decrease) in cash and cash equivalents	(6,810)	(208,665)
Cash, cash equivalents and bank overdrafts at beginning of the year	15,926	226,979
Translation differences cash or cash equivalent	(1,401)	(2,387)
Cash and cash equivalents at end of the year	7,715	15,927

Note 8.- Intangible assets

8.1. The detail of variations in 2018 of the main categories included in intangible assets is show as follows:

Cost	Goodwill	Development assets	Other	Total
Total cost as of December 31, 2017	55,507	335,722	145,265	536,494
Decreases	-	(3,967)	(4,061)	(8,028)
Translation differences	-	702	(52)	650
Change in consolidation	(8,493)	(3,223)	(3,679)	(15,395)
Reclassifications and other movements	-	1,245	-	1,245
Total cost as of December 31, 2018	47,014	330,479	137,473	514,966

Accumulated Amortization and Impairment	Goodwill	Development assets	Other	Total
Total amort. as of December 31, 2017	(55,507)	(335,722)	(81,691)	(472,920)
Additions (amortization)	-	(30)	(11,546)	(11,576)
Additions (impairment)	-	(337)	(4,506)	(4,843)
Decreases	-	3,967	2,501	6,468
Translation differences	-	(702)	64	(638)
Change in consolidation	8,493	3,223	2,849	14,565
Reclassifications and other movements	-	(878)	1,501	623
Total accum Amort. and Impairment as of December 31, 2018	(47,014)	(330,479)	(90,828)	(468,321)
Net balance at December 31, 2018	-	-	46,645	46,645

The decrease in intangible assets during the 2018 period mainly corresponds to the annual amortization of the Group’s SAP ERP software.

8.2. The detail of variations in 2017 of the main categories included in 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
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

8.3. 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 for 2018:

Cost	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Total balance as of December 31, 2017	259,894	128,235	2,366	58,864	449,359
Additions	-	611	-	-	611
Decreases	(45,455)	(3,559)	-	(4,843)	(53,857)
Translation differences	573	(5,664)	(13)	(662)	(5,766)
Change in consolidation	(1,664)	(31,355)	(15)	(15,310)	(48,344)
Reclassifications	20,480	-	(1,937)	1,937	20,480
Total Balance as of December 31, 2018	233,828	88,268	401	39,986	362,483

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, 2017	(146,015)	(75,404)	-	(56,530)	(277,949)
Additions (amortization)	(2,271)	(7,558)	-	(935)	(10,764)
Additions (impairment)	(1,331)	(643)	-	(1,810)	(3,784)
Decreases	21,559	3,496	-	4,541	29,596
Translation differences	(362)	4,176	-	632	4,446
Reclassifications	1,058	30,723	-	15,310	47,091
Reclassifications	7,393	(27,391)	-	10,612	(9,386)
Total accum. Amort. and Impairment as of December 31, 2018	(119,969)	(72,601)	-	(28,180)	(220,750)
Net balance at December 31, 2018	113,859	15,667	401	11,806	141,733

The most significant variation that has occurred during the 2018 period mainly corresponds to the decrease caused by the sale of the Company's former headquarters.

9.2. The table below shows the detail and movement on the different categories of Property, plant and equipment 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
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)	-	(5,991)	-	(456)	(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)	(7,516)	-	7,516	(80,255)
Total accum. Amort. and Impairment as of December 31, 2017	(146,015)	(75,404)	-	(56,530)	(277,949)
Net balance at December 31, 2017	113,879	52,831	2,366	2,334	171,410

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.

9.3. 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. During the 2018 and 2017 periods there have been no interest costs capitalized included in Property, plant and equipment.

9.6. At the closing of 2018 and 2017, Property, Plant and Equipment include the following amounts where the group is a lessee under a finance lease:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Capitalized finance-lease cost	2,669	2,773
Accumulated depreciation	(995)	(841)
Net carrying amount	1,674	1,932

9.7. The cost of land included in the land and buildings subcategory amounted to €86,396 thousand at December 31, 2017 (€75,254 thousand in 2017).

9.8. The table below sets out the information related to those assets constructed by the Group during 2018 and 2017 classified under the heading Property, plant and equipment of the Consolidated Statement of Financial Position:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Property, plant and equipment constructed by the Group (accumulated)	24,473	47,276
Revenue generated by property, plant and equipment constructed by the Group	25	23,840
Operating result of property, plant and equipment constructed by the Group	(228)	9,814

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 2.7, there are several companies which engage in the development of projects including the design, construction, financing, operation and maintenance of owned assets or assets under concession-type agreements.

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).

10.1. Concession assets in projects

a) The following table shows the changes of "Concession assets in projects" for 2018:

Cost	Intangible assets	Financial assets	Total
Total as of December 31, 2017	1,356	157,747	159,103
Additions	-	23,725	23,725
Decreases	(411)	(2,563)	(2,974)
Translation differences	(57)	(5,448)	(5,505)
Reclassifications and other movements	-	(14,150)	(14,150)
Transfer to assets held for sale	365,264	-	365,264
Total as of December 31, 2018	366,152	159,311	525,463

Accumulated Amortization and Impairment	Intangible assets	Financial assets	Total
Total accum. amort. as of December 31, 2017	(470)	-	(470)
Additions (amortization)	(2,513)	-	(2,513)
Translation differences	2,311	-	2,311
Transfer to assets held for sale	(180,850)	-	(180,850)
Total accum Amort. and Impairment as of December 31, 2018	(181,522)	-	(181,522)
Net balance at December 31, 2018	184,630	159,311	343,941

The most significant variation that has occurred during the 2018 period mainly corresponds to the classification of the Khi Solar One solar thermal concessional asset in South Africa as it no longer met the cases and requirements of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations" (see Note 7.2).

In addition, the increase derived from the progress of a water desalination plant concession project in Agadir (Morocco) should be highlighted.

b) The following table shows the evolution in each category of "Concession assets in projects" for the year 2017:

Cost	Intangible assets	Financial assets	Total
Total as of December 31, 2016	10,243	313,747	323,990
Additions	-	50,176	50,176
Decreases	-	(4,685)	(4,685)
Translation differences	(21)	(12,747)	(12,768)
Reclassifications	(8,866)	7,261	(1,605)
Transfer to assets held for sale	-	(196,005)	(196,005)
Total as of December 31, 2017	1,356	157,747	159,103

Accumulated Amortization and Impairment	Intangible assets	Financial assets	Total
Total accum. amort. as of December 31, 2016	(19,952)	-	(19,952)
Additions (amortization)	(51)	-	(51)
Translation differences	3	-	3
Reclassifications	1,605	-	1,605
Transfer to assets held for sale	17,925	-	17,925
Total accum Amort. and Impairment as of December 31, 2017	(470)	-	(470)
Net balance at December 31, 2017	886	157,747	158,633

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.

During the 2018 and 2017 periods there have been no capitalized financing costs in project assets.

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 2018:

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, 2017	3,487	3,455	2	1,745	99	8,788
Additions	-	1,100	-	-	-	1,100
Decreases	-	(619)	(2)	(329)	-	(950)
Translation differences	(340)	176	-	5	-	(159)
Reclassifications	(3,147)	(24)	-	24	-	(3,147)
Transfer to assets held for sale	-	-	-	4	-	4
Total as of December 31, 2018	-	4,088	-	1,449	99	5,636

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, 2017	(18)	(2,517)	-	(178)	(36)	(2,749)
Additions (amortization)	-	(480)	-	(23)	(10)	(513)
Decreases	-	619	-	124	-	743
Translation differences	2	(113)	-	(4)	-	(115)
Reclassifications	16	15	-	-	-	31
Transfer to assets held for sale	-	-	-	(4)	-	(4)
Total accum. Amort. and Impairment as of December 31, 2018	-	(2,476)	-	(85)	(46)	(2,607)
Net balance at December 31, 2018	-	1,612	-	1,364	53	3,029

b) The table below shows the detail and movement in "Other assets in projects" for the year 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
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)
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)
Additions (impairment)	-	-	-	-	70	70
Translation differences	-	352	-	24	-	376
Change in consolidation	881	2,465	-	103	-	3,449
Reclassifications	81,830	-	-	691	218	82,739
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

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 as to the decrease produced by the control lost on Iniciativas Hidroeléctricas de Aragón y Cataluña.

c) During the years 2018 and 2017 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 2018 and 2017, 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 2018 and 2017 classified under the fixed assets in projects heading of the Consolidated Statement of Financial Position (concessions and other assets in projects):

Item	12.31.18	12.31.17
Fixed assets in projects constructed by the Group (accumulated)	345,288	164,672
Revenue generated by fixed assets in project constructed by the Group	54,815	67,943
Operating result of fixed assets in project constructed by the Group	55,590	(13,188)

Note 11.- Investments accounted for using the equity method

11.1. The detail of the main categories included in Investments accounted for using the equity method as of December 31, 2018 and December 31, 2017 is as follows:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Associates	13,643	30,744
Joint Ventures	1,623	3,129
Total Investments accounted for using the equity method	15,266	33,873

The evolution in investments accounted by the equity method during 2018 and 2017:

Investments accounted by the equity method	Balance as of 12.31.18	Balance as of 12.31.17
Initial balance	33,873	823,179
Changes in consolidation	1,828	(5,793)
Reclassification to assets held for sale	(18,831)	(627,050)
Distribution of dividends	(668)	(1,304)
Impairments	-	(23,384)
Translation differences and Others	(132)	(90,344)
Share of (loss)/profit (*)	(804)	(41,431)
Final balance	15,266	33,873

(*) Atlantica Yield, that had been held for sale, has been disposed of during the period and this has resulted in an additional positive impact of €108 million (see Note 6.2.b.)).

The most significant variations of investments in associates and joint ventures during 2018 correspond to classify the assets and liabilities related to San Antonio Water System, 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 7.2).

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 2018 and 2017:

Company	Typology	% share	Book value	Equity	Assets	Revenues	Profit/(loss) 2018
Rioglass Solar Holding and subsidiaries	Asoc.	15.00	11,151	105,131	165,835	10,185	(17,820)
Others	-	-	4,115	-	-	-	-
Total 2018			15,266	105,131	165,835	10,185	(17,820)

Company	Typology	% share	Book value	Equity	Assets	Revenues	Profit/(loss) 2017
Rioglass Solar Holding and subsidiaries	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)

11.3. The shareholding percentages in associates do not differ from the voting rights percentage on them.

There have practically been no changes in Other comprehensive income during the 2018 derived from investments in associates (€10,906 thousand at the end of the 2017 period).

11.4. At the closing of 2018, there is no significant shareholder interest as to break down its assets, liabilities and Profit and Loss Statement.

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 financial assets	Balance as of 12.31.18
Financial assets	10.1	159,311	-	-	-	159,311
Available-for-sale financial assets	13	-	-	-	2,902	2,902
Derivative financial instruments	14	-	907	35	-	942
Financial accounts receivables	15	153,893	-	-	-	153,893
Clients and other receivables	15	602,815	-	-	-	602,815
Cash and cash equivalents	17	204,600	-	-	-	204,600
Total Financial assets		1,120,619	907	35	2,902	1,124,463
Project debt	19	319,686	-	-	-	319,686
Corporate financing	20	4,407,149	-	-	-	4,407,149
Trade and other current liabilities	25	1,360,509	-	-	-	1,360,509
Total Financial liabilities		6,087,344	-	-	-	6,087,344

Category	Notes	Loans and receivables / payables	Non-hedging derivatives	Hedging derivatives	Available for sale financial assets	Balance as of 12.31.17
Financial assets	10.1	157,747	-	-	-	157,747
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		1,548,705	242	340	4,824	1,554,111
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

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, 2018 and 2017 (except non-quoted equity instruments measured at cost in 2017 and contracts with components that cannot be reliably measured):

Category	Level 1	Level 2	Level 3	Balance as of 12.31.18
Non-hedging derivatives	-	907	-	907
Hedging derivatives	-	35	-	35
Available-for-sale	-	-	2,902	2,902
Total	-	942	2,902	3,844

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

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 IFRS 9 (IAS 39 in 2017) to be designated as hedging instruments from an accounting perspective.

The following table shows the changes in the fair value of level 3 assets for the years 2018 and 2017:

Movements	Amount
Beginning balance as of December 31, 2016	10,252
Gain/Losses transferred to equity	52
Derecognitions	(5,480)
Total as of December 31, 2017	4,824
Derecognitions	(1,922)
Total as of December 31, 2018	2,902

During the presented periods there have not been any significant reclassifications amongst the three levels presented above.

Note 13.- Financial assets at fair value

13.1. The details and movements of financial assets at fair value for the 2018 and 2017 periods are as follows:

Available for sale financial assets	Balance
At December 31, 2016	10,252
Gain/Losses transferred to equity	52
Derecognitions	(5,480)
At December 31 , 2017	4,824
Derecognitions	(1,922)
At December 31 , 2018	2,902
Non-current portion	1,143
Current portion	1,759

The most significant changes in the financial assets at fair value mainly correspond to the sale of diverse investment securities.

13.2. The following table shows entities which, in accordance with the current regulation, were not consolidated in the years 2018 and 2017 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 (€1,520 thousand in 2017).

Non-current financial assets	2018 % Holding	2017 % Holding
Norpost	10.00	10.00

Current financial assets	2018 % Holding	2017 % Holding
OMEL (old Comeesa)	5.31	5.31
Chekin	14.28	14.28
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, 2018 and 2017 is as follows:

		12.31.18		12.31.17	
Item	Note	Assets	Liabilities	Assets	Liabilities
Interest rate derivatives - cash flow hedge	14.3.a	35	-	340	-
Interest rate derivatives - non-hedge accounting	14.3.c	907	-	242	-
Total		942	-	582	-
Non-current part		939	-	481	-
Current part		3	-	101	-

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

The fair value amount transferred to the Consolidated income statement as of December 31, 2018 concerning the financial instruments derivatives designated as hedging instruments is a loss of €10,742 thousand (profit of €10,249 thousand as of December 31, 2017). (see Note 30.1).

The net amount of derivatives fair value transferred directly to the Consolidated income statement as of December 31, 2018 as a result of not meeting all the requirements of IAS 39 to be designated as accounting hedges represents a profit of €3,537 thousand (loss of €115 thousand as of December 31, 2017) (see Note 30.1).

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 caps and swaps for interest rates hedges.

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.

a) Cash flow hedges

By the end of the 2018 and 2017 periods, the Group does not have derivative financial instruments designated as exchange rate cash flow hedges.

The net amount of the fair value of exchange rate derivatives designated as cash flow hedges transferred to the Consolidated Income Statement in 2018 and 2017 has been null and €-199 thousand, respectively.

The ineffective amount recognized in the Consolidated income statement for the years 2018 and 2017 with respect to exchange rate derivatives designated as cash flow hedges amounts to null and €-370 thousand, respectively.

The after-tax gains/losses accumulated in equity from exchange rate derivatives designated as cash flow hedges at December 31, 2018 and 2017 has been null.

b) Fair value hedges

The group does not have any exchange rate derivatives designated as fair value hedges at the closing of 2018 and 2017.

c) Non-hedge accounting derivatives

By the end of the 2018 and 2017 periods, the Group does not hold any exchange rate non-hedge accounting derivatives instruments.

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 2018 and 2017 year end:

	12.31.18		12.31.17	
Notionals	Cap / Collar	Swap	Cap / Collar	Swap
Up to 1 year	-	-	1,998	-
Between 1 and 2 years	1,465	-	999	-
Between 2 and 3 years	73,573	-	77,045	-
Subsequent years	-	-	-	-
Total	75,038	-	80,042	-

The table below shows a breakdown of the fair values maturities of interest rate derivatives designated as cash flow hedges at the 2018 and 2017 year end:

	12.31.18		12.31.17	
Fair value	Cap / Collar	Swap	Cap / Collar	Swap
Up to 1 year	3	-	3	-
Between 1 and 2 years	11	-	37	-
Between 2 and 3 years	21	-	300	-
Subsequent years	-	-	-	-
Total	35	-	340	-

The net amount of the fair value transferred to the Consolidated income statement of the financial year 2018 and 2017 due to interest rate derivative financial instruments designated as flows hedges amounted to €-10,742 thousand and €11,380 thousand respectively.

The ineffective portion recognized in the Consolidated income statement for the 2018 and 2017 periods with respect to exchange rate derivatives designated as cash flow hedges amounts to null and €5,284 thousand, respectively.

The after-tax profit/loss accumulated in equity at the end of the 2018 and 2017 periods from interest rate derivatives designated as cash flow hedges amounts to €-10,311 thousand and €1,378 thousand, respectively (see Note 18.3).

The net fair value of the time value component recognized in profit and loss for the 2018 and 2017 period from derivative financial instruments classified as cash flow hedges has been €-10,362 thousand and €10,496 thousand, respectively.

b) Fair value hedges

The Group does not have any interest rate derivatives designated as fair value hedges at the end of the years 2018 and 2017.

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 2018 and 2017:

	12.31.18	12.31.17
Notionals	Cap / Floor	Cap / Floor
Up to 1 year	85,691	1,853,223
Between 1 and 2 years	206,994	380,532
Between 2 and 3 years	79,662	45,647
Subsequent years	65,241	107,715
Total	437,588	2,387,117

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 2018 and 2017:

	12.31.18	12.31.17
Fair value	Floor	Floor
Up to 1 year	-	98
Between 1 and 2 years	-	-
Between 2 and 3 years	511	8
Subsequent years	396	136
Total	907	242

At the end of the years 2018 and 2017, 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 €3,537 thousand and €-115 thousand, respectively (see Note 30.1).

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, 2018 and 2017 is as follows:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Trade receivables	314,160	528,403
Unbilled revenues	125,240	211,849
Bad debt provisions	(84,910)	(70,326)
Tax receivables	170,745	203,543
Other debtors	77,580	91,308
Total	602,815	964,777

The decrease in the Clients amount mainly corresponds to amounts collected from construction contracts of solar projects in Chile, mainly.

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.

The balances with related parties at the closing of 2018 and 2017 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 (equivalent in thousand euros) as of December 31, 2018 and 2017 are as follows:

	Balance as of 12.31.18	Balance as of 12.31.17
Algerian dinar	1,974	563
Dirhams (Morocco)	7,459	15,848
American dollar	103,704	308,322
New Peruvian sol	11,397	14,282
Argentinian peso	6,076	7,941
Chilean peso	31,559	27,955
Mexican peso	17,721	21,172
Uruguayan peso	18,318	13,026
South African rand	12,824	9,251
Brazilian real	47,205	87,007
Indian rupee	4,059	3,724
Saudi riyal	19,409	29,297
Polish zloty	14,590	15,951
Others	47,597	73,033
Total	343,892	627,372

d) The following table shows the maturity detail of trade receivables as of December 31, 2018 and 2017:

Maturity	Balance as of 12.31.18	Balance as of 12.31.17
Up to 3 months	157,458	287,181
Between 3 and 6 months	11,805	15,783
Over 6 months	144,897	225,439
Total	314,160	528,403

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 12.31.18	Balance as of 12.31.17
Trade receivables subject to non-recourse factoring by the bank	46,771	125,539
Trade receivables subject to recourse factoring by the bank	2,294	9,428
Trade receivables covered by credit insurance	1,584	1,519
Trade receivables in cash or by transfer	153,361	223,396
Trade receivables UTE/Public Entities/Other accounts	110,150	168,521
Total trade receivables	314,160	528,403

f) The evolution in the bad debt provision for 2018 and 2017 is the following:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Initial Balance	(70,326)	(73,737)
Provision for receivables impairment	(17,883)	(6,021)
Receivables written off during the year as uncollectible	-	1,930
Reversal of unused amounts	10,500	4,248
Change in consolidation	252	-
Translation differences and other movements	(7,453)	3,254
Total	(84,910)	(70,326)

g) As noted in Note 4 of these Consolidated financial statements, the Company, to the extent possible given the current financial situation, 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.

At the end of the 2018 financial year, approximately €22 million (€16 million in 2017) were non-recourse factored.

The finance cost in the 2018 fiscal year derived from factoring operations amounted to €1 million (€16 million in 2017).

h) The breakdown of Tax receivables as of December 31, 2018 and 2017 is as follows:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Income and other taxes receivable	69,158	104,714
Social Security debtors	387	458
VAT charged	74,504	68,869
Withholdings tax and income tax advance	26,696	29,502
Total tax receivables	170,745	203,543

15.2. Receivable accounts

The following table shows a breakdown of financial accounts receivable as of December 31, 2018 and 2017:

Concept	Balance as of 12.31.18	Balance as of 12.31.17
Loans	14,583	28,925
Fixed-term deposits and down payments and lease deposits	11,358	9,031
Other financial assets	3	-
Total non-current portion	25,944	37,956
Loans	46,505	5,946
Fixed-term deposits and down payments and lease deposits	68,026	185,962
Other financial assets	13,418	447
Total current portion	127,949	192,355

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 change in current financial investments for the 2018 period mainly corresponds to the release of the Escrow account obtained in the restructuring process of 2017 (New Money) for the construction of the A3T concessional asset, which has been released after the conditions precedent were satisfied. This effect has been partially offset by a credit right for USD 40 million, derived from the sale of 16.47% of Atlantica Yield, which has been temporarily be temporarily withheld until certain contingencies are released (see Note 6.2.b)).

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. The changes in Receivable accounts for the 2018 period are due to the Punta de Rieles concessional asset's partial reclassification to short term after it started operating.

Note 16.- Inventories

16.1. Inventories as of December 31, 2018 and December 31, 2017 were as follows:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Goods for sale	2,344	1,757
Raw materials and other supplies	27,972	27,439
Work in progress and semi-finished products	195	577
Projects in progress	8,618	6,844
Finished products	-	15,560
Advance Payments to suppliers	21,316	22,519
Total	60,445	74,696

Inventories for entities located outside Spain were €21,465 thousand (€34,592 thousand in 2017).

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, 2018 and 2017:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Cash at bank and on hand	202,708	193,980
Bank deposit	1,892	1,890
Total	204,600	195,870

At the end of the year 2018 cash and cash equivalents pledged is included for various concepts, mainly insolvency proceedings and financing agreement guarantees for an amount of €142 million.

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

	12.31.18		12.31.17	
Currency	Domestic companies	Non-domestic companies	Domestic companies	Non-domestic companies
Euro	43,357	14,892	43,905	16,140
US dollar	7,209	56,733	28,348	27,791
Swiss franc	3,556	8	4,091	9
Peso (Chile)	-	1,980	593	2,398
Rupee (Indian)	111	153	96	82
Argentinian peso	-	709	10	2,921
Mexican peso	4	2,993	3	18,645
Peruvian sol	-	2,724	198	4,240
Algerian dinar	4,782	-	6,542	-
Brazilian real	-	20,880	-	813
South African rand	6	9,288	18	6,326
Shekel	-	22	-	192
Pound Sterling	9,374	-	20,446	-
Moroccan dirham	10,618	6,934	-	-
Others	1,446	6,821	644	11,419
Total	80,463	124,137	104,894	90,976

Note 18.- Net equity

18.1. Share capital

As of December 31, 2018, the share capital amounts to €35,865,862.17 corresponding to 18,836,119,300 shares completely subscribed and disbursed, divided into two distinct classes, as follows:

- 1,621,143,349 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").
- 17,214,975,951 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 December 31, 2018 are as follows:

	Significant shares	
Shareholders	Direct Share %	Indirect Share %
Banco Santander, S.A.	3.45	-
Secretary of State for Trade - Ministry of industry, trade and tourism	3.15	-

On September 30, 2012 the Extraordinary 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 Extraordinary General Shareholders' Meeting approved a voluntary conversion right to change Class A shares with one euro nominal value (€0.02 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 General 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.

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 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.

Lastly, after the completion of the 24th conversion period on December 31, 2017, the company carried out, 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. As a consequence of this operation, the capital stock was set as shown at the beginning of this Note.

The distribution of the Parent Company's profit and loss in the 2017 period approved by the General Meeting of Shareholders in June 25, 2018 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 2018 and 2017:

Item	Balance as of 12.31.17	Distribution of 2017 profits	Capital increase/decrease	Other movements	Balance as of 12.31.18
Share premium	1,560,300	-	-	-	1,560,300
Revaluation reserve	3,679	-	-	-	3,679
Other reserves of the parent company	(7,452,215)	6,383,200	223	(124)	(1,068,916)
Total	(5,888,236)	6,383,200	223	(124)	495,063

Item	Balance as of 12.31.16	Distribution of 2016 profits	Capital increase/decrease	Other movements	Balance as of 12.31.17
Share premium	1,116,740	-	443,560	-	1,560,300
Revaluation reserve	3,679	-	-	-	3,679
Other reserves of the parent company	(398,455)	(7,054,405)	567	78	(7,452,215)
Total	721,964	(7,054,405)	444,127	78	(5,888,236)

The Legal Reserve is created in accordance with Article 274 the Spanish Corporate Law (Ley de Sociedades de Capital), which states that in all cases an amount of at least 10% of the earnings for the period will be allocated to this reserve until at least 20% of the share capital is achieved and maintained. The Legal Reserve may not be distributed and, if used to compensate losses in the event that there are no other reserves available to do so, it should be replenished from future profits.

On November 19, 2007, the company entered into a liquidity agreement on class A shares with Santander Investment Bolsa, S.V. Replacing this liquidity agreement, on January 8, 2013, the company entered into a liquidity agreement on class A shares with Santander Investment Bolsa, S.V. in compliance with the conditions set forth in CNMV Circular 3/2007 of December 19. 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 January 10, 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, 2018, treasury stock in its entirety amounted to 5,519,106 shares class A.

No operations for the acquisition or disposal of the Company's Class A and/or B Shares have been performed during the 2018 period. During the 2017 period, the number of treasury shares purchased amounted to 0 class A shares and 34,704 class B shares, while transferred treasury shares reached 143,374 and 34,704 Class A and Class B shares, respectively.

The proposed distribution of the year 2018 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 2018 and 2017:

Item	Hedging reserves	Available-for-sale financial assets reserves	Total
Balance as of December 31, 2017	1,378	(3,274)	(1,896)
- Gains/ (losses) on fair value for the year	3,574	-	3,574
- Transfer to the Consolidated Income Statement	(10,789)	-	(10,789)
- Tax effect	(4,474)	3,519	(955)
Balance as of December 31, 2018	(10,311)	245	(10,066)

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)

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 2018 and 2017 is as follows:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Currency translation differences:		
- Fully and proportionally consolidated companies	(1,180,636)	(1,202,956)
- Associates	2,451	15,438
Total	(1,178,185)	(1,187,518)

The variations in the translation differences during the 2018 period are mainly due to the devaluation of the Chilean peso and the appreciation of the US dollar.

18.5. Retained earnings

The breakdown and movement of Retained earnings during the 2018 and 2017 fiscal years are as follows:

Item	Balance as of 12.31.17	Dist. of 2017 profit	2018 profit	Other movements	Balance as of 12.31.18
Reserves in full & proportionate consolidated entities	(93,874)	(2,032,750)	-	(10,706)	(2,137,330)
Reserves in equity method investments	(12,196)	(72,680)	-	(1,240)	(86,116)
Parent company dividends and reserves	-	6,383,200	-	(6,383,200)	-
Total reserves	(106,070)	4,277,770	-	(6,395,146)	(2,223,446)
Consolidated profits for the year	4,284,018	(4,284,018)	(1,487,669)	-	(1,487,669)
Profit attributable to non-controlling interest	(6,248)	6,248	(10,192)	-	(10,192)
Profit attributable to the parent company	4,277,770	(4,277,770)	(1,497,861)	-	(1,497,861)
Total retained earnings	4,171,700	-	(1,497,861)	(6,395,146)	(3,721,307)

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	(93,874)
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

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

	Balance as of 12.31.18		Balance as of 12.31.17	
Business unit	IG / IP	MP	IG / IP	MP
Engineering and construction	(282,892)	(99,313)	295,706	(11,346)
Concession-type infrastructure	(1,854,438)	13,197	(389,580)	(850)
Total	(2,137,330)	(86,116)	(93,874)	(12,196)

(*) Includes the discontinued activity corresponding to Bioenergy.

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 2018 of Non-controlling interest are set out in the table below:

Company	Balance as of 12.31.17	Change in consolidation perimeter	Variations (1)	Profit and loss in 2018	Balance as of 12.31.18
Operating LAT Brasil	347,964	(347,964)	-	-	-
Solar Power Plant One	20,185	-	(2,752)	3,610	21,043
Société d'Eau Déssalée d'Agadir	9,113	-	1,744	1,003	11,860
Khi Solar One	9,786	-	(639)	(5,530)	3,617
Tenes Lylmyah	52,646	-	1,174	10,440	64,260
Zona Norte Engenharia	22,796	-	(3,268)	2,601	22,129
Others	(417)	418	6,635	(1,932)	4,704
Total	462,073	(347,546)	2,894	10,192	127,613

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

At the end of the 2018 period, the decrease of non-controlling interest corresponds to the exit from the consolidation perimeter of the transmission lines under operation in Brazil after being sold (ATE XI, Manaus Transmissora de Energía, S.A. and ATE XIII, Norte Brasil Transmissora de Energía, S.A.) (see Note 6.2.b)).

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 perimeter	Variations (1)	Profit and loss in 2017	Balance as of 12.31.17
Operating LAT Brasil	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
Others	23,818	(393)	(27,488)	3,646	(417)
Total	555,169	(27,116)	(71,396)	5,416	462,073

(1) Variations 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 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 2018 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.

Note 19.- Project debt

The Consolidation perimeter includes interest in diverse companies whose purpose is the development of projects including the design, construction, financing, operation and maintenance of an 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).

Said 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.

This financing usually enjoys the same contractor technical guarantees with regard to price, term and performance, as it occurs with project construction contracts for third parties outside the Group.

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 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 as required.

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).

The details of project debt applied to projects, for both non-current and current liabilities, as at December 31, 2018 and December 31, 2017 is as follows:

Project debt	Balance as of 12.31.18	Balance as of 12.31.17
Project finance (Non-recourse project financing)	319,686	107,951
Total project debt	319,686	107,951
Non current	95,015	11,197
Current	224,671	96,754

19.1. The balances and movements for the year 2018 of project debt are set out in the table below:

Item	Project debt - long term	Project debt - short term	Total
Balance as of 12.31.17	11,197	96,754	107,951
Increases	3,960	14,143	18,103
Decreases	-	(6,085)	(6,085)
Currency translation differences (*)	(2,915)	(3,668)	(6,583)
Changes in consolidation and reclassifications (*)	82,773	(83,214)	(441)
Transfer to liabilities held for sale (*)	-	206,741	206,741
Balance as of 12.31.18	95,015	224,671	319,686

(*) No monetary movements

The most significant variations are due to the reclassification of the Khi Solar One project financing from liabilities held for sale once it ceased to meet the cases and requirements of IFRS 5 (see Note 7.2).

Changes in consolidation perimeter and reclassifications mainly includes the reclassification of the financial debt of Punta de Rieles concessional asset in Uruguay to long term following the refinancing agreement reached by Teyma Uruguay, S.A. (Unidad Punta Rieles' main shareholder) with its main creditors (see Note 2.2.1.1. g)).

The balances and movements for the year 2017 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	11,631	30,218	41,849
Decreases	(367)	(4,005)	(4,372)
Currency translation differences (*)	(764)	(9,205)	(9,969)
Changes in consolidation perimeter and reclassifications (*)	(4,579)	(145,865)	(150,444)
Transfer to liabilities held for sale (*)	(7,287)	(252)	(7,539)
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 2.2.1.2) in the financial restructuring process (bridge loans with corporate guarantee).

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 €0.5 million relating to project financing (€7 million in 2017).

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 2018.

19.4. The Project Financing maturity schedule is as follows:

2019	2020	2021	2022	2023	Subsequent	Total
224,671	3,337	4,512	4,983	4,776	77,407	319,686

19.5. Current and non-current loans with credit entities include amounts in foreign currencies for the total of €319,686 thousand (€107,670 thousand in 2017). This variation is due to the reclassification of the Khi Solar One project financing from liabilities held for sale (see Note 19.1).

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

	12.31.18		12.31.17	
	Non-domestic companies	Domestic companies	Non-domestic companies	Domestic companies
Dirham (Morocco)	13,860	-	11,530	-
Dollar (USA)	69,071	-	4,498	-
Peso (Uruguay)	97,340	-	91,642	-
Rand (South Africa)	139,415	-	-	-
Total	319,686	-	107,670	-

19.6. The amount of accrued and not paid financial expenses related to projects amounts to €307 thousand (€12 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 either by Abengoa, S.A. and, in some cases, jointly guaranteed by certain group subsidiaries, or by the Group Company receiving said Corporate financing.

20.1. The breakdown of the corporate financing as of December 31, 2018 and 2017 is as follows:

Non-current	Balance as of 12.31.18	Balance as of 12.31.17
Credit facilities with financial entities	62,252	620,278
Notes and bonds	1,116	858,597
Finance lease liabilities	6,864	7,511
Other loans and borrowings	129,418	124,845
Total non-current	199,650	1,611,231

Current	Balance as of 12.31.18	Balance as of 12.31.17
Credit facilities with financial entities	1,777,016	798,850
Notes and bonds	1,907,228	901,094
Finance lease liabilities	7,127	8,466
Other loans and borrowings	516,128	324,118
Total current	4,207,499	2,032,528
Total corporate financing	4,407,149	3,643,759

At December 31, 2018, Corporate financing has increased mainly due to the net effect of the increase of the Old Money debt at its redemption value (see note 2.2.3), partially offset with the partial amortization of New Money 1 as a result of the sale of 41.47% of Atlantica Yield (see Note 20.2 and 20.3).

The amounts and movements experienced during the 2018 and 2017 periods due to Corporate Financing are as follows:

Item	Project debt - long term	Project debt - short term	Total
Balance as of 12.31.17	1,611,231	2,032,528	3,643,759
Increases	293,420	307,893	601,313
Decreases	(33,292)	(882,042)	(915,334)
Currency translation differences (*)	13,756	15,025	28,781
Changes in consolidation perimeter and reclassifications (*)	(1,685,926)	1,691,505	5,579
Transfer to liabilities held for sale (*)	461	1,042,590	1,043,051
Balance as of 12.31.18	199,650	4,207,499	4,407,149

(*) Non-monetary movements

“Restructuring and Others” includes the adjustment of the Old Money and New Money debt value, partially offset by the Group’s debt crystallization effect as well as by debt reliefs mainly derived from the restructuring of the financial debt of certain subsidiaries in Peru (see Note 2.2.1.1. g)):

Item	Project debt - long term	Project debt - short term	Total
Balance as of 12.31.16	267,029	7,398,122	7,665,151
Increases	-	986,022	986,022
Decreases	-	(859,244)	(859,244)
Currency translation differences (*)	(69,811)	(62,846)	(132,657)
Changes in consolidation perimeter and reclassifications (*)	-	77,398	77,398
Transfer to liabilities held for sale (*)	1,414,013	(5,506,924)	(4,092,911)
Balance as of 12.31.17	1,611,231	2,032,528	3,643,759

(*) Non-monetary movements

“Restructuring and Others” in the 2017 period includes the debt relief applied in the financial restructuring process over certain corporate financing, partially offset by the issuance of new debt conducted within said financial restructuring process (see Note 2.2.1.2).

20.2. Credit facilities with financial entities

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

	Balance as of 12.31.18	Balance as of 12.31.17
Abener Energía S.A. financing	12,844	27,764
Centro Tecnológico Palmas Altas financing	76,946	77,398
Syndicated financing loans	82,436	40,000
New Money 1	156,767	314,136
New Money 2	228,635	191,224
Old Money	1,052,233	555,416
Remaining loans	229,407	213,190
Total	1,839,268	1,419,128
Non-current	62,252	620,278
Current	1,777,016	798,850

In relation to the Old Money, this increase is mainly due to the adjustment of the debt value after recognizing it at its redemption value under current liabilities, based on the default that arose from the execution of the Lock-Up Agreement (see Note 2.2.3). As concerns New Money 1 financing, this decrease mainly corresponds to the partial amortization as a result of the sale of 41.47% of Atlantica Yield.

The carrying amount of these debts does not significantly differ from their fair value, except for Old Money and New Money 2 debt which is measured at its redemption amount, as mentioned above. This has had an impact of an increased debt by €1,060 million with respect to its prior measurement at amortized cost using the effective interest rate method (see Note 2.2.3).

On May 30, Abengoa Abenewco 1 obtained new interim syndicated financing amounting to €25 million, which counts with the joint and several guarantees of Abengoa, S.A. and of certain Group subsidiaries.

Among the conditions of the financing of new money (New Money) several compliance obligations have been established, among which is the liquidity ratio (historical and future) and that as of December 31, 2018, the limit has been met minimum established (€20 million) being the "Historic Liquidity" of €22.8 million and the "Project Liquidity" of €21.1 million. Additionally, it establishes a limit for financial indebtedness in Corporate Finance for an amount of €219 million.

Among the financing conditions of the Old Money, certain obligations have been established in the financing contracts, among which that in the event that the total exceeds 2.7 billion as a result of the possible crystallization of contingent liabilities, there is a term of 6 months to restructure the aforementioned loans, through capital increases or additional withdrawals before incurring in an early maturity cause. During 2018 and up to the formulation date of these Consolidated condensed financial statements, the limit of 2.7 billion Old Money has not been exceeded, as capitalized interest has been excluded from the calculation of said ratio.

b) At December 31, 2018, the cancellation of corporate financing has been scheduled as follows:

	2019	2020	2021	2022	2023	Subsequent years	Total
Abener Energía S.A. financing	12,844	-	-	-	-	-	12,844
Centro Tecnológico Palmas Altas financing	76,946	-	-	-	-	-	76,946
Syndicated financing loans	82,435	-	-	-	-	-	82,435
New Money 1	156,767	-	-	-	-	-	156,767
New Money 2 (*)	228,635	-	-	-	-	-	228,635
Old Money (*)	1,052,233	-	-	-	-	-	1,052,233
Remaining loans	167,156	17,025	12,530	8,251	18,807	5,639	229,408
Total according to Contract	1,777,016	17,025	12,530	8,251	18,807	5,639	1,839,268

(*) Debts posted in the short term due to the temporary situation of technical default described in Note 2.2.3. At the end of December 2018, its contractual maturity is as follows; in the case of Old Money 2022/2023 and for NM2 2021. Although both debts were in the process of restructuring at year-end (see Notes 2.2.2 y 2.2.3).

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.

c) The amount of current and non-current credit facilities with financial entities includes debts denominated in foreign currencies in the amount of €471,410 thousand (€667,176 thousand in 2017).

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

	12.31.18		12.31.17	
Currency	Non-domestic companies	Domestic companies	Non-domestic companies	Domestic companies
Dollar (USA)	111,108	271,021	251,193	299,788
Peso (Chile)	9,222	-	20,426	-
Peso (Mexico)	12,707	-	17,775	-
Real (Brazil)	64,369	-	71,701	-
Rial (Oman)	2,983	-	6,293	-
Total	200,389	271,021	367,388	299,788

d) Interest expenses with financial credit entities accrued and not due reach to €8,462 thousand (€12,861 thousand in 2017) and is included under "Short-term borrowings".

e) Real estate pledged against mortgages corporate financing as of December 31, 2018 and 2017 is not significant, except for the CTPA financing (€78 million).

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 2018 was 9%, (9% in 2017).

20.3. Notes and bonds

a) The notional value of notes and bonds as of December 31, 2018 and 2017 is as follow:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Ordinary notes Abengoa	3,551	10,600
Commercial paper Abengoa Mexico	-	102,363
New Money 1	210,770	758,781
New Money 2	32,508	29,625
Old Money	1,661,515	858,322
Total	1,908,344	1,759,691
Non Current	1,116	858,597
Current	1,907,228	901,094

In relation to the Old Money, this increase is mainly due to the adjustment of the debt value after recognizing it at its redemption value under current liabilities, based on the default that arose from the execution of the Lock-Up Agreement (see Note 2.2.3). As concerns New Money 1 financing, this decrease mainly corresponds to the partial amortization as a result of the sale of 41.47% of Atlantica Yield.

The carrying amount of these debts does not significantly differ from their fair value, except for Old Money and New Money 2 debt which is measured at its redemption amount, as mentioned above. This has had an impact of an increased debt by €1,060 million with respect to its prior measurement at amortized cost using the effective interest rate method (see Note 2.2.3).

At December 31, 2018, the bonds' market value is 105% for New Money 1; 66% for New Money 2; between 12%-10% for the Senior Old Money and 1% for the Junior Old Money.

b) As of December 31, 2018, the cancellation of notes and bonds is expected to be carried out in accordance with the following schedule:

Item	2019	2020	2021	2022	2023	Subsequent	Total
Ordinary notes Abengoa	2,435	-	-	-	-	1,116	3,551
New Money 1	210,770	-	-	-	-	-	210,770
New Money 2 (*)	32,508	-	-	-	-	-	32,508
Old Money (*)	1,661,515	-	-	-	-	-	1,661,515
Total	1,907,228	-	-	-	-	1,116	1,908,344

(*) Debts posted in the short term due to the temporary situation of technical default described in Note 2.2.3. At the end of December 2018, its contractual maturity is as follows; in the case of Old Money 2022/2023 and for NM2 2021. Although both debts were in the process of restructuring at year-end (see Notes 2.2.2 y 2.2.3).

c) At December 31, 2018 there is no significant interest payable related to notes and bonds accrued and not paid (€6,924 thousand in 2017).

20.4. Finance lease liabilities

Finance lease creditors as of the end of 2018 and 2017 were:

Finance lease	Balance as of 12.31.18	Balance as of 12.31.17
Present values of future payments for finance lease	13,991	15,977
Liabilities: minimum payments for finance lease:		
Less than 1 year	7,322	8,907
From 1 to 5 years	3,909	4,835
More than 5 years	3,684	4,945
Net book value:		
Technical installations and machinery	5,506	7,286
Information processing equipment	214	535
Other tangible assets	15,590	18,839

20.5. Other loans and borrowings

The breakdown of current and not current other loans and borrowings at December 31, 2018 and December 31, 2017 is the following:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Low interest loans	11,556	6,832
Non-recourse confirming due and unpaid	15,055	38,132
Execution of financial guarantees	253,203	227,452
Overdue and not paid derivatives	21,140	35,410
Mexico Bankruptcy Agreement	216,022	-
Drawn bank guarantees	85,088	103,802
Loans with public institutions and others	43,482	37,335
Total	645,546	448,963

At the end of December 31, 2018, the main variation corresponds mainly to the reclassification of the restructured debt in Mexico to the heading of Other loans and borrowings based on the signed insolvency agreement.

In relation to this debt, the restructured debt (common credits) has been classified in the current liabilities of the Consolidated financial statement due to a payment default of which the company informed its financial creditors (see Note 2.2.1.1.e)).

“Execution of guarantees” primarily includes liabilities for guarantees undertaken by the parent company (“Parent Guarantee”), mostly related to the Bioenergy activity, the Transmission Lines in Brazil and Atlantica Yield subsidiaries, by virtue of the commitments undertaken by said subsidiary (see Note 2.31).

Note 21.- Grants and other liabilities

Grants and Other Liabilities as of December 31, 2018 and 2017 are shown in the following table:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Grants	4,969	10,380
Suppliers of non-current assets	15,896	17,461
Long-term trade payables	92,425	24,434
Grants and other non-current liabilities	113,290	52,275

At December 31, 2018, the most significant increases in Grants and other liabilities mainly correspond to the debt held by the Group with other subsidiaries which have exited the consolidation perimeter (Simosa IT, primarily), as well as the debt that the Khi Solar One subsidiary, a company which has ceased being considered as held for sale once it no longer met the assumptions and requirements of IFRS 5 (see Note 7.2), holds with its non-controlling shareholders outside the Group.

Note 22.- Provisions and contingencies

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 2018 and 2017:

Item	Taxes	Liabilities	Dismantling	Total
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)
Balance as of 12.31.17	15,869	37,024	973	53,866
Net increase/ (decrease) with impact in profit and loss	(3,162)	1,400	374	(1,388)
Translation differences	4	(615)	(395)	(1,006)
Reclassifications	-	6,411	-	6,411
Transfer to liabilities held for sale	-	-	3,911	3,911
Balance as of 12.31.18	12,711	44,220	4,863	61,794

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 term, (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 term (between 2 to 5 years).

Dismantling provision

This provision is intended to cover future expenditures related to the dismantlement of the concession-type infrastructures 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, 2018 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, with respect to the estimated and provisioned, if applicable, amounts 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, and the hearings were scheduled to be resumed in September 2018: and subsequently postponed to February 2019 and, again, to the end of March 2019. Said hearings have also been suspended. Following the last meetings, the scheduling of the hearings has been again postponed and, if held, the meetings could be set for the second or third week of July.

- Concerning an inspection during 2013 by the European Commission of Abengoa and the companies that were directly or indirectly under its control, 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)). (the latter was wound up). Continuing the investigation until in July 26, 2018 the Commission notified of the Schedule of Charges, providing a deadline to respond to it which ended on October 22, 2018 and was ultimately extended to November 5, 2018 following a request for the extension thereof. The company has submitted, in due time and proper form, the statement of defense and is waiting for the oral hearing to be set. Article 23 section 2 of the Council Regulation (EC) No 1/2003 contains the maximum penalties applicable to this type of situations.

- 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 UTE asked for the following main claims: a) the declaration of the unlawful (i) termination of contract performed by the CRMG, (ii) application of penalties for delay; and (iii) other damages requested; and b) the termination of the agreement due to CRMG's breaches of contract, requesting a liquidation balance amounting to €32,454 thousand and additional €1,096 thousand based on different grounds. The CRMG answered the claim on November 4, 2010, requesting generically the dismissal of the UTE's claim.

  On December 12, 2014, Abengoa Agua, S.A. (formerly Befesa Construcción y Tecnología Ambiental, S.L.) has been served with the claim brought by the CRMG against the UTE and its members (Abengoa Agua S.A. 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 UTE.

  Both civil proceedings are now suspended by the existence of criminal implications, particularly because they were pending of the preliminary investigation number 487/2013, by "Juzgado de Instrucción nº16 Sevilla". In this last proceeding is has not been asked the guarantee of any amount to Abengoa Agua nor any person who works or has worked for her or any other entity related to Abengoa.

- In March 2015, Abener Energía, S.A. initiated arbitration proceedings against the client of a combined cycle power plant being built in Poland, Elektrocieplownia Stalowa Wola, S.A., seeking to extend the contractual deadline to complete the work due to force majeure as well as 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, in January 2016, Elektrocieplownia Stalowa Wola, S.A. informed Abener Energía, S.A. that it was cancelling the contract for the construction of a combined cycle plant alleging delays in the delivery of the plant and a series of technical breaches in the performance of the work. Abener Energía, S.A. replied by rejecting the termination of the contract and the seizure of the guarantees, arguing that the delay in the delivery of the plant is not attributable to Abener Energía, S.A. since the delays were caused by events that are beyond its control, that there were no technical breaches on its part and that there were certain prior breaches by the customer.

In 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 Elektrocieplownia 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 Elektrocieplownia 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. At present, the arbitrary procedure continues in its different phases. Both parties submitted their closing briefs on December 21, 2018. On January 25, the briefs were submitted with an assessment of the legal costs incurred by each party in the procedure and, unless the Tribunal requests additional information, the procedure would be ready for a decision to be made.

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.

Additionally, on January 28, 2019, Abener submitted a request for new arbitration for PLN 147 million and €537 plus interest for the damage caused by the illegal enforcement of the bond provided by Abener under the construction contract for the Stalowa Wola Plant.

With pleadings dated March 29 and April 14, ECSW responded to Abener's request, opposing to it and requesting that the procedure was suspended until the main arbitration is resolved.

- In relation with the company Negocios Industriales y Comerciales, S.A (NICSA), the Markets and Competence National Comission (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 authorizations, concluding that the actions have been considered as infractions mutually. Nicsa has proceeded to pay the infraction for the amount of €354 thousand, notwithstanding the fact that it has filed a contentious-administrative appeal before the Spanish National High Court (Audiencia Nacional). Upon receiving the administrative record, the Company filed a claim in the contentious-administrative court on February 7, 2019.

- In January 2017, the Markets and Competence National Comission sent an information requirement to several rail industry companies, which Inabensa, S.A. is established in relation with possible anticompetitive actions in manufacturing, installation, supply, maintenance and electrification system improvement hiring. 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. After the statement of facts (Pliego de Concreción de Hechos) was notified, the Company proceeded to submit its response. In March 22, 2019, a Decision from the Markets and Competence National Commission Board was received, which imposed two sanctions that together reached €11.6 million. The Company is working on the submission of the appeal before the Spanish National High Court.

- 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 DKK 80 million plus value-added tax (€10.7 million plus value-added tax, approximately), against Bygningsstyrelsen (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 over cost 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 DKK 500 million plus value-added tax (€67.1million plus value-added tax, approximately). The object of this claim are the alleged damages due to Inabensa Danmark's presumed non-compliance. On April 17, 2018, Inabensa Danmark filed its final claim amounting to DKK 84 million plus value-added tax (€11.2 million approximately) and formally requested the commencement of the expert´s appraisal of the project deficiencies.

Subsequently, a judicial decision was issued agreeing to handle both procedures together, which caused the period for the Client to submit their answer to the claim to open again, being set for November 15, 2018. The client has submitted its response to the claim in due time and proper form Its counterclaim remains open, with reservation of the right to change the amount and without expecting said amount to be definitive until 2020, when the project is expected to be completed. Concurrently, the Client has started the procedure to request the enforcement of bonds, whose rejection has been presented by the company through a written statement The arbitration court has issued a decision whereby the suspension of the bond enforcement procedure is not accepted. On this regard, the Company has claimed that the case was pending the decision of the arbitration of the main case. As a consequence of the above, an independent expert has been appointed to present its opinion on whether the enforced bond must be paid or not. At last, the client, Inabensa and the insurance company have agreed not to enforce the bonds until an arbitration award is made.

- In November 2018, Zurich Insurance, PLC (hereinafter, Zurich) filed a claim in ordinary proceedings against Abener Energía, S.A. and Abengoa, S.A. claiming an amount of €38.5 million derived from a high risk surety bond. Additionally, Zurich has sought legal remedies consisting of the attachment of the two defendants' property and rights, which have been admitted in their entirety and thus the attachment of the defendants' property, bank accounts and tax returns has been ordered. Said admission has been appealed. The defendants have concurrently submitted an answer to the claim in ordinary proceedings in due time and proper form. A negotiated agreement was reached in March 2019 with Zurich, whereby it was agreed to set-off the receivables that the latter held against the Group, basically through the issuance of Senior Old Money convertible notes within the Group's financial restructuring process. On the other hand, it is pending to submit a withdrawal notice pursuant to the terms of the agreements so that the process can be concluded. Until said issuance, the parties have agreed to present the suspension of the procedure.

- In January 2019, Export-Import Bank of the United States (hereinafter, US EXIM) filed a suit against Abengoa, S.A., Abener Energía, S.A., Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A. (absorbed by Abener Energía) and Instalaciones Inabensa, S.A. claiming an amount of USD 75 million. Additionally, US Exim has sought legal remedies consisting of the pretrial attachment of the defendants' property and rights. The hearing of said legal remedies was held on February 22, 2019. Following the hearing, a Court Order accepting the requested legal remedies was received. These remedies will not come into force until US Exim presents the bond for €4 million requested by the Court. The answer to the claim in ordinary proceedings has been presented in due time and proper form. An appeal has been filed against the sustained legal remedy. In March 2019, an agreement has been reached with US Exim whereby the parties have agreed, among other matters, to submit a joint written statement to suspend the legal remedy and to set-off the receivables held against the Group, basically through the issuance of Senior Old Money convertible notes within the Group's financial restructuring process. Said written statement was submitted on March 29, 2019. As concerns the ordinary procedure, its suspension has also been presented.

- Arbitration initiated by Dead Sea Works Ltd against Abener Energía S.A., Abener Ghenova Engineering, S.L. (at present, Abeinsa Engineering, S.L) and Abengoa, S.A. for an amount of €74 million for costs associated to finishing work in the plant, payments to subcontractors made by Dead Sea Works, liquidated damages, amortization of a loan and the enforcement of bonds The Company submitted an answer to the request for arbitration on January 30, 2019.

- In February 2019, a claim in ordinary proceedings submitted by Zurich Insurance PLC Niederlassung fur Deutschland (hereinafter, Zurich) against Instalaciones Inabensa, S.A., Abener Energía, S.A., y Teyma Gestión de Contratos e Ingeniería, Unión Temporal de Empresas Ley 18/1982, Norte III, Abener Energía, S.A., Abengoa, S.A. and Abener Energía, S.A. e Instalaciones Inabensa, S.A. Nuevo Pemex Tabasco II for an amount of €11 million was received. Abengoa's subsidiaries have submitted a plea to the jurisdiction in due time and in proper form. A negotiated agreement was reached in March 2019 with Zurich, whereby it was agreed to set-off the receivables that the latter held against the Group, basically through the issuance of Senior Old Money convertible notes within the Group's financial restructuring process. On the other hand, it is pending to submit a withdrawal notice pursuant to the terms of the agreements so that the process can be concluded. Until said issuance, the parties have agreed to present the suspension of the procedure.

- In April 2019, a claim in ordinary proceedings initiated by Zurich Insurance PLC Niederlassung fur Deutschland (hereinafter, Zurich) against Abengoa, S.A. for €17 million was received, albeit a negotiated agreement with Zurich had already been reached in 2019 whereby it was agreed to offset the credit rights that they held against the Group basically through the issuance of Senior Old Money convertible notes within the Group's financial restructuring process. On the other hand, it is pending the submission of withdrawal notice pursuant to the terms of the agreements so that the process can be concluded. Until said issuance, the parties have agreed to present the suspension of the procedure.

Note 23.- Third-party guarantees and commitments

23.1. Third-party guarantees

- At the end of the year 2018, the Group deposited to third parties (clients, financial entities, Public Entities and other third parties), directly by the group or by the parent company to other Group companies, various Bank Bond and Surety Insurances as guarantee to certain commitments (Bid bonds, financing performance and others) amounted to €706,430 thousand (€833,543 thousand at December 31, 2017).

  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 €2,526,046 thousand (€4,338,192 thousand at December 31, 2017).

The following table details the guarantees undertaken by the Company classified by commitment type at December 31, 2018:

Typology	Guarantees/Surety Insurance	Guarantees	Total 12.31.2018	Total 12.31.2017
Bid Bond	784	16,117	16,901	32,918
Performance:	**784**	**16,117**	**16,901**	**32,918**
Materials supply	5,189	240,745	245,934	688,428
Advance payments	31,801	-	31,801	42,100
Execution (construction/collection/payments)	645,136	2,266,469	2,911,605	4,341,517
Quality	3,319	-	3,319	25,749
Operation and maintenance	10,140	2,715	12,855	18,166
Dismantling	3,400	-	3,400	3,713
Other	6,661	-	6,661	19,144
Subtotal	**706,430**	**2,526,046**	**3,232,476**	**5,171,735**
Group Company financing guarantees	-	746,922	746,922	1,035,416
Total	**706,430**	**3,272,968**	**3,979,398**	**6,207,151**

Additionally, the breakdown includes the amounts of bank guarantees and guarantees related to companies classified as held for sale amounted to €23 and €95 million respectively (€93 million and €381 million respectively in 2017), being the amount associated to Bioenergy €66 million (€23 million bank guarantees and €43 million of guarantees) and the associated to transmission lines €52 million, entirely related to guarantees. These amounts included, at the end of the 2017 period, €65 million that corresponded to bank guarantees from companies sold during 2017, of which €5 million remain outstanding in the 2018 period.

The most significant variations in guarantees assumed with third parties related to the information presented on the 2017 Consolidated financial statements mainly correspond to the cancellation and maturity of guarantees for execution (construction / collections / payments) and supplies delivered by the Parent Company to a Group company due to the sale of transmission lines in operation in Brazil, Brownfield, (see Note 6.2).

23.2. Contractual obligations

The following table shows the breakdown of the third-party commitments and contractual obligations as of December 31, 2018 and 2017 (in thousands of euros):

2018	Total	Up to one year	Between one and three years	Between three and five years	Subsequent
Loans with credit institutions	1,839,268	1,777,016	29,555	27,058	5,639
Notes and bonds	1,908,344	1,907,228	-	-	1,116
Liabilities due to financial leases	13,991	7,127	2,071	1,367	3,426
Other loans and borrowings	645,546	516,128	35,242	30,824	63,352
Obligations under operating Leases	923	195	282	189	257
Purchase commitments	254,070	253,676	394	-	-
Accrued interest estimate during the useful life of loans	293,507	98,420	150,652	40,377	4,058

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

(*) Liabilities accounted for in the short term due to the transitional status of technical non-compliance described in Note 2.2.3. At the end of December 2018, its contractual maturity is as follows: 2022/2023 for Old Money and 2021 for NM2.

23.3. Pledged Assets

› Related to the pledged assets book value at December 31, 2018, as guarantee of the total debt, the following table shows the breakdown:

Book value	Balance as of 12.31.18(*)	Balance as of 12.31.17 (*)
Property, plants and equipment	113,422	19,710
Fixed assets in projects	1,939,681	2,498,471
Investments accounted for using the equity method	88,637	627,050
Clients and other receivable accounts, financial investments and cash and cash equivalents	275,886	210,261
Total	2,417,626	3,355,492

(*) 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, 2018 and amounts to €1,699 million (€2,924 million in 2017)

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) has been taken into account.

Note 24.- Tax situation

24.1. Application of rules and tax groups in 2017

Abengoa, S.A. and other 78 and 180 consolidated subsidiaries (see Appendixes XI and XVI to these Consolidated financial statements) in 2018 and 2017 respectively, pay taxes under the rules for tax consolidation in Spain under the "Special Regime for Tax Consolidation" Number 2/97. The decrease in the tax group companies is mainly due to the exit of some companies from said group, primarily as a result of the dissolution of companies as a result of a merging process.

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; likewise 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 2018 and 2017 the analysis of deferred tax assets and deferred tax liabilities is as follows:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Tax credits for tax loss carryforwards	19,493	42,817
Tax credits for deductions pending application		
Tax credits for export activities	2,300	9,000
Tax credits for R+D+i	3,600	14,200
Other deductions	26,200	44,101
Temporary differences		
Provisions and Impairment	28,715	59,347
Derivatives financial instruments	461	462
Non-deductible expenses (Art. 20 and 22 LIS, Art. 14 TRLIS, Art. 7 Law 16/2012)	-	155,700
Consolidation adjustments, homogenization adjustments and other	55,940	50,187
Total deferred tax assets	136,709	375,814

Item	Balance as of 12.31.18	Balance as of 12.31.17
Accelerated tax amortization	1,149	1,378
Unrealized exchange differences	20,297	31,633
Derivatives financial instruments	-	12
Restructuring	54,912	432,684
Consolidation adjustments, homogenization adjustments and other	48,700	57,579
Total deferred tax liabilities	125,058	523,286

Tax credits for tax loss carryforwards come primarily from Spain and mainly 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 financial expenses and advisor-related costs. In addition, a decrease of contracts awarded during these last periods in Spain resulted in a lack of new income; hence, the structure was not reduced at the same pace.

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 incorporation of 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 €4 million as of December 31, 2018.

"Other deductions", which have been generated mainly in Spain, correspond primarily to deductions for double taxation (€23 million), and deductions for donations to non-profit organizations (€3 million).

In 2018, the Company has made the best estimates and projections based on the last 10-Year Updated Viability Plan approved by the Company (see Note 2.2.2) 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 €215 million (€416 million in 2017) from the impairment of deferred tax assets in Spain has been recognized at the end of the 2018 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, 2018 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 (€932 million in 2017), with expiration dates in 2034 and 2036; to our Mexican subsidiaries amounting to €391 million maturing in 2025 and 2028 (€356 million in 2017); to our South African subsidiaries amounting to €193 million (€193 million in 2017); to our Chilean subsidiaries amounting €117 million (€117 million in 2017), to our Spanish subsidiaries amounting to €1,985 million (€1,067 million in 2017) and to our Brazilian subsidiaries amounting to €358 million (€350 million in 2017), with no expiration date in these last four jurisdictions. Likewise, it has tax credits for deductions in Spain for an amount of €422 million (€374 million in 2017) with expiration dates between 2021 and 2033.

The movements in deferred tax assets and liabilities during 2018 and 2017 were as follows:

Deferred tax assets	Amount
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
Increase / Decrease through other comprehensive income (equity)	(244,193)
Increase / Decrease through other comprehensive income (equity) for change in tax rate	107
Transfer to assets held for sale	1,638
Change in consolidation, various reclassifications and translation diff.	3,343
As of December 31, 2018	136,709

Deferred tax liabilities	Amount
As of December 31, 2016	172,856
Increase / Decrease through the consolidated income statement	(29,031)
Increase / Decrease through the consolidated due to Restructuration 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
Increase / Decrease through the consolidated income statement	3,657
Increase / Decrease through the consolidated due to Restructuration agreement (*)	(377,772)
Increase / Decrease through other comprehensive income (equity)	(2,909)
Transfers to liabilities held for sale	5,601
Change in consolidation, various reclassifications and translation diff.	(26,805)
As of December 31, 2018	125,058

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

The most significant effect in the movement of deferred tax liabilities associated to the Restructuring is mainly due to the tax impact of the Old Money and New Money 2 debt valuation adjustment to its redemption amount for an amount of €265 million (see Note 2.2.3).

The detail of tax deferred expenses and incomes recognized at the end of the year 2018 and 2017 for each kind of temporary difference and each kind of tax loss carryforward not used is the following (expenses are shown in negative figures while income is shown in positive amounts):

Item	2018	2017
Tax credits for tax loss carryforwards	(25,307)	(78,802)
Tax credits for deductions pending application		
Tax credits for export activities	(6,700)	(23,732)
Tax credits for R+D+i	(10,600)	(14,580)
Other deductions	(17,900)	(6,900)
Temporary differences		
Provisions	(33,120)	(53,599)
Derivatives financial instruments	(2,307)	148
Non-deductible expenses (Art. 20 y 22 LIS, Art. 14 TRLIS, Art. 7 Law 16/2012)	(155,700)	(177,437)
Consolidation adjustments, homogenization adjustments and other	7,441	(77,875)
Total deferred tax assets	(244,193)	(432,777)

Item	2018	2017
Business combination	(4,271)	3,621
Unrealized exchange differences	-	(1)
Restructuration	377,772	(404,121)
Consolidation adjustments, homogenization adjustments and other	614	25,411
Total deferred tax liabilities	374,115	(375,090)

Note 25.- Trade payables and other current liabilities

25.1. Trade payables and other current liabilities as of December 31, 2018 and December 31, 2017 are shown in the following table:

Concept	Balance as of 12.31.18	Balance as of 12.31.17
Trade payables for purchases of goods	788,518	1,216,265
Trade payables for services	338,342	394,767
Billings in excess and advance payments from clients	124,586	150,379
Remunerations payable to employees	24,844	11,204
Suppliers of intangible assets current	2,212	3,089
Other accounts payables	82,007	106,513
Total	1,360,509	1,882,217

At December 31, 2018 the total amount of trade payables and other current payables due and unpaid (principal and interest) amounted to €533 million in 2018 (€583 million in 2017).

Balances with related parties at the closing of 2018 and 2017 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, 2018 and December 31, 2017:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Non-group amounts payable through Confirming	41,242	63,625
Group amounts payable through Confirming	1,254	3,968
Total	42,496	67,593

Related to these amounts, there are no deposits and cash recorded under assets in the Consolidated Condensed Statement of Financial Position associated with payment of "non-recourse confirming" (€0.4 million as of December 31, 2017).

Finally, it has been reclassified as Corporate financing an amount of €15 million (€38 million in 2017) relating to due and not paid confirming transactions (principal and interests) and additionally, €23 million (€26 million in 2017) related to companies held for sale.

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

Maturity	Balance as of 12.31.18	Balance as of 12.31.17
Up to 3 months	60,247	392,277
Between 3 and 6 months	45,038	59,454
Over 6 months	683,233	764,534
Total	788,518	1.216.265

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 554 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:

Item	Days	
	2018	2017
Average payment period	554	463
Paid operations ratio	455	245
Pending payments ratio	626	712

Item	Amount	
	2018	2017
Payments	253,947	601,732
Pending payments	346,557	526,436

As explained in Note 4, the Group is conducting an active policy in the management of providers, with special focus on the oldest balances, aiming to reach trade, financing or restructuring agreements for its debt that allow to accommodate the repayment of its obligations to the generation of future cash flow.

Note 26.- Construction contracts

Further to the information set out in Note 2.25.b) relating to the accounting treatment of construction contracts, the table below includes aggregated information on outstanding construction contracts to which IFRS 15 was applied at the end of the years 2018 and 2017:

Construction contracts	2018
Operating revenues	948,337
Billings in excess and advance payments received (*)	120,781
Payment withholdings (*)	10,730
Account receivables (*)	456,455
Account payables (*)	914,856

Construction contracts	2017
Operating revenues	1,150,668
Billings in excess and advance payments received (*)	147,459
Payment withholdings (*)	13,920
Account receivables (*)	625,979
Account payables (*)	1,297,596

(*) Amounts valued on the basis of IFRS 9 (2018) and IAS 39 (2017).

The amount of unbilled revenue by the closing of the years 2018 and 2017 is €125,240 and €211,849 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, 2018 amount to €3,292,839 thousand and €476,828 thousand respectively (€5,131,117 thousand and €353,600 thousand in 2017).

Note 27.- Revenues

The breakdown of Revenues for the years 2018 and 2017 is as follows:

Item	2018	2017
Construction contracts	948,337	1,150,668
Other contracts with clients	163,322	165,956
Concession assets	191,067	163,144
Total revenue	1,302,726	1,479,768

"Other contracts with customers" includes, primarily, revenue from project management and operation and maintenance (O&M) services rendered to third-party infrastructures.

Note 28.- Other operating income and expenses

The table below shows the detail of Other Operating Income and Expenses for the years 2018 and 2017:

Other operating income	2018	2017
Work performed by the entity and capitalized and other	2,255	19,753
Grants	349	6,764
Income from various services	77,208	135,352
Total	79,812	161,869

Other operating expenses	2018	2017
Research and development cost	-	311
Leases and fees	(39,755)	(43,040)
Repairs and maintenance	(32,393)	(26,508)
Independent professional services	(154,629)	(196,504)
Transportation	(5,626)	(9,512)
Supplies	(16,965)	(22,755)
Other external services	(38,858)	(39,782)
Taxes	(13,909)	(19,812)
Other minor management expenses	(36,010)	(40,450)
Total	(338,145)	(398,052)

"Income from various services" includes operating income other than income from contracts with customers recognized under Revenues. In 2017, it included the positive balance derived from the Norte III sale.

The decrease in Other operating expenses in the 2018 period with respect to 2017 has been caused by lower overhead costs, as well as by a reduction of the expenses in services from independent professionals due to the lower expenses in advisors to the restructuring process as compared with the previous year.

Note 29.- Employee benefit expenses

The breakdown of employee benefit expense for 2018 and 2017 is as follows:

Item	2018	2017
Wages	(259,149)	(285,008)
Social security costs	(63,078)	(55,174)
Other employee benefits	(4,437)	(3,974)
Total	(326,664)	(344,156)

Variable remuneration plans

There is currently a long-term variable remuneration plan 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 2018 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, 2018, the amount recognized in the profit and loss statement has reached €3,9 million.

2) Long-term variable remuneration of executive directors 2017-2020

Directors, in their capacity as directors, will be entitled to receive additional remuneration, in a single payment, equal to half the amount of the aggregate remuneration due to each of them for the performance of the office of director and of positions therein and in Board committees (excluding remuneration for executive functions) from November 22, 2016 until December, 31 2020 (including directors who have served only during part of the time, provided they have done so for at least one year), if the members of the team who are beneficiaries of the long-term incentive plan for the period 2017-2020 approved by the Board of Directors at its meeting on May 24, 2017 earn the right to receive variable remuneration under the Plan, in relation to the multi-year variable remuneration of the Executive Chairman as a director with executive functions.

The maximum amount of this single payment, if accrued, will be €2.3 million in addition to the annual remuneration for the year 2020.

At December 31, 2018, the amount recognized in the profit and loss statement for this remuneration plan for directors has reached €0.6 million.

The Extraordinary General Shareholders' Meeting approved, on March 28, 2019, an amendment to the Remuneration Policy for directors applicable to the 2019 and 2020 periods (inclusive) by which said Policy will include, as multi-year variable remuneration of the board members for their performance of their executive duties and for the aforesaid periods, the amounts accrued under a new long-term incentive plan for 2019-2024 with the goal of engaging the executive board member (Executive Chairman) and the Group's key executive team (up to a maximum of 25 directors) with the creation of value for the Company through the observance of its strategic plan for said period For the purposes of the provisions set forth in the second paragraph of article 529 novodecies the Appointments and Remuneration Committee drafted a specific report on this regard.

The amounts accrued under said incentive plan will constitute multi-year variable remuneration for the Executive Chairman and remaining beneficiaries and will be payable in shares both of the Company (Class-A shares) and of its subsidiary, Abengoa Abenewco 1, S.A.U., in the event that the Plan requirements and conditions which are linked, among other matters, to the Abengoa and SOM (Senior Old Money) debt market price revalorization, are met. Should said requirements and conditions be met, the Executive Chairman will receive:

- For the part related to Abengoa, a maximum amount of 1,630,000 Class A shares (with the threshold limits and conditions explained above).

- For the tranche assigned to Abenewco1, a maximum amount of approximately 20% the accrued amount.

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 2018 and 2017:

Finance income	2018	2017
Interest income from loans and credits	3,113	3,111
Interest rates benefits derivatives: cash flow hedges (Note 14)	519	18,111
Interest rates benefits derivatives: non-hedging (Note 14)	3,537	-
Total	7,169	21,222

Finance expenses	2018	2017
Expenses due to interest:		
- Loans from credit entities	(209,858)	(306,546)
- Other debts and bonds	(196,173)	(129,988)
Interest rates losses derivatives: cash flow hedges (Note 14)	(11,261)	(1,445)
Interest rates losses derivatives: non-hedging (Note 14)	-	(115)
Total	(417,292)	(438,094)
Net financial loss	(410,123)	(416,872)

Finance income has decreased at the end of the year 2018 compared to the previous year, mainly due to transfer to the gains/losses of the interest rate hedging derivatives accrued in the Financial Restructuring Agreement and to lower financial returns due to the reduction of fixed term deposits.

At the end of the year 2018, financial expenses have decreased in comparison with the same period of 2017, mainly due to lower expenses to interest has decreased the financial debt by the debt write-offs made in the Financial Restructuring Agreement (see Note 2.2.3) to the partial amortization of New Money 1 during the first and last quarters of the year.

Finance expenses of liabilities at amortized cost amounted to €1,467,573 thousand, included under "Finance expenses – Interest expense" of this Note 30.1 as well as under "Finance expenses due to restructuring" in Note 30.3.

30.2. Net exchange differences

The following table sets out the exchange rate differences for the years 2018 and 2017:

Net exchange differences	2018	2017
Gains and losses from foreign exchange transactions	13,822	50,775
Gains and losses from foreign exchange contracts: cash flow hedges	-	(569)
Total	13,822	50,206

The variation in net exchange differences are mainly due to the impact of the dollar's appreciation against the euro on the Group's financial debt nominated in US dollars.

30.3. Other net finance income and expenses

The following table sets out "Other net finance income and expenses" for the six months period ended 2018 and 2017:

Other finance income	2018	2017
Profits from the sale of financial assets	346	333
Income on financial assets	14,257	453
Financial Income due to Restructuring (*)	68,432	6,376,379
Other finance income	14,245	1,341
Total	97,280	6,378,506

Other finance expenses	2018	2017
Loss from sale of financial assets	(124)	(53)
Outsourcing of payables	(491)	37
Financial Expenses due to Restructuration (*)	(1,061,542)	-
Other financial losses	(197,562)	(256,346)
Loss derived from commodity price derivatives: cash flow hedge	(16)	(155)
Total	(1,259,735)	(256,517)
Other net finance income/expenses	(1,162,455)	6,121,989

(*) Non-monetary impacts eliminated in the Consolidated cash flow statements under the heading "Perimeter variation and other non-monetary impacts".

The heading "Other financial income" corresponds in 2017 to the positive impact of the financial restructuring of the Group's financial debt (see Note 2.2.3).

"Other financial expenses" includes in 2018 the recognition of the Old Money and New Money 2 at its redemption value for an amount of €1,060 million under "Finance expenses due to restructuring" (see Note 2.2.2.) and, to a lesser degree, the impact caused by the discount of the assignment of rights with Atlantica Yield (see Note 33.2) to recovery of a debt and the guarantees enforced as a result of the Company's current situation.

The net amount of "Other net finance income and expenses" related to companies with Project finance is a loss of €400 thousand (an expense of €28,045 thousand at December 31, 2017).

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 2018 and 2017:

Fair value gains on derivative financial instruments	2018	2017
Change in fair value of the embedded derivative of convertible debt and shares options	-	109
Non-cash profit/(losses) from cash flow hedges	(10,742)	4,914
Non-cash profit/(losses) from derivatives - non-hedge accounting	3,537	(115)
Other non-cash gains/losses on derivative instruments	(16)	(155)
Fair value gains (losses) on derivative financial instruments (non cash items)	(7,221)	4,753
Cash gains (losses) on derivative financial instruments (monetary effect)	-	11,182
Total fair value gains / (loss) on derivative financial instruments (Notes 30.1, 30.2 and 30.3)	(7,221)	15,935

Note 31.- Income tax

31.1. The detail of tax rate for the period 2018 and 2017 is as follows:

Item	2018	2017
Current tax	(261,506)	(16,859)
Deferred tax	129,922	(807,867)
Total income tax benefit/(expense)	(131,584)	(824,726)

Corporate income tax has entailed an expense of €132 million at December 31, 2018, compared against the €825 million tax expense for the same period in 2017, mainly due to the corporate income tax expense recognized in the 2017 period resulting from the profit that arose upon the restructuring of the Group's financial debt (see Note 2.2.3.), as well as to the tax effect that the financial expense recognized after adjusting the Old Money and New Money debt at redemption value has entailed for the 2018 period (see Note 24.2). This effect has been offset by the impairment on certain tax credits recognized in the period based on the new 10-year Viability Plan that has been approved.

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 2018 and 2017 is as follows:

Item	2018	2017
Consolidated profit before taxes	(1,303,054)	5,404,563
Regulatory tax rate	25%	25%
Corporate income tax at regulatory tax rate	325,764	(1,351,141)
Income tax of associates, net	26,850	(14,694)
Differences in foreign tax rates	(5,974)	13,331
Incentives, deductions and tax losses carryforwards	(293,045)	(511,942)
Restructuration	-	1,130,948
Other non-taxable income/(expense)	(185,179)	(91,228)
Corporate income tax	(131,584)	(824,726)

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, the regularization of the tax expense of the previous year, as well as certain permanents 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 the period.

Item	2018	2017
(Losses) / Profit from continuing operations attributable to equity holders of the company	(1,444,830)	4,579,044
(Losses) / Profit from discontinuing operations attributable to equity holders of the company	(53,031)	(301,274)
Average number of ordinary shares outstanding (thousands)	**18,836,119**	**14,608,342**
(Losses) / Earnings per share from continuing operations (€ per share)	(0.077)	0.31
(Losses) / Earnings per share from discontinuing operations (€ per share)	(0.003)	(0.02)
(Losses) / Earnings per share from profit for the year (€ per share)	**(0.080)**	**0.29**

32.2. Diluted earnings per share

To calculate the diluted earnings per share, the average weighted number of ordinary shares issued and outstanding is adjusted to reflect the conversion of all the potential diluting ordinary shares.

The potential diluting ordinary shares held by the group correspond to the warrants on Class A and Class B shares issued in the capital increase carried out on March 28, 2017 on the financial restructuring (see Note 2.2.3). The assumption is that all warrants are exercised and a calculation is made to determine the number of shares that may have been acquired at fair value based on the monetary value of the subscription rights of the warrants still to be exercised. The difference between the number of shares issued assuming the exercise of the warrants, and the number of shares calculated based on the above, is included in the calculation of the diluted earnings per share.

Item	2018	2017
Profit for the year		
- (Loss)/Profit from continuing operations attributable to equity holders of the company	(1,444,830)	4,579,044
- (Loss)/Profit from discontinuing operations attributable to equity holders of the company	(53,031)	(301,274)
Profit for the year attributable to the parent company	**(1,497,861)**	**4,277,770**
Average weighted number of ordinary shares outstanding (thousands)	18,836,119	14,608,342
- Warrants adjustments (average weighted number of shares in outstanding since issue)	867,885	880,770
Average weighted number of ordinary shares affecting the diluted earnings per share (thousands)	**19,704,004**	**15,489,112**
Diluted (losses) / earnings per share from continuing operations (€ per share)	(0.077)	0.30
Diluted (losses) / earnings per share from discontinuing operations (€ per share)	(0.003)	(0.02)
Diluted (losses) / earnings per share to the profit for the year (€ per share)	**(0.080)**	**0.28**

As Note 2.2.2. explains, the restructuring process contemplates the issue of convertible instruments over the shares of the Abenewco 2 y Abenewco 2 Bis subsidiaries to Old Money creditors, and these are expected to have a dilutive effect when converted.

These instruments resulted to be anti-dilutive at the end of the 2018 period.

Note 33.- Other information

33.1. Personal

› The average number of employees classified by category during the years 2018 and 2017 was:

	Average number of employees in 2018			Average number of employees in 2017		
Categories	Female	Male	% Total	Female	Male	% Total
Directors	26	214	1.8	32	287	2.3
Management	155	696	6.3	217	831	7.5
Engineers	467	1,144	11.9	632	1,528	15.6
Assistants and professionals	388	678	7.9	543	1,347	13.6
Operators	587	9,081	71.7	526	7,886	60.6
Interns	19	37	0.4	25	28	0.4
Total	1,642	11,850	100.0	1,975	11,907	100.0

During the year 2018 the average number of employees is 20.3% in Spain (24% in 2017) and 79.7% abroad (76% in 2017).

The average number of employees during the year with disabilities above or equal to 33% is 38 (48 in 2017).

› The total number of people employees classified by category as of December 31, 2018 and 2017 is as follows:

	12.31.2018			12.31.2017		
Categories	Female	Male	% Total	Female	Male	% Total
Board of Directors	1	6	0.1	1	6	0.0
Directors	25	192	1.6	27	242	2.2
Management	145	691	6.2	168	753	7.4
Engineers	455	1,056	11.3	508	1,349	14.9
Assistants and professionals	351	624	7.2	479	1,335	14.5
Operators	553	9,284	73.1	396	7,182	60.8
Interns	27	47	0.5	12	17	0.2
Total	1,557	11,900	100.0	1,591	10,884	100.0

The “Directors-Male” heading includes the members of the Group’s Senior Management, which is composed of 6 people.

The 20.6% (22.5% in 2017) people are located in Spain while the remaining 79.4% (77.5% in 2017) are abroad.

33.2. Transactions with related parties

No dividends have been distributed to related parties during the year 2018 and 2017.

On March 31, 2017, the Restructuring Completion Date took place, leading to significant changes in the Company’s shareholder structure (see Note 2.2.1.2).

In this respect, as of December 31,2018 and 2017 according to information received by the Company in compliance with the regulations with respect to shareholder percentages and according to information facilitated by related companies as well, the most significant shareholders are:

	2018 Significant shares	
Shareholders	Direct Share %	Indirect Share %
Banco Santander, S.A.	3.45	-
Secretary of State for Trade - Ministry of industry, trade and tourism	3.15	-

	2017 Significant shares	
Shareholders	Direct Share %	Indirect Share %
Banco Popular Español, S.A.	3,63	-
Banco Santander, S.A.	0,34	3,63

During 2018, the only transactions related to related parties were as follows (in millions of euros):

	Exposures to related parties			
Shareholders	New Bonding (bonds)	New Money (debt)	Old Money (debt)	Interim Finance
Banco Santander, S.A.	136,0	114,8	52,5	67,2
ICO	-	11,2	41,1	-

During 2018, the only transactions related to related parties were as follows:

- On March 9, 2018 the sale of 25% Atlantica Yield was completed for a total price of USD 607.6 million (see Note 6.2.).
- On November 27, 2018, the sale of all Atlantica Yield shares, by which the company "Algonquin" acquired 16.47% of the remaining shares that Abengoa S.A. held up to that moment, was completed (see Note 6.2.).

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

In this respect, and in relation to the transactions conducted with Atlantica Yield during the 2018 period, the Group holds contracts 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.

In addition to the above, the following agreements with Atlantica Yield are still in force at December 31, 2018.

- 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 or credit letter in force.
- Estoppel Agreement and Second Omnibus Agreement and Amendment in relation to the obligations derived from the construction of the Solana solar thermal power plant.
- Omnibus Agreement & Amendment in relation to the obligations derived from the construction of the Mojave solar thermal power plant.
- Sale of Mojave and Solana land plots in consideration for certain repair operations, there being an option agreement for the repurchase thereof under certain circumstances. The sale price and repairs shall be regulated under the Financial Support Agreement.
- Coordination Agreement between Abengoa S.A, Abengoa Solar España S.A.U., Atlantica Yield Plc and ABY Concessions Infrastructures, S.L.U., based on which certain guarantees for the obligations undertaken in the Second Omnibus Agreement and in the O&M agreements for the plants are established.
- Indemnity Agreement: Agreement by which Abengoa agrees to indemnify Algonquin in the event that a reduction in the annual dividend distributed by Atlantica Yield derived from the performance of the power plants takes place, limited by a CAP of USD 0.30 per share and compensable with the "earn-out" agreed upon in the sale of 25% of Atlantica Yield shares (see Note 6.2.b)).
- In April 2018, Abengoa, S.A. and ABY Concessions Infraestucture, S.L.U (an Atlantica Yield subsidiary) reached an agreement by which Abengoa sold certain rights to recovery of debt over certain solar plants owned by Atlantica Yield to ABY Concessions.

The detail of pending balances arisen from transactions with companies accounted by the equity method included in the consolidated statement of financial position at the end of the 2018 and 2017 periods is as follows:

Item	Balance as of 12.31.18	Balance as of 12.31.17
Non-current financial investments	199	45,514
Clients and other receivables	2,585	87,430
Current financial investments	-	9,263
Trade payables and other current liabilities	14,320	20,868

At the end of the 2017 period, the main balances with Atlantica Yield companies correspond, for the most part, to €56 million classified under Trade and other receivables and €45 million classified as Non-current financial investments derived from Operation and Maintenance agreements.

On the other hand, the detail of transactions made with companies accounted by the equity method included in the consolidated statement of financial position at the end of the 2018 and 2017 periods is as follows:

Item	2018	2017
Revenues	86,292	190,134
Other operating income	145	3,278
Raw materials and consumables used	(170)	(101)
Other operating expenses	(1,198)	(2,634)
Financial income	-	98
Other financial income/(expense), net	1,044	10,135
Other income (see Note 6.2)	108,202	-

The main transactions correspond to the Atlantica Yield and Xina Solar One companies and break down as follows:

- Transactions with project companies owned by Atlantica Yield which amounts to €79 million (€78 million in 2017) classified under the heading of "Revenues" mainly derived from the operations and maintenance contracts mentioned above. Additionally, an impact of €108 million for the sale of Atlantica Yield has been registered in Other Income (See Note 6.2).
- Transactions with the company that owns the Xina Solar One project in the amount of €7 million (€112 million in 2017), 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

- Directors are remunerated as established in article 39 of the Bylaws. Directors' remuneration shall consist of all or some of the following concepts, for a total combined amount that shall be agreed 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 delivery 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.

The General Meeting of Shareholders held on June 25, 2018 approved, among other matters, to ratify and appoint Mr. Piqué Camps as independent board member appointed through the interim procedure on July 13, 2017 for a four year period.

As a consequence of the above, the Board of Directors and its committees at the end of the year was as follows:

Board of Directors

- President: Gonzalo Urquijo Fernández de Araoz (Executive)
- Lead Independent Director: Manuel Castro Aladro (Independent)
- Members:
  - José Luis del Valle Doblado (Independent board member)
  - José Wahnon Levy (Independent board member)
  - Ramón Sotomayor Jáuregui (Independent board member)
  - Pilar Cavero Mestre (Independent board member)
  - Josep Piqué Camps (Independent board member)
- Non-Member Secretary: Daniel Alaminos Echarri
- Non-Member Vice Secretary: Mercedes Domecq Palomares

Audit Committee

- President: José Wahnon Levy
- Members:
  - José Luis del Valle Doblado
  - Manuel Castro Aladro
- Non-Member Secretary: Daniel Alaminos Echarri

Appointments and Remuneration Committee

› President: Pilar Cavero Mestre

› Members:

- Josep Piqué Camps
- Ramón Sotomayor Jáuregui

› Non-Member Secretary: Juan Miguel Goenechea Domínguez

Notwithstanding the above, following the period end, the Secretary to the Committee submitted his resignation for personal reasons. The Board of Directors' meeting held on February 25, 2019 has accepted the resignation of Juan Miguel Goenechea Dominguez as Secretary of the Appointments and Remunerations Committee due to personal reasons and has unanimously approved to appoint Miguel Temboury as new Secretary to such Committee.

› The remunerations accrued during the 2018 period by the Board of Directors' members as a whole is as follows (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 2018
Gonzalo Urquijo Fernández de Araoz	1,000	-	80	366	-	-	39	1,485
Manuel Castro Aladro	-	-	90	-	10	-	-	100
José Wahnon Levy	-	-	80	-	20	-	-	100
Pilar Cavero Mestre	-	-	80	-	20	-	-	100
José Luis del Valle Doblado	-	-	80	-	10	-	-	90
Ramón Sotomayor Jáuregui	-	-	80	-	10	-	-	90
Josep Piqué Camps	-	-	80	-	10	-	-	90
Total	1,000	-	570	366	80	-	39	2,055

› Remunerations paid during the 2017 period to the Board of Directors' members as a whole is as follows (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 Araoz	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 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 thousand, the 2018 estimate. Said amount is subject, in any case, to the successful compliance with the goals established for said remuneration whose maturity has been set for December 31, 2020.

› In addition, the remuneration accrued by the Group's Senior Management (Senior Management members who do not concurrently hold an executive director role and with the instruction to receive total remuneration during the period) has reached for all concepts, be it fixed or variable, €2,718 thousand (€3,240 thousand in 2017), during the 2018 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 Senior Management is uniformly accrued throughout the year.

› 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. The payment of severance pay or benefits is only envisaged in the event of termination concerning the performance of executive duties that, as applicable, they may be executing, as detailed below:

- The business contract of the Executive Chairman, in the event of its termination (except if said termination is due to voluntary resignation - excluding from said consideration the termination caused by the Executive Chairman himself with regards to a change of control over the group -, death or incapacity, or the non-performance of his obligations), entitles him to compensation equivalent to two years of his fixed and variable annual salary, one of the annual payments being in fulfilment of a non-competition clause.

- On the other hand, senior management contracts for members of the Executive Committee (with the exception of Executive Chairman, whose compensation is set out in the previous paragraph) 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.

› Abengoa counts with a civil liability insurance policy that covers the members of the Board of Directors, executives and people whose duties are similar to those of executives. This policy's premium reaches a total amount of €531 thousand.

› There are no advances or loans granted to all the members of the Board of Directors, nor any obligations assumed with them.

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.

At December 31, 2018. the members of the Board are also members of the board of directors of Abengoa Abenewco 1, S.A.U., a subsidiary fully owned indirectly by the Company.

33.5. Audit fees

The fees and costs obtained by PriceWaterhouseCoopers Auditores, S.L. and other associated companies and other auditors are the following:

	2018			2017		
Concept	PWC	Other auditors	Total	Deloitte	Other auditors	Total
Audit fees	1,625	354	1,979	2,304	529	2,833
Other verification services	-	180	180	84	-	84
Tax fees	28	550	578	7	1,419	1,426
Other services	54	1,799	1,853	-	377	377
Total	1,707	2,883	4,590	2,395	2,325	4,720

The verification services performed by the account auditor during the 2018 period amounted to €350 thousand.

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 2018, 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

After-closure of December 31, 2018, no events have occurred that might significantly influence the financial information detailed in this report, nor has there been any event of significance to the Group as a whole.

02.7 Appendices

Appendix I – Subsidiary companies included in the 2018 Consolidation Perimeter using the global integration method

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
A3T Holdco España, S.A	Seville (ES)	344,307	100	Abengoa Greenbridge, S.A.U./Abengoa Abenewco 1, S.A.U./Abener Energía, S.A.U./ Negocios Industriales y Comerciales, S.A.	-	(1)	A
A3T LuxCo 1 S.A	Luxembourg (LU)	259,030	100	A3T LuxCo 2 S.A.R.L	-	(1)	C
A3T LuxCo 2 SARL	Luxembourg (LU)	258,876	100	A3T Holdco España, S.A / Abener Energia S.A.	-	(1)	C
Abacus Project Management of Arizona, LLC.	Arizona (US)	1	100	Teyma Construction USA, LLC	-	(1)	-
Abacus Project Management, Inc.	Arizona (US)	4,052	100	Abeinsa Holding Inc.	-	(1)	-
Abeanza Brasil, S.A.	Rio de Janeiro (BR)	-	100	Abeinsa Inversiones Latam, S.L./Sociedad Inversora Lineas de Brasil, S.L. (ETVE)	-	(1)	-
Abeima India, Pvt. Ltd.	Chennai (IN)	7,654	100	Abengoa Agua, S.A.	-	(1)	C
Abeima Jodiya Private Limited	Mumbai (IN)	2	100	Abengoa Agua, S.A.	(*)	(1)	-
Abeima Maroc, S.A.R.L.	Agadir (MA)	-	100	Abengoa Agua, S.A.	(*)	(1)	-
Abeima Teyma Infraestructure Ghana Limited	Accra (GH)	6,421	100	Abengoa Agua, S.A./Abener Energía, S.A.U.	-	(1)	C
Abeima Teyma Zapotillo SRL de CV	Mexico D.F. (MX)	209,905	100	Abengoa Agua, S.A./Abener Energía, S.A.U.	-	(1)	C
Abeima USA, LLC.	Delaware (US)	1	100	Abeinsa Business Development, LLC	-	(1)	-
Abeinsa Abeima Teyma General Partnership	Arizona (US)	4	100	Abeima USA, LLC./ Teyma Construction USA, LLC./ Abeinsa EPC, LLC.	-	(1)	-
Abeinsa Abener Teyma General Partnership	Arizona (US)	4	100	Teyma Construction USA LLC./Abener Construction Services, LLC./Abeinsa EPC, LLC.	-	(1)	-
Abeinsa Abener Teyma Reno General Partnership	Phoenix (US)	-	100	Abeinsa EPC LLC/ Abener Construction Services LLC / Teyma Construction USA,LLC	-	(1)	-
Abeinsa Asset Management, S.L.	Seville (ES)	24,363	100	Abener Energía, S.A.U./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa Business Development (Pty) Ltd.	Johannesburg (ZA)	-	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)	C
Abeinsa Business Development S.A.C.	Lima (PE)	-	100	Abeinsa Business Development, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa Business Development S.a.R.L./ A.U	Casablanca (MA)	-	100	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Business Development, LLC	Missouri (US)	268,914	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)	536,153	100	Abener Energía, S.A.U./ Negocios Industriales y Comerciales, S.A.	-	(1)	A
Abeinsa Business Development México, S.A. de C.V.	Mexico D.F. (MX)	-	100	Abeinsa Business Development, S.A./ Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa Engineering Private Limited	Mumbai (IN)	270	100	Abeinsa Engineering, S.L./ Abener Energía, S.A.U.	-	(1)	C
Abeinsa Engineering, Inc.	Arizona (US)	37	100	Abeinsa Engineering, S.L.	-	(1)	-
Abeinsa Engineering, S.A. de CV.	Mexico D.F. (MX)	875	100	Abeinsa Engineering, S.L./Abener Energía, S.A.U.	-	(1)	B
Abeinsa Engineering, S.L.	Seville (ES)	31,795	100	Abener Energía, S.A.U.	-	(1)	A
Abeinsa EPC Kaxu Pty Ltd.	Johannesburg (ZA)	61,689	92	Abener Energía, S.A.U.	-	(1)	A
Abeinsa EPC Khi Pty Ltd.	Johannesburg (ZA)	71,662	92	Abener Energía, S.A.U.	-	(1)	A
Abeinsa EPC México, S.A de C.V	Mexico D.F. (MX)	859	100	Abener Energía, S.A.U./ ASA Iberoamérica, S.L.	-	(1)	A
Abeinsa EPC South Africa (Pty) Ltd	Cape Town (ZA)	-	100	Abener Energía, S.A.U.	-	(1)	-
Abeinsa EPC Xina (Pty) Ltd.	Cape Town (ZA)	-	92	Abener Energía, S.A.U.	-	(1)	-
Abeinsa EPC, LLC.	Arizona (US)	56,424	100	Abeinsa, LLC.	-	(1)	-
Abeinsa EPC, S.A.	Seville (ES)	754	100	Abener Energía, S.A.U.	-	(1)	A
Abeinsa Holding, Inc.	Delaware (US)	1,990	100	Abengoa US Holding, LLC.	-	(1)	-
Abeinsa Inversiones Latam, S.L.	Seville (ES)	478,811	100	Asa Iberoamérica, S.L./Abener Energía, S.A.U.	-	(1)	A
Abeinsa Is Gelistirme Limited Sirketi	Ankara (TR)	5	100	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Monterrey VI, S.A. de C.V.	Mexico D.F. (MX)	2	100	Abengoa México, S.A. de CV/ Abener Energía, S.A.U.	-	(1)	-
Abeinsa Norte III, S. A. de C. V.	Mexico D.F. (MX)	3	100	Abener Energía, S.A.U./Abener México, S.A. de C.V.	-	(1)	-
Abeinsa Operation and Maintenance, S.A.U.	Seville (ES)	2,938	100	Abengoa Abenewco 1, S.A.U.	-	(1)	C
Abeinsa Salalah LLC	Ruwi (OM)	8,839	70	Abengoa Agua, S.A.	-	(1)	C
Abeinsa, LLC.	Delaware (US)	87,644	100	Abengoa North America, LLC	-	(1)	-
Abelec, S.A.	Santiago de Chile (CL)	2	100	Abengoa Chile, S.A./Abengoa Abenewco 1, S.A.U.	-	(2)	-
Abencor Brasil Ltda.	R. de Janeiro (BR)	-	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	Mexico D.F. (MX)	3	100	Abencor Suministros, S.A./Abengoa México, S.A. de C.V.	-	(1)	-
Abencor Perú	Lima (PE)	185	99.98	Abencor Suministros S.A.	-	(1)	-
Abencor South Africa Pty Ltd	Upington (ZA)	-	100	Abencor Suministros, S.A.	-	(1)	-
Abencor Suministros Chile, S.A.	Santiago de Chile (CL)	1	100	Abencor Suministros, S.A / Abengoa Chile S.A.	-	(1)	-
Abencor Suministros S.A.	Seville (ES)	55,148	100	Negocios Industriales y Comerciales, S.A./Abener Energía, S.A.U.	-	(1)	A
Abener Argelia	Seville (ES)	4	100	Abener Energía, S.A.U.	-	(1)	-
Abener Construction Services, LLC.	Missouri (US)	229,206	100	Abeinsa Business Development, LLC	-	(1)	-
Abener Energía, S.A.U.	Seville (ES)	1,431,577	100	Abengoa Abenewco 1, S.A.U.	-	(1)	A
Abener Energie S.A.R.L.	Ain beni (MA)	3	100	Abener Energía, S.A.U.	-	(1)	-
Abener México, S.A. De C.V.	Mexico 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)	955	100	Abener Construction Services, LLC.	-	(1)	-
Abener North America Construction, L.P.	Missouri (US)	96,335	100	Abener Construction Service, LLC /Abener North America Construction Services, Inc.	-	(1)	-
Abener Teyma Hugoton General Partnership	Missouri (US)	9	100	Teyma Construction USA LLC/Abener Construction Services, LLC.	-	(1)	-
Abener Teyma Mojave General Partnership	Missouri (US)	185,922	100	Abeinsa Holding Inc./Abener North America Construction Services, L.P.	-	(1)	-

Appendix I – Subsidiary companies included in the 2018 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Abener, Abeinsa, for Construction, Water and Energy Company Limited	Riyadh (SA)	524	100	Abener Energía, S.A.U./ Abengoa Agua, S.A.	-	(1)	C
Abengoa Abenewco 1, S.A.U.	Seville (ES)	2,549,056	100	Abengoa Abenewco 2, S.A.U.	-	(1)	A
Abengoa Abenewco 2, S.A.U.	Seville (ES)	1,286,430	100	Abengoa S.A.	-	(1)	A
Abengoa Abenewco 2 Bis, SA sociedad unipersonal	Seville (ES)	60	100	Abengoa Abenewco 2, S.A.U.	(*)	(1)	-
Abengoa Africa Investments LLC	England (GB)	14	100	South Africa Solar Ventures, S. L.	-	(1)	C
Abengoa Agua, S.A	Seville (ES)	616,931	100	Abengoa Abenewco 1, S.A.U.\Abeinsa Business Development, S.A../Negocios Industriales y Comerciales, S.A	-	(1)	A
Abengoa Agua LLC	Riyadh (SA)	-	100	Abengoa Agua, S.A.	(*)	(1)	-
Abengoa Bioenergía Agroindustria Ltda	Sao Paulo (BR)	451,766	100	Abengoa Bioenergia Brasil, S.A./Abengoa Bioenergia Santa Fe, Ltda.	-	(3)	-
Abengoa Bioenergia Brasil, S.A.	Sao Paulo (BR)	1,009,656	100	Asa Bioenergy Holding AG./Abengoa Bioenergia, S.A.	-	(3)	-
Abengoa Bioenergia Inovações Ltda.	Sao Paulo (BR)	335,509	100	ASA Bioenergy Holding, AG/ Abengoa Bioenergia Santa Fe, Ltda.	-	(3)	-
Abengoa Bioenergía Inversiones, S.A.	Seville (ES)	1,050,748	100	Abengoa Bioenergía, S.A./Abengoa Bioenergía Nuevas Tecnologías, S.A.	-	(3)	A
Abengoa Bioenergía Nuevas Tecnologías, S.A.	Seville (ES)	91,568	100	Abengoa Bioenergía, S.L./Instalaciones Inabensa, S.A.U.	-	(3)	A
Abengoa Bioenergía Santa Fe, Ltda.	Sao Paulo (BR)	270	100	Abengoa Bioenergia Brasil, S.A./Abengoa Bioenergia Trading Brasil Ltda.	-	(3)	-
Abengoa Bioenergia Trading Brasil Ltda	Sao Paulo (BR)	-	100	Abengoa Bioenergia Brasil, S.A./Abengoa Bioenergia Agroindústria, Ltda .	-	(3)	-
Abengoa Bioenergía, S.A.	Seville (ES)	115,359	100	Abengoa Abenewco 1, S.A.U./Sociedad Inversora Energía y Medio Ambiente, S.A.	-	(3)	A
Abengoa Bioenergy Germany, GmbH	Rostock (DE)	11,859	100	Abengoa Bioenergía Inversiones, S.A.	-	(3)	-
Abengoa Bioenergy New Technologies, LLC.	Missouri (US)	758	100	Abengoa US, LLC	-	(3)	-
Abengoa Brasil Logística Ltda.	Rio de Janeiro (BR)	23,731	100	Abengoa Construçao Brasil, Ltda./ Inabensa Rio Ltda	-	(1)	-
Abengoa Brasil Fornecimento S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(1)	-
Abengoa Chile, S.A.	Santiago de Chile (CL)	44,063	100	Abeinsa Inversiones Latam, S.L./Teyma Abengoa, S.A.	-	(1)	A
Abengoa Cogeneraçao de Energia, S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(1)	-
Abengoa Colombia, S.A.S.	Bogotá (CO)	1,940	100	Abengoa Perú, S.A./Abener Energía, S.A.U./Abengoa Agua, S.A.	-	(1)	-
Abengoa Concessions Investments Ltd.	Leeds (GB)	646,669	100	Abengoa Concessions, S.L./ Abener Energía, S.A.U.	-	(1)	A
Abengoa Concessions Investments, S.à.r.l.	Luxembourg (LU)	13	100	Abengoa Concessions, S.L.	-	(1)	-
Abengoa Concessions, S.L.	Seville (ES)	292,217	100	Abengoa Abenewco 1, S.A.U./Sociedad Inversora en Energía y Medioambiente, S.A.	-	(1)	-
Abengoa Concessões Brasil Holding, S.A.	Rio de Janeiro (BR)	668,927	100	Abengoa Construçao Brasil, Ltda./ Sociedad Inversora de Líneas de Brasil, S.L./ Abengoa Yield Plc.	-	(2)	C
Abengoa Construçao Brasil, Ltda.	Rio de Janeiro (BR)	427,252	100	Abeanza Brasil, S.A./Sociedad Inversora de Líneas de Brasil, S.L.	-	(1)	C

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Abengoa Desalination Pilot Plants, Ltd.	Masdar (AE)	30	100	Abengoa Agua, S.A.	-	(1)	-
Abengoa ECA Finance LLP	Leeds (GB)	-	100	Abenewco 1, S.A.U./Sociedad Inversora en Energía y Medioambiente, S.A.	-	(1)	-
Abengoa Energía Atacama CSP, S.L.U.	Seville (ES)	3	100	Abengoa Energía S.A.U.	-	(1)	-
Abengoa Energy Crops Biomass USA, LLC	Florida (US)	224	100	Abengoa Energy Crops USA, LLC	-	(1)	-
Abengoa Energy Crops Biomassa, S.A.	Rio de Janeiro (BR)	-	100	Abengoa Greenfield Brasil Holding S.A. / Abengoa Construçao Brasil, Ltda.	-	(1)	-
Abengoa Energy Crops Pellet 1 USA, LLC	Florida (US)	9	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)	-	100	Abengoa Abenewco 1, S.A.U./ Sociedad Inversora en Energía y Medioambiente, S.A.	-	(1)	-
Abengoa Energy Trading Chile SpA	Santiago de Chile (CL)	13	100	Abengoa Chile, S.A.	-	(1)	-
Abengoa Finance, S.A.U.	Seville (ES)	-	100	Abengoa Abenewco 1, S.A.U.	-	(1)	-
Abengoa Greenbridge, S.A.U.	Seville (ES)	253,271	100	Abengoa Abenewco 1, S.A.U.	-	(1)	-
Abengoa Greenfield Brasil Holding, S.A.	Rio de Janeiro (BR)	811,435	100	Abengoa Construção Brasil Ltda. / Sociedad Inversora Lineas de Brasil, S.L	-	(1)	-
Abengoa Greenfield Perú, S.A.	Lima (PE)	-	99.80	Abengoa Perú, S.A.	-	(1)	A
Abengoa Greenfield S.A.U.	Seville (ES)	-	100	Abengoa Abenewco 1, S.A.U.	-	(1)	-
Abengoa Infraestrutura, S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construção Brasil Ltda.	-	(1)	-
Abengoa Innovación S.A	Seville (ES)	50,746	100	Abener Energía, S.A.U./ Instalaciones Inabensa, S.A.U.	-	(1)	A
Abengoa México O&M, S.A. de C.V.	Mexico D.F. (MX)	2	100	Abeinsa Operation and Maintenance, S.A.U./ Abengoa México, S.A. de CV	-	(1)	C
Abengoa México, S.A. de CV	Mexico D.F. (MX)	183,924	100	Abeinsa Inversiones Latam, S.L. /Asa Iberoamérica, S.L.	-	(1)	A
Abengoa North América, LLC	Washington (US)	297,607	100	Abengoa US, LLC	-	(1)	-
Abengoa OM Atacama CSP, SAU	Seville (ES)	15	100	Abeinsa Operation and Maintenance, S.A.U.	(*)	(1)	-
Abengoa Perú, S.A.	Lima (PE)	113,729	99.99	Abeinsa Inversiones Latam, S.L.	-	(1)	A
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	Abener Energía, S.A.U.	-	(1)	-
Abengoa SeaPower, S.A.	Seville (ES)	60	100	Abener Energía, S.A.U./Instalaciones Inabensa, S.A.U.	-	(1)	-
Abengoa Servicios Industriales, S.A. de C.V.	Mexico D.F. (MX)	2,115	100	Abengoa México, S.A. de C.V./Asa Iberoamérica, S.L.	-	(1)	C
Abengoa Servicios, S.A. De C.V.	Mexico D.F. (MX)	1,015	100	Abengoa México, S.A. de C.V./Servicios Aux. de Admon., S.A	-	(1)	C
Abengoa Solar Brasil Desenvolvimientos Solares Ltda.	Rio de Janeiro (BR)	1,050	100	Abengoa Solar Internacional, S.A./Abengoa Solar España, S.A.U.	-	(1)	-
Abengoa Solar Chile O&M Spa	Santiago de Chile (CL)	2	100	Abeinsa Operation and Maintenance, S.A.U.	-	(1)	-
Abengoa Solar Chile, SpA	Santiago de Chile (CL)	352,229	100	Abengoa Solar Internacional, S.A.	-	(1)	-
Abengoa Solar Engeneering (Beijing), Co. Ltd.	Beijing (CN)	103	100	Abener Energía, S.A.U.	-	(1)	C
Abengoa Solar España, S.A.U.	Seville (ES)	10,674	100	Abeinsa Operation and Maintenance, S.A.U.	-	(1)	A

Appendix I – Subsidiary companies included in the 2018 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Abengoa Solar Extremadura, S.A.	Cáceres (ES)	60	100	Abengoa Solar España, S.A.U./Abengoa Solar New Technologies, S.A.	-	(1)	-
Abengoa Solar Holdings Inc.	Dover (US)	174,669	100	Abengoa US Holding, LLC	-	(1)	-
Abengoa Solar India Private Limited	Maharashtra (IN)	1,978	100	Abengoa Solar Internacional, S.A./ Abener Energía, S.A.U.	-	(1)	C
Abengoa Solar Industrial Systems, LLC	Brooklyn Center (US)	4,824	100	Abengoa Solar, LLC.	-	(1)	-
Abengoa Solar Internacional, S.A.	Seville (ES)	14,501	100	Abener Energía, S.A.U./ Abengoa Solar España, S.A.U.	-	(1)	A
Abengoa Solar Investments 2 Ltd	Cardiff (UK)	1	100	Africa Solar Investments 2 LLC	-	(1)	C
Abengoa Solar México S.A. de C.V.	Mexico D.F. (MX)	595	100	Abengoa Solar Internacional, S.A./Abengoa Solar España, S.A.U.	-	(1)	-
Abengoa Solar New Technologies, S.A.	Seville (ES)	20,017	100	Abener Energía, S.A.U./ Abengoa Solar España, S.A.U.	-	(1)	A
Abengoa Solar Power Arabia LLC	Riade (SA)	244	100	Abener Energía, S.A.U./ Abengoa Solar New Technologies, S.A.	-	(1)	C
Abengoa Solar Power South Africa (Pty) Ltd.	Cape Town (ZA)	1,242	100	Abengoa Solar Internacional, S.A.	-	(1)	A
Abengoa Energía S.A.U.	Seville (ES)	250	100	Abengoa Abenewco 1, S.A.U.	-	(1)	-
Abengoa Solar Ventures S.A	Seville (ES)	26,660	100	Abener Energía, S.A.U./ Abengoa Solar España, S.A.U.	-	(1)	-
Abengoa Solar, LLC	Colorado (US)	1	100	Abengoa North America, LLC	-	(1)	-
Abengoa SP Holdings, LLC	Colorado (US)	1	100	Abengoa Solar, LLC.	-	(1)	-
Abengoa Transmission & Infrastructure ULC	Vancouver (CA)	-	100	Abengoa Transmission & Infrastructure, LLC	-	(1)	-
Abengoa Transmission & Infrastructure, LLC	Delaware (US)	24,540	100	Abeinsa, LLC.	-	(1)	-
Abengoa US Holding, LLC	Washington (US)	491,132	100	Abengoa Bioenergía, S.A./ Abener Energía, S.A.U./Abengoa Agua, S.A.	-	(1)	-
Abengoa US, LLC	Washington (US)	191,272	100	Abengoa US Holding LLC/ Abengoa Solar Holdings Inc./ Abengoa Water Holding USA, Inc./ Abener Energia, S. A./ Abacus Project Management, Inc./ Abeinsa Holding, Inc.	-	(1)	-
Abengoa Water Agadir, S.L.U.	Seville (ES)	2,734	100	Abengoa Agua, S.A.	-	(1)	-
Abengoa Water Beijing Co., Ltd	Pekín (CN)	65	100	Abengoa Agua, S.A.	-	(1)	-
Abengoa Water Chile, Limitada	Santiago de Chile (CL)	5	100	Abengoa Agua, S.A./Abengoa Water International, S.L.	-	(1)	-
Abengoa Water Dalian, S.L.U.	Seville (ES)	33	100	Abengoa Agua, S.A.	-	(1)	-
Abengoa Water Holding USA, Inc.	Delaware (US)	5,072	100	Abengoa US Holding, LLC	-	(1)	-
Abengoa Water Internacional, S.L.U.	Seville (ES)	5	100	Abengoa Agua, S.A./Abeinsa Operation and Maintenance, S.A.U.	-	(1)	-
Abengoa Water Investments Ghana, BV	Amsterdam (NL)	5,804	100	Abengoa Water Nungua, S.L.U.	-	(1)	-
Abengoa Water Nungua, S.L.U.	Seville (ES)	5,586	100	Abengoa Agua, S.A.	-	(1)	-
Abengoa Water Taiwan, S.L.U.	Seville (ES)	16	100	Abengoa Agua, S.A.	-	(1)	-
Abengoa Water Takoradi, S.L.U.	Seville (ES)	13	100	Abengoa Agua, S.A.	-	(1)	-
Abengoa Water USA, LLC.	Texas (US)	874	100	Abengoa North America, LLC	-	(1)	-
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.	Mexico D.F. (MX)	452,711	100	A3T LuxCo 1 S.A	-	(2)	A
Abenta Concessões Brasil	Rio de Janeiro (BR)	2	95.84	Abengoa Concessões Brasil Holding, S.A.	-	(2)	-
Abenta Construçao Brasil Ltda	Rio de Janeiro (BR)	11,695	100	Inabensa Rio, Ltda./Abengoa Construçao Brasil, Ltda.	-	(1)	-
Abentel Telecomunicaciones, S.A.	Seville (ES)	11,818	100	Abener Energía, S.A.U.	-	(1)	-
Abentey Brasil, Ltda.	Pirassununga (BR)	57	100	Abener Energía, S.A.U./Teyma Internacional,S.A.	-	(1)	-
Abratey Construção, Ltda.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda. / Teyma Internacional S.A.	-	(1)	-
ACC 4T, S.A.P.I. de C.V.	Mexico D.F. (MX)	2	100	Abengoa México, S.A. de CV/ Servicios Auxiliares de Administración, S.A. de C.V.	-	(2)	C
ACIL Luxco 1, S.A.	Luxembourg (LU)	886,166	100	ACIL Luxco 2, S.A.	-		C
ACIL Luxco 2, S.A.	Luxembourg (LU)	625,831	100	Abengoa Concessions Investments Ltd.	-		C
Africa Solar Investments 2 LLC	Dover (US)	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.U.	-	(2)	-
Aman El Baraka S.A.	Agadir (MA)	-	100	Abengoa Water Internacional, S.L.U./Abengoa, S.A.	-	(2)	-
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	2,211	98	Abeinsa Asset Management, S.L.	-	(2)	-
Asa Bioenergy Holding, AG	Zug (SZ)	430,749	100	Abengoa Bioenergía, S.A.	-	(3)	-
Asa Desulfuración, S.A.	Vizcaya (ES)	13,597	100	Siema Investment, S.L.U./Sociedad Inversora en Energía y Medioambiente, S.A.	-	(1)	-
Asa E.& E.H., AG	Zug (SZ)	81	100	Sociedad Inversora Energía y Medio Ambiente, S.A.	-	(1)	-
Asa Iberoamérica, S.L.	Seville (ES)	392,868	100	Soc. Inv. Energía y Medio Ambiente, S.A./Abener Energía, S.A.U.	-	(1)	A
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)	718	100	Abeanza Brasil, S.A./Abengoa Construçao Brasil, Ltda.	-	(1)	-
ASI Operations LLC	Delaware (US)	812	100	Abengoa Solar, LLC.	-	(1)	-
ATE X Abengoa Brasil Administraçao Predial Ltda	Rio de Janeiro (BR)	4,577	100	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(1)	-
ATE XIX Transmissora de Energia S.A.	Rio de Janeiro (BR)	64,905	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)	329,922	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)	80,963	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)	41,475	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)	53,548	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)	214,224	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-

Appendix I – Subsidiary companies included in the 2018 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
ATE XXII Transmissora de Energia S.A.	Rio de Janeiro (BR)	68,697	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)	100,494	100	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXIV Transmissora de Energia, S.A.	Rio de Janeiro (BR)	53,998	100	Abengoa Construçao Brasil, Ltda./Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda / Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATN 1, S.A.	Lima (PE)	1,384	100	Abengoa Perú, S.A.	-	(2)	A
ATN 3, S.A.	Lima (PE)	11,688	100	Abengoa Perú, S.A./ Abengoa Greenfield Perú, S.A.	-	(2)	A
Aurorex, S.A.	Montevideo (UY)	357	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 Agua, S.A.	-	(2)	-
Befesa CTA Qingdao S.L.U	Madrid (ES)	5,365	100	Abengoa Agua, S.A.	-	(1)	-
Befesa Desalination Developments Ghana Limited	Accra (GH)	5,317	56	Abengoa Water Investment Ghana BV	-	(2)	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.U./Abener Energía, S.A.U.	-	(2)	-
Centro Morelos 264 S.A. de C.V	Mexico D.F. (MX)	10,174	100	Abener Energía S.A.U./ Servicios Auxiliares de Administración, S.A.	-	(1)	C
Centro Tecnológico Palmas Altas, S.A.	Seville (ES)	12,899	100	Abengoa, S.A./Abener Energía S.A.U.	-	(1)	A
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	Mexico D.F. (MX)	24,177	100	Abengoa México, S.A.C.V./Abengoa Agua, S.A./Abener Energía S.A.U.	-	(2)	C
Construcciones Metalicas Mexicanas, S.A. de C.V. (Comemsa)	Querétaro (MX)	19,928	100	Europea Const. Metálicas, S.A./Abengoa México, S.A. de C.V.	-	(1)	A
Construcciones y Depuraciones, S.A.U.	Seville (ES)	5,433	100	Abengoa Agua, S.A.	-	(1)	-
Construtora Integração Ltda.	Rio de Janeiro (BR)	-	51	Abengoa Construçao Brasil, Ltda.	-	(1)	-
Consultora de Servicios y Proyectos Centro Norte, S.A. de C.V.	Guadalajara (MX)	-	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.U.	-	(2)	-
Copero Solar Huerta Dos, S.A.	Seville (ES)	92	50	Abengoa Solar España, S.A.U.	-	(2)	-
Copero Solar Huerta Tres, S.A	Seville (ES)	94	50	Abengoa Solar España, S.A.U.	-	(2)	-
Copero Solar Huerta Cuatro, S.A.	Seville (ES)	88	50	Abengoa Solar España, S.A.U.	-	(2)	-
Copero Solar Huerta Cinco, S.A.	Seville (ES)	87	50	Abengoa Solar España, S.A.U.	-	(2)	-
Copero Solar Huerta Seis, S.A.	Seville (ES)	83	50	Abengoa Solar España, S.A.U.	-	(2)	-
Copero Solar Huerta Siete, S.A.	Seville (ES)	83	50	Abengoa Solar España, S.A.U.	-	(2)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Copero Solar Huerta Ocho, S.A.	Seville (ES)	81	50	Abengoa Solar España, S.A.U.	-	(2)	-
Copero Solar Huerta Nueve, S.A.	Seville (ES)	42	50	Abengoa Solar España, S.A.U.	-	(2)	-
Copero Solar Huerta Diez, S.A.	Seville (ES)	32	50	Abengoa Solar España, S.A.U.	-	(2)	-
CSP Atacama Dos, S.A	Santiago de Chile (CL)	39,376	100	Abengoa Chile, S.A./Abengoa Solar Chile, SpA	-	(2)	-
CSP Equity Investment S.a.r.l.	Luxembourg (LU)	110,012	100	Abengoa Solar España, S.A.U.	-	(1)	-
Dalian Xizhong Island Desalination Co., Ltd	Dalian (CN)	117	70	Abengoa Water Dalian, S.L.U.	-	(2)	-
Desarrolladora de Energía Renovable, S.A.P.I. de C.V	Mexico D.F. (MX)	-	100	Abengoa México, S.A. de C.V. /Servicios Auxiliares de Administración, S.A. De C.V.	-	(1)	-
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.U.	-	(2)	-
Enertey, S.A.	Montevideo (UY)	2,218	100	Teyma Sociedad de Inversión, S.A.	-	(1)	-
Enicar Chile, SA	Santiago de Chile (CL)	10	100	Abengoa Chile, S.A.	-	(2)	-
Etarey S.A.	Montevideo (UY)	7,272	100	Teyma Uruguay, S.A	-	(1)	-
Europa Desenvolvimentos Solares Ltda.	Rio de Janeiro (BR)	3	100	Abengoa Solar Brasil Desenvolvimientos Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(2)	-
Europea de Construcciones Metálicas, S.A. (Eucomsa)	Seville (ES)	19,488	100	Abener Energía S.A.U.	-	(1)	A
Faritel, S.A.	Montevideo (UY)	15	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)	13	100	Siema Technologies / Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	-	(1)	-
Giomper, S.A.	Montevideo (UY)	313	100	Instalaciones Inabensa, S.A.U./ Enertey, S.A.	-	(1)	-
Inabensa Bharat Private Limited	New Delhi (IN)	13,211	100	Europea Const. Metálicas, S.A./Instalaciones Inabensa, S.A.U./Abener Energía, S.A.U.	-	(1)	C
Inabensa Fotovoltaica, S.L.	Seville (ES)	3	100	Instalaciones Inabensa, S.A.U./Abener Energía S.A.U.	-	(1)	-
Inabensa France, S.A.	Vitrollles (FR)	1,887	100	Instalaciones Inabensa, S.A.U.	-	(1)	A
Inabensa Maroc, S.A.R.L.	Casablanca (MA)	6,723	100	Instalaciones Inabensa, S.A.U.	-	(1)	A
Inabensa Pty Ltd	Sandton (ZA)	-	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Inabensa Rio Ltda	Rio de Janeiro (BR)	11,736	100	Abeanza Brasil, S.A./Abengoa Construçao Brasil, Ltda.	-	(1)	-
Inabensa Saudi Company Limited	Jeddah (SA)	17,368	100	Instalaciones Inabensa, S.A.U./Abener Energía S.A.U.	-	(1)	C
Inabensa Ukraine, LLC	Kiev (UA)	15	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Inabensa, LLC	Ruwi (OM)	9,174	70	Instalaciones Inabensa, S.A.U.	-	(1)	A
Iniciativas Hidroeléctricas, S.A.	Seville (ES)	1,226	50	Abengoa Agua, S.A.	-	(2)	-
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	3	100	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.U.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	3	100	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.U.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	3	100	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.U.	-	(1)	-

Appendix I – Subsidiary companies included in the 2018 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	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.	-	(1)	-
Instalaciones Inabensa, S.A.U.	Seville (ES)	26,424	100	Abengoa Abenewco 1, S.A.U.	-	(1)	A
Inversora Enicar S.A.	Santiago de Chile (CL)	1,701	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)	-	92	Abengoa Solar Power South Africa (Pty) Ltd.	-	(1)	A
Kaxu CSP South Africa (Proprietary) Limited	Cape Town (ZA)	1,085	51	Solar Power PV South Africa (Pty) Ltd.	-	(1)	-
Khi CSP O&M Company (Pty) Limited	Cape Town (ZA)	-	92	Abengoa Solar Power South Africa (Pty) Ltd.	-	(1)	A
Khi CSP South Africa (Proprietary) Limited	Cape Town (ZA)	651	51	Solar Power PV South Africa (Pty) Ltd.	-	(1)	A
Khi Solar One (Pty) Ltd.	Gauteng (ZA)	19,749	51	Son Rivieren (Pty) Limited	-	(2)	A
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)	12	100	Teyma Uruguay S.A.	-	(1)	-
Las Cabezas Fotovoltaica, S.L.	Seville (ES)	8,164	100	Abengoa Solar España, S.A.U./Abener Energía, S.A.U.	-	(2)	-
Latifox, S.A.	Montevideo (UY)	3	100	Enertey, S.A.	-	(1)	-
Linares Fotovoltaica, S.L.	Seville (ES)	3,271	100	Abengoa Solar España, S.A.U./Abener Energía, S.A.U.	-	(2)	-
Mallorca Desenvolvimentos Solares Ltda.	Rio de Janeiro (BR)	2	100	Abengoa Solar Brasil Desenvolvimientos Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(2)	-
Manaus Constructora Ltda	Rio de Janeiro (BR)	-	51	Abengoa Construçao Brasil, Ltda.	-	(1)	-
Marudhara Akshay Urja Private Limited	Maharashtra (IN)	31	100	Abengoa Solar India Private Limited/Abengoa Solar Internacional. S.A.	-	(2)	C
Marusthal Green Power Private Limited	Maharashtra (IN)	31	100	Abengoa Solar India Private Limited/Abengoa Solar Internacional, S.A.	-	(2)	C
McTaggart Infraco 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	Abener Energía, S.A.U./Abengoa Solar España, S.A.U.	-	(1)	-
NEA Solar Investments, LLC.	Colorado (US)	-	100	Abengoa Solar LLC.	-	(1)	-
NEA Solar O&M Holdings LLC	Colorado (US)	-	100	Abengoa Solar, LLC	-	(1)	-
NEA Solar Power, Ltd.	Tel Aviv (IL)	467	100	NEA Solar Investments, LLC	-	(1)	B
Negocios Industriales y Comerciales, S.A. (Nicsa)	Madrid (ES)	6,918	100	Abencor, S.A./Abener Energía, S.A.U.	-	(1)	A
Nicsa Colombia, SAS	Bogotá (CO)	1	100	Negocios Industriales y Comerciales, S.A.	-	(1)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Nicsa Fornecimiento de Materiais Eléctricos, Ltda.	Rio de Janeiro (BR)	5,152	100	Abener Energía, S.A.U./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Nicsa Industrial Supplies South Africa (Pty) Ltd.	Upington (ZA)	-	100	Negocios Industriales y Comerciales, S.A.	-	(1)	-
Nicsa Perú, S.A.	Lima (PE)	573	100	Negocios Industriales y Comerciales, S.A./Abener Energía, S.A.U.	-	(1)	-
Nicsamex, S.A. de C.V.	Mexico D.F. (MX)	240	100	Negocios Industriales y Comerciales, S.A./Abengoa México, S.A. de C.V.	-	(1)	A
OMEGA Operação e Manutenção de Linhas de Transmissão, S.A.	Rio de Janeiro (BR)	175	100	Omega Sudamérica, S.L./Abengoa Construçao Brasil, Ltda.	-	(1)	-
Omega Perú Operación y Mantenimiento S.A.	Lima (PE)	3,453	100	Abengoa Perú S.A./Omega Sudamérica S.L.	-	(1)	A
Omega Sudamérica, S.L	Seville (ES)	3	100	Instalaciones Inabensa, S.A.U./ASA Iberoamérica S.A.	-	(1)	-
Operación y Mantenimiento Uruguay, S.A.	Montevideo (UY)	1,689	100	Teyma Uruguay S.A	-	(1)	-
Presentel, S.A.	Montevideo (UY)	1	100	Abencor Suministros, S.A.	-	(1)	-
Procesos Ecológicos Carmona 1, S.A.	Seville (ES)	63	100	Abengoa Agua, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Carmona 2, S.A.	Seville (ES)	90	100	Abengoa Agua, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Carmona 3, S.A.	Seville (ES)	60	100	Abengoa Agua, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Lorca 1, S.A.	Seville (ES)	180	100	Abengoa Agua, S.A./Procesos Ecológicos, S.A.	-	(1)	-
Procesos Ecológicos Vilches, S.A.	Seville (ES)	1,299	100	Abengoa Agua, S.A./Procesos Ecológicos, S.A.	-	(2)	-
Procesos Ecológicos, S.A.	Seville (ES)	657	50	Abengoa Agua, S.A.	-	(1)	-
Promotora Serabén de Servicios Corporativos, S.A. de C.V.	Mexico 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.	-	(2)	-
Rajasthan Photon Energy Pvt Ltd	Maharashtra (IN)	31	100	Abengoa Solar India Private Limited/Abengoa Solar Internacional, 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.	Mexico D.F. (MX)	20,365	100	Abengoa México, S.A. de C.V.	-	(1)	C
Servicios Integrales de Mantenimiento y Operación, S.A. (Simosa)	Seville (ES)	-	100	Negocios Industriales y Comerciales, S.A./ Abengoa Abenewco 1, S.A.U.	-	(1)	C
Siema Investment, S.L.U.	Seville (ES)	7,399	100	Siema Technologies, S.L	-	(1)	-
Siema Technologies, S.L.	Seville (ES)	2,093	100	Abengoa Abenewco 1, S.A.U./ Sociedad Inversora en Energía y Medioambiente, S.A.	-	(1)	A
Simosa Brasil, S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda./Inabensa Rio Ltda	-	(1)	-
Sistemas de Desarrollo Sustentables S.A. De C.V.	Mexico D.F. (MX)	3,574	65	Abengoa Servicios Industriales, S.A./Abengoa México, S.A. de CV	-	(1)	A
Sociedad Inversora en Energía y Medioambiente, S.A. (Siema)	Seville (ES)	22,535	100	Abengoa Abenewco 1, S.A.U./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Sociedad Inversora Lineas de Brasil, S.L.	Seville (ES)	148,177	100	Asa Iberoamérica, S.L.	-	(1)	A
Société d'Eau Déssalée d'Agadir (SEDA)	Agadir (MA)	5,008	51	Abengoa Water Agadir, S.L.U.	-	(2)	-
Solar Power Plant One	Argel (DZ)	42,111	51	Abener Energía, S.A.U.	-	(2)	C

Appendix I – Subsidiary companies included in the 2018 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Solar Power PV South Africa (Pty) Ltd.	Gauteng (ZA)	173	100	Abengoa Solar Internacional, S.A.	-	(2)	A
Solargate Electricidad Cuatro , S.A.	Seville (ES)	1,408	100	Abengoa Solar España, S.A.U./Abengoa Solar New Technologies, S.A.	-	(2)	-
Solargate Electricidad Tres , S.A.	Seville (ES)	2,143	100	Abengoa Solar España, S.A.U./Abengoa Solar New Technologies, S.A.	-	(2)	-
Son Rivieren (Pty) Limited	Cape Town (ZA)	549	100	South Africa Solar Investment, S.L.	-	(1)	A
South Africa Solar Investments, S.L.	Seville (ES)	150,713	100	Abengoa Solar Internacional, S.A./ Abener Energía, S.A.U.	-	(1)	A
South Africa Solar Ventures, S.L.	Seville (ES)	50	100	Abengoa Solar Internacional, S.A./Abener Energía, S.A.U.	-	(1)	-
Subestaciones 611 Baja California, S.A. De C.V.	Mexico D.F. (MX)	1	100	Abengoa México, S.A. de C.V./Abengoa Abenewco 1, S.A.U.	-	(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.U.	-	(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.	-	(2)	-
Teyma Abengoa, S.A.	Buenos Aires (AR)	9,831	100	Abeinsa Inversiones Latam, S.L./Asa Iberoamérica, S.L./Abengoa Abenewco 1, S.A.U.	-	(1)	A
Teyma Construction USA, LLC.	Arizona (US)	158,668	100	Abeinsa, LLC.	-	(1)	-
Teyma Forestal, S.A.	Montevideo (UY)	5,322	100	Teyma Sociedad de Inversión, S.A	-	(1)	A
Teyma Gestión Ambiental, S.A	Montevideo (UY)	14	100	Teyma Medioambiente, S.A.	-	(1)	-
Teyma India Private Limited	Mumbai (IN)	3,822	100	Abener Energía, S.A.U./ Teyma Internacional S.A.	-	(1)	C
Teyma Internacional, S.A.	Montevideo (UY)	15	100	Teyma Sociedad de Inversión, S.A.	-	(1)	-
Teyma Medio Ambiente, S.A.	Montevideo (UY)	15	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)	A
Teyma South Africa (Pty) Ltd.	Upington (ZA)	2,095	100	Abener Energía, S.A.U.	-	(1)	-
Teyma Uruguay ZF, S.A.	Montevideo (UY)	3,831	100	Teyma Uruguay, S.A.	-	(1)	-
Teyma Uruguay, S.A.	Montevideo (UY)	13,413	100	Teyma Sociedad de Inversión, S.A.	-	(1)	A
Teyma USA & Abener Engineering and Construction Services Partnership	Missouri (US)	137,584	100	Teyma Construction USA, LLC/Abener Construction Services, LLC.	-	(1)	-
Transportadora El Rodeo S.A.	Buenos Aires (AR)	-	85	Teyma Abengoa S.A.	(*)	(1)	-
Transportadora Cuyana, S.A.	Buenos Aires (AR)	1	100	Teyma Abengoa, S.A./Abengoa Abenewco 1, S.A.U.	-	(1)	-
Transportadora del Norte, S.A.	Buenos Aires (AR)	-	100	Abengoa, S.A./Teyma Abengoa, S.A.	-	(1)	-
Transportadora Mar del Plata S.A.	Buenos Aires (AR)	2	70	Teyma Abengoa, S.A./ Abengoa Abenewco 1, S.A.U.	-	(1)	A
Transportadora Río Coronda, S.A.	Buenos Aires (AR)	-	20	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	-
Turbogenerador Madero 7, S.A. de C.V.	Mexico D.F. (MX)	1	100	Abener Energía, S.A.U./Abengoa México, S.A. de C.V.	-	(1)	-
Unidad Punta de Rieles, S.A.	Montevideo (UY)	9,631	85	Teyma Uruguay, S.A.	-	(2)	A

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
XiNa CSP South Africa (Pty) Ltd	Cape Town (ZA)	15,500	100	South Africa Solar Investments, S.L.	-	(1)	A
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	Abener Energía, S.A.U./Abengoa Innovación, S.A.	-	(1)	-
Zeroemissions (Beijing) Technology Consulting Service Co. Ltd	Beijing (CN)	100	101	Zero Emissions Technologies, S.A./Zeroemissions Carbon Trust, S.A.	-	(1)	-
Zeroemissions Carbon Trust, S.A	Seville (ES)	125	100	Zeroemissions Technologies, S.A./Abener Energía, S.A.U.	-	(1)	-
Zona Norte Engenharia, Manutenção e Gestão De Serviços, S.A. Spe.	Manaus (BR)	24,289	60	Abengoa Concessões Brasil Holding, S.A.	-	(2)	-

Shareholding capital cost is calculated using the current closing year exchange rate.

% of Nominal Capital corresponds to the participation held by the direct parent company.

(*) 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: Bioenergy.

A Audited by PricewaterhouseCoopers Auditores.

B Audited by Deloitte (for legal purposes).

C Others (for legal purposes).

Appendix II – Associated companies and Joint Ventures included in the 2018 Consolidated Perimeter using the participation method

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
AAGES B.V.	Amsterdam (NL)	1	50	Abengoa-Algonquin Global Energy Solutions BV	(*)	(1)	-
AAGES Devco Services S.A.	Seville (ES)	2,460	100	Abengoa-Algonquin Global Energy Solutions BV	(*)	(1)	-
AAGES Development Canada Inc	Ontario (CA)	218	50	Abengoa Abenewco 1, S.A.U.	(*)	(1)	-
AAGES Development Spain, S.A.	Seville (ES)	750	50	Abengoa Abenewco 1, S.A.U.	-	(1)	-
Abeima Fisia Shuaibah LLC	Saudi Arabia (SA)	58	50	Abengoa Agua, S.A.	-	(1)	-
Abengoa Vista Ridge, LLC.	Texas (US)	17,106	20	Abengoa Water USA, LLC.	-	(2)	-
Abengoa-Algonquin Global Energy Solutions BV	Amsterdam (NL)	4,360	50	Abengoa Abenewco 1, S.A.U.	(*)	(1)	-
Agua y Gestión de Servicios Ambientales, S.A.	Seville (ES)	3,562	42	Abengoa Agua, S.A.	-	(2)	-
Ashalim Thermo Solar Management, Ltd.	Israel (IL)	-	50	Abener Energía, S.A.U.	-	(1)	-
Cedisolar, S.A.	Ourense (ES)	4,992	57.5	Rioglass Solar Holding, S.A	-	(2)	-
Chennai O&M, JV Private Limited	Chennai (IN)	-	50	Abengoa Agua, S.A.	-	(1)	-
Chennai Water Desalination Limited	Chennai (IN)	7,086	25	Abengoa Agua, S.A.	-	(2)	-
Coaben SA de CV	Mexico D.F. (MX)	1	50	Abengoa México S.A. de C.V./Instalaciones Inabensa, S.A.U.	-	(1)	-
Consorcio Abengoa MPM S.A.	Santiago de Chile (CL)	1	50	Abengoa Chile, S.A.	-	(1)	-
Constructor Atacama CSP SL	Madrid (ES)	1	49	Abengoa Energía Atacama CSP, SL	(*)	(1)	-
Constructor Atacama CSP Chile SpA	Santiago de Chile (CL)	4	49	Abengoa Energía Atacama CSP, SL	(*)	(1)	-
Dalian Xizhong Island Energy Co., Ltd.	Dalian (CN)	30	100	Abengoa Water Dalian, S.L.U.	-	(2)	-
Gran Establecimiento SA	Montevideo (UY)	2	33.33	Teyma Forestal	-	(1)	-
HZN Manutenção Hospitalar Ltda.	Manaus (BR)	-	33	Simosa Brasil, S.A.	-	(1)	-
Inapreu, S.A.	Barcelona (ES)	2,318	50	Instalaciones Inabensa, S.A.U.	-	(2)	A
Ledincor S.A.	Montevideo (UY)	700	49	Teyma Forestal, S.A.	-	(1)	-
Lidelir S.A.	Montevideo (UY)	1,132	49	Teyma Forestal, S.A.	-	(1)	-
Micronet Porous Fibers, S.L.	Vizcaya (ES)	3,596	50	Abengoa Agua, S.A.	-	(1)	-
Pectonex (RF) Proprietary Limited	Cape Town (ZA)	-	50	Xina Solar One (Rf) (Pty), Ltd	-	(1)	A
Rio Huan Solar Co., Ltd	Inner Mongolia (CN)	2,973	55	Rioglass Solar Holding, S.A.	-	(1)	-
Rioglass Solar 2	Asturias (ES)	60	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass Solar Chile, S.A.	Santiago de Chile (CL)	1	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass Solar Holding, S.A	Asturias (ES)	4,498	15	Abener Energía, S.A.U.	-	(1)	-
Rioglass Solar Inc.	Delaware (US)	9,391	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass Solar Internacional	Brussels (BE)	62	100	Rioglass Solar Holding, S.A/Rioglass Solar, S.A	-	(1)	-
Rioglass Solar Systems Ltd.	Tel Aviv (IL)	-	100	Rioglass Solar Holding, S.A.	-	(1)	-
Rioglass Solar, S.A	Asturias (ES)	6,906	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass South Africa (Lty) Ltd.	Johannesburgo (ZA)	60	100	Rioglass Solar Holding, S.A	-	(1)	-
SRC Nanomaterials, S.A	Asturias (ES)	500	50	Rioglass Solar, S.A.	-	(2)	-
Total Abengoa Solar Emirates O&M Company, B.V. (TASEOM)	Amsterdam (NL)	82	50	Abengoa Solar Ventures, S.A.	-	(2)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Vista Ridge Regional Water Supply Corporation	Texas (US)	-	100	Abengoa Vista Ridge	-	(2)	-
Xina Solar One (Rf) (Pty), Ltd.	Gauteng (ZA)	61,987	40	XiNa CSP South Africa (Pty) Ltd.	-	(2)	A

Shareholding capital cost is calculated using the current closing year exchange rate.

%of Nominal Capital corresponds to the participation held by the direct parent company.

(*) 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: Bioenergy.

A Audited by PricewaterhouseCoopers Auditores.

B Audited by Deloitte (for legal purposes).

C Others (for legal purposes).

Appendix III – Temporary Joint Ventures included in the 2018 Consolidated Perimeter using the proportional integration method

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Acceso Avda Pais Valencia	Alicante (ES)	3.00	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Agencia Andaluza de Energía	Seville (ES)	6.00	35	Instalaciones Inabensa, S.A.U.	-	(1)	-
Albalac	Madrid (ES)	2.04	33.34	Instalaciones Inabensa, S.A.U.	-	(1)	-
Almanjayar	Madrid (ES)	1.50	25	Instalaciones Inabensa, S.A.U.	-	(1)	-
Almería	Almeria (ES)	1.50	50	Abengoa Agua, S.A	-	(1)	-
Aparcamiento L'Ordana	Alicante (ES)	4.50	90	Instalaciones Inabensa, S.A.U.	-	(1)	-
APCA Inabensa-Abengoa Lote 2	Seville (ES)	6.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
APCA Inabensa-Abengoa Lote 1	Seville (ES)	6.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
Argelia	Madrid (ES)	3.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
CARE Córdoba	Seville (ES)	12.00	25	Instalaciones Inabensa, S.A.U.	-	(1)	-
Carhuamayo-Carhuaquero UTE Eucomsa	Seville (ES)	6.90	100	Abener Energía, S.A.U./Europea de Construcc. Metálicas, S.A.	-	(1)	-
Cartagena	Murcia (ES)	1.13	37.50	Abengoa Agua, S.A	-	(1)	-
CGS-ABENGOA	Zaragoza (ES)	2.40	20	Instalaciones Inabensa, S.A.U.	-	(1)	-
Circulo Mercantil e Industrial de Sevilla	Seville (ES)	3.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
Ciudad de la Justicia	Madrid (ES)	1.00	20	Instalaciones Inabensa, S.A.U.	-	(1)	-
Consistorio	Madrid (ES)	6.00	30	Instalaciones Inabensa, S.A.U.	-	(1)	-
Consorcio Abengoa MPM S.A.	Santiago (CL)	1.28	50	Abengoa Chile, S.A.	(*)	(1)	-
Consorcio Pachacutec	Lima (PE)	-	50	Abengoa Perú, S.A.	-	(1)	-
Consorcio La Gloria	Lima (PE)	-	50	Abengoa Perú, S.A.	-	(1)	-
Consorcio Abengoa Kipreos Limitada	Santiago (CL)	6.77	50	Abengoa Chile, S.A.	-	(1)	-
Consorcio Ambiental de la Plata	Montevideo (UY)	0.67	100	Teyma Uruguay, S.A./Teyma Medioambiente S.A.	-	(1)	-
Consorcio Constructor Alto Cayma	Lima (PE)	-	25	Abengoa Perú, S.A.	-	(1)	-
Consorcio Ermitaño	Lima (PE)	-	50	Abengoa Perú, S.A.	-	(1)	-
CPD Solares UTE	Madrid (ES)	10.00	35	Instalaciones Inabensa, S.A.U.	-	(1)	-
Edificio ETEA	Zaragoza (ES)	-	40	Instalaciones Inabensa, S.A.U.	-	(1)	-
Edificio ITA	Zaragoza (ES)	3.00	30	Instalaciones Inabensa, S.A.U.	-	(1)	-
Emvisesa Palacio Exposiciones	Seville (ES)	1.50	25	Instalaciones Inabensa, S.A.U.	-	(1)	-
Energía Línea 9	Barcelona (ES)	1.20	20	Instalaciones Inabensa, S.A.U.	-	(1)	-
Facultades	Madrid (ES)	1.00	15	Instalaciones Inabensa, S.A.U.	-	(1)	-
Ferrovial-Agroman Teyma (FAT)	Montevideo (UY)	-	40	Teyma Uruguay, S.A.	-	(1)	-
Guardería La Nucia	Alicante (ES)	4.50	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
H. Campus de la Salud	Seville (ES)	2.40	20	Instalaciones Inabensa, S.A.U.	-	(1)	-
Hospital Costa del Sol	Málaga (ES)	10.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
IB INABENSA (JV) G15	India (IN)	-	100	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.U.	-	(1)	-
IB INABENSA (JV) G24	India (IN)	-	100	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.U.	-	(1)	-
IB INABENSA (JV) GR177	India (IN)	-	100	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.U.	-	(1)	-
IB-PGF-INABEN(JV) GR159 CORE	India (IN)	-	100	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.U.	-	(1)	-
Inabensa-Jayton Catral	Alicante (ES)	10.00	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Inabensa-Jayton La Nucia	Alicante (ES)	6.00	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Inabensa-Jayton Villajoyosa	Alicante (ES)	3.00	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Inacom	Madrid (ES)	6.00	25	Instalaciones Inabensa, S.A.U.	-	(1)	-
Incubadora	Madrid (ES)	1.80	30	Instalaciones Inabensa, S.A.U.	-	(1)	-
La Faisanera	Burgos (ES)	4.00	30	Instalaciones Inabensa, S.A.U.	-	(1)	-
Libia-Líneas	Seville (ES)	-	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
Machupichu	Seville (ES)	6.00	100	Abener Energía, S.A.U. /Abencor Suministros, S.A.	-	(1)	-
Mantenimiento AVE Energia	Madrid (ES)	0.68	11.27	Instalaciones Inabensa, S.A.U.	-	(1)	-
Mataporquera	Madrid (ES)	3.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
Metro Ligero de Granada	Madrid (ES)	6.00	40	Instalaciones Inabensa, S.A.U.	-	(1)	-
Mobiliario La Nucia	Alicante (ES)	5.00	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Norte III	Seville (ES)	-	100	Abener Energía, S.A.U./Abeinsa Engineering S.L.	-	(1)	-
Ontoria	Vizcaya (ES)	3.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
Pabellón Cubierto La Nucia	Alicante (ES)	9.00	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Parque Soland	Seville (ES)	3.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
Pistas Deportivas La Nucia	Alicante (ES)	1.00	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Preufet Juzgados	Barcelona (ES)	6.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
Rap Fenol	Madrid (ES)	6.00	33	Instalaciones Inabensa, S.A.U.	-	(1)	-
Rotonda CV-70	Alicante (ES)	4.50	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
S/E Libia	Madrid (ES)	-	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
Sede Universitaria	Alicante (ES)	4.50	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Seguridad Vial y Tráfico Rodado	Alicante (ES)	9.00	100	Instalaciones Inabensa, S.A.U.	-	(1)	-
Silfrasub	Madrid (ES)	2.00	40	Instalaciones Inabensa, S.A.U.	-	(1)	-
Sisecat	Madrid (ES)	1.00	20.95	Instalaciones Inabensa, S.A.U.	-	(1)	-
Sisecat II	Madrid (ES)	6.00	20.95	Instalaciones Inabensa, S.A.U.	-	(1)	-
Telar Klitten	Montevideo (UY)	0.88	100	Teyma Uruguay, S.A.	-	(1)	-
Telvent-Inabensa	Barcelona (ES)	3.00	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
Torre	Bilbao (ES)	6.00	20	Instalaciones Inabensa, S.A.U.	-	(1)	-
Torre Isla Cartuja	Seville (ES)	12.00	20	Instalaciones Inabensa, S.A.U.	-	(1)	-
Tranvía de Jaén	Seville (ES)	1.00	15	Instalaciones Inabensa, S.A.U.	-	(1)	-
Universidad de Sevilla	Seville (ES)	-	30	Instalaciones Inabensa, S.A.U.	-	(1)	-
Usansolo	Vizcaya (ES)	-	50	Instalaciones Inabensa, S.A.U.	-	(1)	-
UTE Abener Teyma Inabensa Atacama I PV	Seville (ES)	-	100	Abener Energía, S.A.U./Abengoa Energía Atacama CSP, S.L.U.	-	(1)	-
UTE Alacat	Madrid (ES)	3.00	50	Instalaciones Inabensa, S.A.U./ Electrificaciones y Montajes Integrales OHL, S.A.	-	(1)	-

Appendix III – Temporary Joint Ventures included in the 2018 Consolidated Perimeter using the proportional integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Abeima Teyma Zapotillo	Seville (ES)	7.00	100	Abengoa Agua, S.A./Abener Energía, S.A.U.	-	(1)	-
UTE Abeima Fisiah Shuaibah	Seville (ES)	-	50	Abengoa Agua, S.A.	(*)	(1)	-
UTE Abeima Teyma Nungua	Seville (ES)	7.00	100	Abengoa Agua, S.A./Abener Energía, S.A.U.	-	(1)	-
UTE Abeima Teyma Barka	Seville (ES)	-	100	Abengoa Agua, S.A./Abener Energía, S.A.U.	-	(1)	-
UTE Abeima Teyma Agadir	Seville (ES)	-	100	Abengoa Agua, S.A./ Construcciones y Depuraciones, S.A.U.	-	(1)	-
UTE Abencor-Inabensa Chilca Montalvo	Seville (ES)	7.00	100	Abener Energía, S.A.U./Abencor Suministros, S.A.	-	(1)	-
UTE Abener Inabensa NP Tabasco	Seville (ES)	-	100	Abener Energía, S.A.U./Abeinsa Engineering S.L.	-	(1)	-
UTE Abener Abengoa Water Sahechores	Seville (ES)	3.00	50	Abener Energía, S.A.U./ Abengoa Agua, S.A.	-	(1)	-
UTE Abener Teyma Atacama I	Seville (ES)	-	100	Abener Energía, S.A.U./Abengoa Energía Atacama CSP, S.L.U.	-	(1)	-
UTE Abener Inabensa NP Tabasco II	Seville (ES)	-	100	Abener Energía, S.A.U./Abeinsa Engineering S.L.	-	(1)	-
UTE Abensaih Guadalquivir	Seville (ES)	3.06	51	Abengoa Agua, S.A.	-	(1)	-
UTE Amés Brión	La Coruña (ES)	3.00	50	Abengoa Agua, S.A.	-	(1)	-
UTE Ashalim Eucomsa-Abeinsa Engineering	Seville (ES)	-	100	Europea de Construcc. Metálicas, S.A./Abeinsa Engineering SL	-	(1)	-
UTE Avensaih Guadalete - Barbate	Cádiz (ES)	3.06	51	Abengoa Agua, S.A.	-	(1)	-
UTE B.Almanzora	Murcia (ES)	2.40	40	Abengoa Agua, S.A.	-	(1)	-
Ute Baja California Sur IV	Seville (ES)	-	100	Abener Energía, S.A.U./Serv. Aux. de Admon., S.A. de C.V.	-	(1)	-
UTE CAC Arequipa	Arequipa (PE)	3.26	51	Abengoa Agua, S.A.	-	(1)	-
UTE Cáceres	Cáceres (ES)	3.00	50	Abengoa Agua, S.A.	-	(1)	-
UTE Canal de Navarra	Navarra (ES)	3.60	20	Abengoa Agua, S.A.	-	(1)	-
UTE CCAC Arequipa	Arequipa (PE)	6.66	25	Abengoa Agua, S.A.	-	(1)	-
UTE Centro Morelos	Seville (ES)	-	100	Abener Energía, S.A.U./ Serv. Aux. de Administración, S.A. de C.V.	-	(1)	-
UTE Chennai O&M	India (IN)	6.00	100	Construcciones y Depuraciones, S.A.U./ Abengoa Agua, S.A	-	(1)	C
UTE Chennai	India (IN)	6.00	100	Abengoa Agua, S.A./Construcciones y Depuraciones, S.A.U.	-	(1)	-
UTE Conquero	Huelva (ES)	3.00	50	Abengoa Agua, S.A.	-	(1)	-
UTE Dead Sea Works	Seville (ES)	-	100	Abener Energía, S.A.U./Abeinsa Engineering SL	-	(1)	-
UTE Denizli	Denizli (TR)	-	100	Abengoa Agua, S.A./ Abener Energía, S.A.U./ Abengoa Perú S,A.	-	(1)	-
UTE El Cerrillo	Córdoba (ES)	4.80	80	Abengoa Agua, S.A.	-	(1)	-
UTE Guadalajara	Guadalajara (ES)	3.31	55	Abengoa Agua, S.A.	-	(1)	-
UTE Hassi R'Mel Construction	Seville (ES)	-	100	Abener Energía, S.A.U./ Abengoa Solar New Technologies, S.A	-	(1)	-
UTE Hassi R'Mel O&M	Seville (ES)	-	100	Abener Energía, S.A.U./ Abengoa Solar España, S.A.U.	-	(1)	-
UTE Hidrosur	Málaga (ES)	2.00	33.33	Abengoa Agua, S.A.	-	(1)	-
UTE Honaine O&M	Algeria (AR)	1.50	50	Abengoa Agua, S.A.	-	(1)	-
UTE Honaine	Algeria (AR)	1.50	50	Abengoa Agua, S.A.	-	(1)	-
UTE Inabensa-Ansaldo	Madrid (ES)	10.00	40.12	Instalaciones Inabensa, S.A.U./Ansaldo STS España SAU	-	(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Inabensa Teyma Peralta	Seville (ES)	60.00	100	Instalaciones Inabensa, S.A.U. /Abener Energía, S.A.U.	-	(1)	-
UTE Inabensa Teyma Eólica del Tala	Seville (ES)	60.00	100	Instalaciones Inabensa, S.A.U. /Abener Energía, S.A.U.	-	(1)	-
UTE Las Bambas	Seville (ES)	6.00	100	Abener Energía, S.A.U. /Abencor Suministros, S.A.	-	(1)	-
UTE Mantenimiento Presas	Málaga (ES)	2.10	35	Abengoa Agua, S.A.	-	(1)	-
UTE Marismas Construccion	Seville (ES)	12.00	100	Abengoa Agua, S.A./Construcciones y Depuraciones, S.A.U.	-	(1)	-
UTE Ojén Mijas	Málaga (ES)	-	70	Construcciones y Depuraciones, S.A.U.	-	(1)	-
UTE Reus	Cataluña (ES)	3.90	65	Abengoa Agua, S.A.	-	(1)	-
UTE Riegos Marismas	Seville (ES)	5.94	99	Abengoa Agua, S.A.	-	(1)	-
UTE Salalah	Omán (OM)	-	49	Abengoa Agua, S.A	(*)	(1)	-
UTE Sallent	Cataluña (ES)	3.00	50	Abengoa Agua, S.A.	-	(1)	-
UTE Skikda	Algeria (AR)	2.00	67	Abengoa Agua, S.A./Construcciones y Depuraciones, S.A.U.	-	(1)	-
UTE Skikda O&M	Algeria (AR)	2.01	67	Construcciones y Depuraciones, S.A.U./ Abengoa Agua, S.A	-	(1)	-
UTE Tenés	Algeria (AR)	6.00	100	Abengoa Agua, S.A./Construcciones y Depuraciones, S.A.U.	-	(1)	-
UTE Tenes O&M	Algeria (AR)	4.80	100	Construcciones y Depuraciones, S.A.U./ Abengoa Agua, S.A	-	(1)	-
Utrera	Seville (ES)	3.01	50	Abengoa Agua, S.A.	-	(1)	-
Winterra-Inabensa Sarriá	Compostela (ES)	2.00	30	Instalaciones Inabensa, S.A.U.	-	(1)	-
Winterra-Inabensa Monterroso	Compostela (ES)	6.00	30	Instalaciones Inabensa, S.A.U.	-	(1)	-
Zonas Deportivas La Nucia	Alicante (ES)	4.00	100	Instalaciones Inabensa, S.A.U.	-	(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: Bioenergy.

A Audited by PricewaterhouseCoopers Auditores.
B Audited by Deloitte.
C Others.

Appendix IV.- Subsidiary companies which during 2018 and 2017 were no longer included in the Consolidation Perimeter

Company Name	Year of Exit	% Share	Motive
AB Bioenergy Hannover GmbH	2018	100,00	Merger of the company
Abeinsa BD Asia Pacific Pte. Ltd	2018	100,00	Dissolution of the company
Abeinsa Business Development, Sp.z.o.o.	2018	100,00	Dissolution of the company
Abeinsa Business Development GmbH	2018	100,00	Dissolution of the company
Abeinsa, Ing y Const. Ind., S.A.	2018	100,00	Merger of the company
Abengoa Bioenergy UK Limited	2018	100,00	Dissolution of the company
Abengoa Bioenergy Biomass of Kansas, LLC	2018	100,00	Dissolution of the company
Abengoa Energy Crops Australia Pty Ltd	2018	100,00	Dissolution of the company
Abengoa PW II Investments, S.L	2018	100,00	Dissolution of the company
Abengoa Research, S.L.	2018	100,00	Dissolution of the company
Abengoa Solar S.A.	2018	100,00	Merger of the company
Abengoa Solar Middle East Holding, S.L	2018	100,00	Dissolution of the company
Abengoa Water S.L.	2018	100,00	Merger of the company
Abengoa Water Investments Takoradi Bv	2018	100,00	Dissolution of the company
Aboadze Desalination Developments, Limited	2018	90,00	Dissolution of the company
ATE VI Campos Novos Transmissora de Energía ,S.A	2018	100,00	Sale of the company
ATE VII- Foz do Iguacú Transmissora de Energía, S.A.	2018	100,00	Sale of the company
ATE XI, Manaus Transmissora de Energía	2018	50,50	Sale of the company
ATE XIII, Norte Brasil Transmissora de Energia S.A	2018	51,00	Sale of the company
Cogeneración Villaricos, S.A.	2018	99,22	Sale of the company
Denizli Water Treatment Limited Sirketi	2018	100,00	Dissolution of the company
Energoprojekt-Gliwice S.A.	2018	100,00	Lost Control
Inabensa Limited	2018	100,00	Dissolution of the company
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	2018	95,00	Lost Control
Instalaciones Inabensa Insaat Enerji Sanayi ve Ticaret Ltd Sirketi	2018	100,00	Dissolution of the company
Londrina Transmissora De Energía S.A.	2018	100,00	Sale of the company
NEA Solar Operation and Manteinance, Ltd.	2018	100,00	Dissolution of the company
Nicsa Chile, SpA.	2018	100,00	Dissolution of the company
Omega Chile SpA	2018	100,00	Dissolution of the company
Sao Mateus Transmissora de Energía Ltda.	2018	76,00	Sale of the company
Simosa I.T., S.A	2018	100,00	Lost Control
Simosa IT US, LLC	2018	100,00	Lost Control
Simosa IT Uruguay S.A.	2018	100,00	Lost Control
Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	2018	100,00	Merger of the company
Transportadora Rio de la Plata, S.A.	2018	100,00	Dissolution of the company
Abeinsa Business Development Corp.	2017	100,00	Dissolution of the company
Abeinsa Business Development, Spa.	2017	100,00	Dissolution of the company
Abeinsa Construction LLC	2017	100,00	Dissolution of the company

Company Name	Year of Exit	% Share	Motive
Abeinsa Juárez Norte III, S.A. de C.V.	2017	100,00	Sale of the company
Abema Ltda	2017	100,00	Dissolution of the company
Abencor USA LLC	2017	100,00	Lost Control
Abengoa Bioenergia Agroindustria Trading US Inc.	2017	100,00	Dissolution of the company
Abengoa Bioenergía Biodiesel S.A.	2017	100,00	Dissolution of the company
Abengoa Bioenergia Biomasse France, SAS	2017	100,00	Dissolution of the company
Abengoa Bioenergía Outsourcing, LLC	2017	100,00	Lost Control
Abengoa Bioenergy Biomass Funding, LLC	2017	100,00	Dissolution of the company
Abengoa Bioenergy Company, LLC.	2017	100,00	Lost Control
Abengoa Bioenergy Developments, LLC	2017	100,00	Dissolution 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	Dissolution 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	Dissolution of the company
Abengoa Bioenergy of Maryland, LLC	2017	100,00	Dissolution of the company
Abengoa Bioenergy of Nebraska, LLC.	2017	100,00	Lost Control
Abengoa Bioenergy of Texas, LLC	2017	100,00	Dissolution of the company
Abengoa Bioenergy Operations , LLC	2017	100,00	Lost Control
Abengoa Bioenergy Renewable Power US,LLC	2017	100,00	Dissolution of the company
Abengoa Bioenergy Technology Holding , LLC	2017	100,00	Lost Control
Abengoa Bioenergy Trading Europe, B.V.	2017	100,00	Dissolution 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	Dissolution of the company
Abengoa Inversiones Mexico, S.L.	2017	100,00	Dissolution of the company
Abengoa Inversiones Spain, S.L.	2017	100,00	Dissolution of the company
Abengoa Inversiones Sudamerica, S.L.	2017	100,00	Dissolution of the company
Abengoa Inversiones Uruguay, S.L.	2017	100,00	Dissolution of the company
Abengoa Solar Power Australia Pty Limited	2017	100,00	Dissolution of the company
Abengoa Solar GmbH	2017	100,00	Dissolution of the company

Appendix IV.- Subsidiary companies which during 2018 and 2017 were no longer included in the Consolidation Perimeter (continuation)

Company Name	Year of Exit	% Share	Motive
Abengoa Solar Japan K.K.	2017	100.00	Dissolution of the company
Abengoa Solar Power DMCC, LLC	2017	100.00	Dissolution of the company
Abengoa Transmission Holdings, LLC	2017	100.00	Dissolution of the company
AEPC USA Inc.	2017	100.00	Dissolution 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	Dissolution of the company
Captasol Fotovoltaica 1, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 2, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 3, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 4, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 5, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 6, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 7, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 8, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 9, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 10, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 11, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 12, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 13, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 14, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 15, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 16, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 17, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 18, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 19, S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 20 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 21 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 22 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 23 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 24 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 25 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 26 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 27 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 28 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 29 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 30 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 31 S.L.	2017	100.00	Merger of the company

Company Name	Year of Exit	% Share	Motive
Captasol Fotovoltaica 32 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 33 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 34 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 35 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 36 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 37 S.L.	2017	100.00	Merger of the company
Captasol Fotovoltaica 38 S.L.	2017	100.00	Merger of the company
Concesiones Eléctricas Chile SpA	2017	100.00	Dissolution of the company
CSP Atacama Inversiones Dos, SpA	2017	100.00	Dissolution of the company
Ecoagricola, S.A.	2017	100.00	Sale of the company
Ecocarburantes Españoles , S.A.	2017	95.10	Sale of the company
Girhmex, S.A. De C.V.	2017	100.00	Dissolution of the company
Global Engineering Services LLC	2017	100.00	Dissolution 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	Merger of the company
Marismas PV A2, S.L.	2017	100.00	Merger of the company
Marismas PV A3, S.L.	2017	100.00	Merger of the company
Marismas PV A4, S.L.	2017	100.00	Merger of the company
Marismas PV A5, S.L.	2017	100.00	Merger of the company
Marismas PV A6, S.L.	2017	100.00	Merger of the company
Marismas PV A7, S.L.	2017	100.00	Merger of the company
Marismas PV A8, S.L.	2017	100.00	Merger of the company
Marismas PV A9, S.L.	2017	100.00	Merger of the company
Marismas PV A10, S.L.	2017	100.00	Merger of the company
Marismas PV A11, S.L.	2017	100.00	Merger of the company
Marismas PV A12, S.L.	2017	100.00	Merger of the company
Marismas PV A13, S.L.	2017	100.00	Merger of the company
Marismas PV A14, S.L.	2017	100.00	Merger of the company
Marismas PV A15, S.L.	2017	100.00	Merger of the company
Marismas PV A16, S.L.	2017	100.00	Merger of the company
Marismas PV A17, S.L.	2017	100.00	Merger of the company
Marismas PV A18, S.L.	2017	100.00	Merger of the company
Marismas PV B1, S.L.	2017	100.00	Merger of the company
Marismas PV B2, S.L.	2017	100.00	Merger of the company
Marismas PV B3, S.L.	2017	100.00	Merger of the company
Marismas PV B4, S.L.	2017	100.00	Merger of the company
Marismas PV B5, S.L.	2017	100.00	Merger of the company

Appendix IV.- Subsidiary companies which during 2018 and 2017 were no longer included in the Consolidation Perimeter (continuation)

Company Name	Year of Exit	% Share	Motive
Marismas PV B6, S.L.	2017	100.00	Merger of the company
Marismas PV B7, S.L.	2017	100.00	Merger of the company
Marismas PV B8, S.L.	2017	100.00	Merger of the company
Marismas PV B9, S.L.	2017	100.00	Merger of the company
Marismas PV B10, S.L.	2017	100.00	Merger of the company
Marismas PV B11, S.L.	2017	100.00	Merger of the company
Marismas PV B12, S.L.	2017	100.00	Merger of the company
Marismas PV B13, S.L.	2017	100.00	Merger of the company
Marismas PV B14, S.L.	2017	100.00	Merger of the company
Marismas PV B15, S.L.	2017	100.00	Merger of the company
Marismas PV B16, S.L.	2017	100.00	Merger of the company
Marismas PV B17, S.L.	2017	100.00	Merger of the company
Marismas PV B18, S.L.	2017	100.00	Merger of the company
Marismas PV C1, S.L.	2017	100.00	Merger of the company
Marismas PV C2, S.L.	2017	100.00	Merger of the company
Marismas PV C3, S.L.	2017	100.00	Merger of the company
Marismas PV C4, S.L.	2017	100.00	Merger of the company
Marismas PV C5, S.L.	2017	100.00	Merger of the company
Marismas PV C6, S.L.	2017	100.00	Merger of the company
Marismas PV C7, S.L.	2017	100.00	Merger of the company
Marismas PV C8, S.L.	2017	100.00	Merger of the company
Marismas PV C9, S.L.	2017	100.00	Merger of the company
Marismas PV C10, S.L.	2017	100.00	Merger of the company
Marismas PV C11, S.L.	2017	100.00	Merger of the company
Marismas PV C12, S.L.	2017	100.00	Merger of the company
Marismas PV C13, S.L.	2017	100.00	Merger of the company
Marismas PV C14, S.L.	2017	100.00	Merger of the company
Marismas PV C15, S.L.	2017	100.00	Merger of the company
Marismas PV C16, S.L.	2017	100.00	Merger of the company
Marismas PV C17, S.L.	2017	100.00	Merger of the company
Marismas PV C18, S.L.	2017	100.00	Merger of the company
Marismas PV E1, S.L.	2017	100.00	Merger of the company
Marismas PV E2, S.L.	2017	100.00	Merger of the company
Marismas PV E3, S.L.	2017	100.00	Merger of the company
NEA Solar Power, S.A.	2017	100.00	Dissolution of the company
Nicsa Industrial Supplies, LLC.	2017	100.00	Lost Control
Nicsa Sanayi Malzemeleri Limited Sirketi	2017	100.00	Dissolution of the company
Pahrump Valley Solar LLC	2017	100.00	Dissolution of the company

Company Name	Year of Exit	% Share	Motive
Power & Railway Solutions, S.L.	2017	100.00	Dissolution of the company
Power Structures Inc.	2017	100.00	Dissolution of the company
PV Atacama Dos, S.A	2017	100.00	Dissolution of the company
PV Atacama Inversiones Uno, SpA	2017	100.00	Dissolution of the company
PV Atacama Inversiones Dos, SpA	2017	100.00	Dissolution of the company
PV Atacama Tres S.A	2017	100.00	Merger of the company
Qingdao Befesa Agua Co., Ltd	2017	100.00	Dissolution of the company
Servicios de Ingenieria IMA, S.A.	2017	94.08	Sale of the company
Siema Factory Holding, AG	2017	100.00	Dissolution of the company
Transportadora Bahía Blanca S.A.	2017	100.00	Dissolution of the company
Transportadora Riojana S.A.	2017	100.00	Dissolution of the company

% Share corresponds to the participation held by the direct parent company.

Appendix V.- Associated companies and Joint Ventures which during 2018 and 2017 were no longer included in the Consolidation Perimeter

Company Name	Year of Exit	% Share	Motive
ABY Concessions Peru S.A.	2018	100.00	Sale of the company
ABY Concessions Infrastructures, S.L.U	2018	100.00	Sale of the company
ABY Infraestructuras, S.L	2018	100.00	Sale of the company
ABY Infrastructures USA LLC	2018	100.00	Sale of the company
ABY Servicios Corporativos, S.L.	2018	100.00	Sale of the company
ABY South Africa (Pty) Ltd	2018	100.00	Sale of the company
ABY Transmisión Sur, S.A.	2018	100.00	Sale of the company
ACT Energy México, S. de R.L. de C.V.	2018	100.00	Sale of the company
ACT Holdings, S.A. de C.V.	2018	100.00	Sale of the company
Aguas de Skikda	2018	51.00	Sale of the company
Arizona Solar One, LLC	2018	100.00	Sale of the company
ASHUSA Inc	2018	100.00	Sale of the company
ASO Holdings Company, LLC	2018	100.00	Sale of the company
ASUSHI Inc	2018	100.00	Sale of the company
ATE VIII Transmissora de Energía S.A.	2018	50.00	Sale of the company
Atlantica Yield Plc.	2018	41.47	Sale of the company
ATN 2, S.A.	2018	100.00	Sale of the company
ATN S.A	2018	100.00	Sale of the company
Cadonal, S.A.	2018	100.00	Sale of the company
Carpio Solar Inversiones, S.A.	2018	100.00	Sale of the company
Concecutex, S.A. de C.V.	2018	50.00	Sale of the company
Concesionaria Costa del Sol S.A.	2018	50.00	Lost Control
Ecija Solar Inversiones, S.A	2018	100.00	Sale of the company
Evacuación Villanueva del Rey, S.L.	2018	36.63	Sale of the company
Evacuación Valdecaballeros	2018	57.14	Sale of the company
Extremadura Equity Investments Sárl.	2018	100.00	Sale of the company
Fotovoltaica Solar Sevilla, S.A.	2018	80.00	Sale of the company
Geida Skikda, S.L.	2018	67.00	Sale of the company
Geida Tlemcen, S.L.	2018	50.00	Sale of the company
Helioenergy Electricidad Uno, S.A.	2018	100.00	Sale of the company
Helioenergy Electricidad Dos, S.A.	2018	100.00	Sale of the company
Helios I Hyperion Energy Investments, S.L.	2018	100.00	Sale of the company
Helios II Hyperion Energy Investments, S.L.	2018	100.00	Sale of the company
Holding de Energía Eólica S.A.	2018	100.00	Sale of the company
Hypesol Energy Holding , S.L.	2018	100.00	Sale of the company
Kaxu Solar One (Pty) Ltd.	2018	51.00	Sale of the company
Logrosán Equity Investments Sárl.	2018	100.00	Sale of the company
Logrosán Solar Inversiones, S.A.	2018	100.00	Sale of the company
Logrosán Solar Inversiones Dos, S.L.	2018	100.00	Sale of the company

Company Name	Year of Exit	% Share	Motive
Mojave Solar LLC	2018	100.00	Sale of the company
Mojave Solar Holding, LLC.	2018	100.00	Sale of the company
Myah Bahr Honaine, S.P.A.	2018	51.00	Sale of the company
Palmatir S.A.	2018	100.00	Sale of the company
Palmucho, S.A.	2018	100.00	Sale of the company
RRHH Servicios Corporativos, S. de R.L. de C.V.	2018	100.00	Sale of the company
Sanlucar Solar, S.A.	2018	100.00	Sale of the company
Servicios Culturales Mexiquenses, S.A. de C.V.	2018	50.00	Sale of the company
Solaben Electricidad Uno	2018	100.00	Sale of the company
Solaben Electricidad Dos	2018	70.00	Sale of the company
Solaben Electricidad Tres	2018	70.00	Sale of the company
Solaben Electricidad Seis	2018	100.00	Sale of the company
Solaben Luxembourg S.A	2018	100.00	Sale of the company
Solacor Electricidad Uno, S.A.	2018	87.00	Sale of the company
Solacor Electricidad Dos, S.A.	2018	87.00	Sale of the company
Solar Processes, S.A.	2018	100.00	Sale of the company
Solnova Electricidad, S.A.	2018	100.00	Sale of the company
Solnova Electricidad Tres, S.A.	2018	100.00	Sale of the company
Solnova Electricidad Cuatro, S.A.	2018	100.00	Sale of the company
Solnova Solar Inversiones, S.A	2018	100.00	Sale of the company
Transmisora Baquedano, S.A.	2018	100.00	Sale of the company
Transmisora Mejillones, S.A.	2018	100.00	Sale of the company
Abeinsa Energy and Water Contracting LLC	2017	49.00	Dissolution of the company
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	Dissolution 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	Dissolution 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 Contrucción, Ltda.	2017	33.30	Dissolution of the company

% Share corresponds to the participation held by the direct parent company.

Appendix VI.- Temporary Joint Vetures which during 2018 and 2017 were no longer included in the Consolidation Perimeter

Company Name	Year of Exit	% Share
Asimel	2018	25.00
Badaia	2018	30.00
Baja California	2018	100.00
Consorcio Abengoa Colombia	2018	100.00
CSP Atacama III	2018	100.00
Equipamiento Solar Caballería	2018	20.00
Giesa Inabensa	2018	50.00
Inst. Eléctricas Hospital Costa del Sol	2018	50.00
Parque aeronáutico	2018	40.00
S/E Blanes	2018	33.33
Silvacat	2018	35.50
Tablada	2018	50.00
UTE Abener Teyma Emirates I	2018	100.00
UTE Abener Teyma Upington	2018	100.00
UTE Abener Teyma Paulputs	2018	100.00
UTE Abener Teyma Paysandu	2018	100.00
UTE Abener Teyma Xina	2018	100.00
UTE Abener Teyma Atacama II	2018	100.00
UTE Abener Teyma Inabensa Atacama II PV	2018	100.00
UTE Fuente Alamo	2018	33.00
Ute Inst. Clima Hospital Costa del Sol	2018	50.00
UTE Lubet Cádiz	2018	75.00
Armilla	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
Sigmacat	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

Company Name	Year of Exit	% Share
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 Báscara	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 Kurkudi	2017	50.00
UTE La Codosera	2017	50.00
UTE Mant. Valdeinfierno	2017	60.00
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

Appendix VII.- Projects subject to the application of IFRIC 12 interpretation on concessional services

Tipe of Agreement/Project	Activity	Country	Status (*)	% Share	Years of Agreement	Offtaker	Intangible asset (I) / Finantial asset (F)	Aragement Terms (price)	Description of the Arrangement	Assets / Investment	Depreciation / Impairment	Revenues ordinary operating activity	Operating Income
Electricity Transmission:													
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 Concession with Aneel	319,052	(113,652)	-	(4,257)
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 Concession with Aneel	113,652	(202,556)	-	(4,269)
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 Concession with Aneel	46,260	(39,462)	-	(5,243)
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 Concession with Aneel	54,932	(54,067)	-	(3,165)
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 Concession with Aneel	34,068	(34,028)	-	(7,160)
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 Concession with Aneel	101,565	(101,002)	-	(16,632)
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 Concession with Aneel	31,332	(31,332)	-	(5,385)
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 Concession with Aneel	8,784	(8,784)	-	(1,507)
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 Concession with Aneel	3,731	(3,731)	-	(1,513)
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 signed with the client	61	(25)	2,216	2,036
Electricity Power Sale:													
Solar Power Plant One	Solar	Algeria	(O)	51	2011-2035	Sonatrach	(I)	Fixed price per MWh, updated on a monthly basis by the dinar/euro exchange rate variation and inflation.	25-year service agreement for the purchase of electricity to Sonatrach.	238,495	(79,361)	36,101	29,566
Khi Solar One (Pty) Ltd.	Solar	South Africa	(O)	51	2014-2034	The Department of Energy of South Africa (Offtaker Eskom Holding Soc Limited)	(I)	Fixed Price in Rands/ kWh indexed to annual inflation	20-year Power Purchase Agreement with Eskom Holding Soc Limited	355,813	(355,813)	27,912	29,533
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 Power Purchase Agreement with Eskom Holding Soc Limited	87,787	-	-	-
Abent 3T, S.A.P.I. de C.V.	Generation	Mexico	(O)	100	2019-2038	Comisión Reguladora de Energía	(F)	Fee set in MXP (kWh) adjusted by gas prices and inflation	Right to sale clean energy under a legacy scheme.	965,543	(441,907)	-	33,848
Infraestructure Maintenance:													
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	850	-	-	-
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	Construction	Mexico	(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 operation variable costs	30-year Concession with Conagua	199,525	(199,525)	-	(6,978)
Unidad Punta de Rieles, S.A.	Construction	Uruguay	(O)	100	2015-2043	Ministerio del Interior de Uruguay	(F)	Fixed price indexed to availability and variable price for complementary services	27,5-year Concession with Ministerio del Interior de Uruguay	101,356	-	21,813	20,912

A Appendix VII.- Projects subject to the application of IFRIC 12 interpretation on concessional services (continuation)

Tipe of Agreement/Project	Activity	Country	Status (*)	% Share	Years of Agreement	Offtaker	Intangible asset (I) / Finantial asset (F)	Aragement Terms (price)	Description of the Arrangement	Assets / Investment	Depreciation / Impairment	Revenues ordinary operating activity	Operating Income
Aman El Baraka S.A.	Irrigation system	Morocco	(C)	100	2017-2048	Ministerio de Agricultura y Pesca de Marruecos MAMP (concession of production of desalinated water for irrigation water) y L´Office Regional de Mise en Valeur Agricole du Souss-Massun (delegated management for irrigation)	(F)	Fixed fee per supplied m3. It has two components "La Contribution au Fonds de Travaux et de Contrôle" and the Abengoa Fee, both indexed.	30 years from the work start date. The duration is divided in two periods: (a) from the commencement of the work until the irrigation system is commissioned, and (b) an operation period of 27 years and 4 months, from the start-up of the irrigation system.	2	-	-	(19)
Zona Norte Engenharia, Manutenção e Gestão De Serviços, S.A. Spe.	Services	Brazil	(O)	60	2013-2033	Susam	(I) / (F)	Fixed price, annually indexed by IPCA, IGPM e IAC	20 years of concession with Susam - public entity.	146,447	(42,234)	28,518	12,994
Desalinated Water Sale:													
Chennai Water Desalination Limited	Desalination	India	(O)	25	2010-2034	Chennai Metropolitan Water 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	7,500	-	-	-
Société d'Eau Déssalée d'Agadir (SEDA)	Desalination	Morocco	(C)	51	2017-2048	Office National de l'Eau Potable et de l'Electricité	(F)	Fixed price per m3 available of the plant and fixed price per m3 produced, both indexed	30 years; 32 months for construction and 27 years and 4 months of operation from Commercial Operation Date with ONEE state-owned company	73,251	-	2,873	3,095
Tenes Lylmyah	Desalination	Algeria	(O)	51	2015-2039	Algerian Energy Company SPA y Algerienne Des Eaux	(F)	Fixed price per m3 available of the plant and fixed price per m3 produced, both indexed.	25-year Concession Agreement from Commercial Operation Date with state-owned companies	185,743	(50,924)	39,315	13,820
Desalination Developments Ghana	Desalination	Ghana	(O)	56	2015-2030	Ghana Water Company Limited	(F)	Fixed price per m3 available of the plant and fixed price per m3 produced, both indexed.	25-year Concession Agreement from Commercial Operation Date with state-owned companies	108,510	(22,463)	15,788	1,227

(*) 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 incluided in the Consolidation Perimeter

Company Shareholding	Partner	% Share
Abeima Teyma Barka LLC.	Sultan Said Abdullah Al Kindi	30.00
Befesa Desalination Developments Ghana Limited	Daye Water Investment Ghana Bv.	44.00
Construtora Integração, Ltda.	Centrais Elétricas Norte Brasil S.A/Eletrosul Centrais Elátricas S.A	49.00
Copero Solar Huerta Uno, S.A.	Empresa Metropolitana de Abastecimiento 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/Chesf	49.50
Procesos Ecológicos, S.A.	Global Plasma Envioroment	50.00
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
Transportadora El Rodeo S.A.	Kioshi S.A	15.00
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 2018

Project	Activity	Country	Status (*)	% Abengoa
Concession-type Infrastructure				
Abengoa Transmisión Norte S.A., 1	Transmission	Perú	(O)	100.00
Abengoa Transmisión Norte S.A., 3	Transmission	Perú	(C)	100.00
Aman El Baraka S.A.	Irrigation system	Morocco	(C)	100.00
ATE XIX Transmissora de Energia S.A.	Transmission	Brazil	(C)	100.00
ATE XVI Transmissora de Energia S.A.	Transmission	Brazil	(C)	100.00
ATE XVII Transmissora de Energia S.A.	Transmission	Brazil	(C)	100.00
ATE XVIII Transmissora de Energia S.A.	Transmission	Brazil	(C)	100.00
ATE XX Transmissora de Energia S.A.	Transmission	Brazil	(C)	100.00
ATE XXI Transmissora de Energia S.A.	Transmission	Brazil	(C)	100.00
ATE XXII Transmissora de Energia S.A.	Transmission	Brazil	(C)	100.00
ATE XXIII Transmissora de Energia S.A.	Transmission	Brazil	(C)	100.00
ATE XXIV Transmissora de Energia, S.A.	Transmission	Brazil	(C)	100.00
Befesa Desalination Developments Ghana Limited	Desalination	Ghana	(O)	56.00
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	Infrastructure	Mexico	(C)	100.00
Iniciativas Hidroeléctricas, S.A.	Hydropower generation	Spain	(O)	51.00
Khi Solar One (Pty) Ltd	Solar	South Africa	(O)	51.00
Société d'Eau Déssalée d'Agadir	Desalination	Morocco	(C)	50.94
Solar Power Plant One	Solar	Algeria	(O)	51.00
Tenes Lylmyah	Desalination	Algeria	(O)	51.00
Teyma Forestal, S.A.	Infrastructure	Uruguay	(O)	100.00
Unidad Punta de Rieles, S.A.	Infrastructure	Uruguay	(O)	85.00
Zona Norte Engenharia, Manutenção e Gestão De Serviços, S.A. Spe.	Infrastructure	Brazil	(O)	60.00
Industrial Production				
Abengoa Bioenergía Agroindustria Ltda	Ethanol	Brazil	(O)	100.00

(*) Operation (O), Construction (C)

Appendix X.- Companies with Electricity Operations included in the 2018 Consolidation Perimeter

Company Name	Registered Address	Activity	Comments
Abengoa Bioenergía Agroindustria, Ltda.	Sao Paulo (BR)	3	In operation
Abent 3T, S.A.P.I. de C.V.	Mexico D.F. (MX)	3	In operation
ACC 4T, S.A.P.I. de C.V.	Mexico D.F. (MX)	3	Construction phase
ATE XIX Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XVI Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XVII Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XVIII Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XX Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XXI Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XXII Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XXIII Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XXIV Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	Construction phase
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Construction phase
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	Construction phase
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Construction phase
ATN 1, S.A.	Lima (PE)	9	In operation
ATN 3, S.A.	Lima (PE)	9	Construction phase
Inabensa Fotovoltaica, S.L.	Seville (ES)	5	In operation
Iniciativas Hidroeléctricas, S.A.	Seville (ES)	7	In operation
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	5	In operation
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	5	In operation
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	5	In operation
Khi Solar One (Pty) Ltd.	Gauteng (ZA)	6	In operation
Linares Fotovoltaica, S.L.	Seville (ES)	5	In operation
Solar Power Plant One	Argel (DZ)	6	In operation
Xina Solar One (Rf) (Pty), Ltd.	Gauteng (ZA)	6	In operation

(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 12.31.18

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Abengoa S.A.	Seville (ES)	Parent Company
A3T Holdco España, S.A	Seville (ES)	Abener Energía, S.A.U./ Negocios Industriales y Comerciales, S.A./Abenewco 1, S.A.U./ Abengoa Greenbridge S.A.
Abeinsa Asset Management, S.L.	Seville (ES)	Abener Energía, S.A.U./Negocios Industriales y Comerciales, S.A.
Abeinsa Business Development, S.A.	Seville (ES)	Abener Energía, S.A.U./ Negocios Industriales y Comerciales, S.A.
Abeinsa Engineering S.L.	Seville (ES)	Abener Energía, S.A.U.
Abeinsa EPC, S.A.	Seville (ES)	Abener Energía, S.A.U.
Abeinsa Infraestructuras Medio Ambiente, S.A	Seville (ES)	Abeinsa Business Development, S.A. / Negocios Industriales y Comerciales, S.A./ Abengoa Abenewco 1, S.A.U.
Abeinsa, Ingeniería y Construcción Industrial, S.A.	Seville (ES)	Abener Energía, S.A.U.
Abeinsa Inversiones Latam, S.L.	Seville (ES)	Asa Iberoamérica, S.L./Abener Energía, S.A.U.
Abeinsa Operation and Maintenance, S.A.	Seville (ES)	Abengoa Abenewco 1, S.A.U.
Abener Argelia, S.L.	Seville (ES)	Abener Energía, S.A.U.
Abener Energía, S.A.	Seville (ES)	Abengoa Abenewco 1, S.A.U.
Abengoa Abenewco 1, S.A.U.	Seville (ES)	Abengoa Abenewco 2, S.A.U.
Abengoa Abenewco 2, S.A.U.	Seville (ES)	Abengoa S.A.
Abengoa Abenewco 2 Bis, S.A.U.	Seville (ES)	Abengoa Abenewco 2 S.A.U.
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.U.
Abengoa Bioenergía, S.A.	Seville (ES)	Abenewco 1, S.A.U./Sociedad Inversora Energía y Medio Ambiente, S.A.
Abengoa Concessions, S.L.	Seville (ES)	Abenewco 1, S.A.U./Sociedad Inversora en Energía y Medioambiente, S.A.
Abengoa Energía S.A.U.	Seville (ES)	Abengoa Abenewco 1, S.A.U.
Abengoa Energía Atacama CSP, S.L.U.	Seville (ES)	Abengoa Energía S.A.U.
Abengoa Energy Crops, S.A.	Seville (ES)	Abenewco 1, S.A.U./ Sociedad Inversora en Energía y Medioambiente, S.A.
Abengoa Finance, S.A.	Seville (ES)	Abenewco 1, S.A.U.
Abengoa Greenbridge, S.A.U.	Seville (ES)	Abenewco 1, S.A.U.
Abengoa Greenfield S.A.U.	Seville (ES)	Abenewco 1, S.A.U.
Abengoa Hidrógeno, S.A.	Seville (ES)	Abener Energía, S.A.U./ Instalaciones Inabensa, S.A.U.
Abengoa OM Atacama CSP	Seville (ES)	Abengoa Operation and Maintenance S.A.U.
Abengoa PW I Investments, S.L.	Seville (ES)	Abener Energía, S.A.U.
Abengoa PW II Investments, S.L	Seville (ES)	Abener Energía, S.A.U.
Abengoa SeaPower, S.A.	Seville (ES)	Abener Energía, S.A.U./Instalaciones Inabensa, S.A.U.
Abengoa Solar España, S.A.U.	Seville (ES)	Abengoa Operation and Maintenance, S.A.U.
Abengoa Solar Extremadura, S.A.	Cáceres (ES)	Abengoa Solar España, S.A.U./Abengoa Solar New Technologies, S.A.
Abengoa Solar Internacional, S.A.	Seville (ES)	Abener Energía, S.A.U./ Abengoa Solar España, S.A.U.
Abengoa Solar Middle East Holding, S.L	Seville (ES)	Abengoa Solar Internacional, S.A / Abengoa Solar España, S.A.U.
Abengoa Solar New Technologies, S.A.	Seville (ES)	Abener Energía, S.A.U./ Abengoa Solar España, S.A.U.
Abengoa Solar, S.A.	Seville (ES)	Abener Energía, S.A.U.
Abengoa Solar Ventures S.A	Seville (ES)	Abener Energía, S.A.U./ Abengoa Solar España, S.A.U.
Abengoa Water Agadir, S.L.U.	Seville (ES)	Abengoa Agua, S.A.
Abengoa Water, S.L.	Seville (ES)	Abengoa Agua, S.A.
Abengoa Water Dalian, S.L.U.	Seville (ES)	Abengoa Agua, S.A.

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Abengoa Water Internacional, S.L.U.	Seville (ES)	Abengoa Agua, S.A./ Abengoa Operation and Maintenance, S.A.U.
Abengoa Water Nungua, S.L.U.	Seville (ES)	Abengoa Agua, S.A.
Abengoa Water Taiwan, S.L.U.	Seville (ES)	Abengoa Agua, S.A.
Abentel Telecomunicaciones, S.A.	Seville (ES)	Abener Energía, S.A.U.
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	Abeinsa Asset Management, S.L.
Asa Desulfuracion, S.A.	Seville (ES)	Siema Investment, S.L.U./ Sociedad Inversora en Energía y Medio Ambiente SA
Asa Iberoamérica, S.L.	Seville (ES)	Soc. Inv. Energía y Medio Ambiente, S.A./Abener Energía, S.A.U.
Befesa Agua Djerba, S.L.	Seville (ES)	Abengoa Agua, S.A.
Befesa Agua Tenes S.L.	Seville (ES)	Abengoa Agua, S.A.
Befesa CTA Qingdao, S.L.U	Madrid (ES)	Abengoa Agua, S.A.
Casaquemada Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A.U./Abener Energía, S.A.U.
Centro Tecnológico Palmas Altas, S.A.	Seville (ES)	Abengoa, S.A./Abener Energía, S.A.U.
Construcciones y Depuraciones, S.A.	Seville (ES)	Abengoa Agua, S.A.
Covisa, Cogeneración Villaricos, S.A.	Seville (ES)	Abeinsa Asset Management, S.L.
Europea de Construcciones Metálicas, S.A.	Seville (ES)	Abener Energía, S.A.U.
Gestión Integral de Recursos Humanos, S.A.	Seville (ES)	Siema Technologies, S.L/Sociedad Inversora en Energía y Medio Ambiente SA
Inabensa Fotovoltaica, S.L.	Seville (ES)	Instalaciones Inabensa, S.A.U./Abener Energía, S.A.U.
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.U.
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.U.
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.U.
Instalaciones Inabensa, S.A.U.	Seville (ES)	Abengoa Abenewco 1, S.A.U.
Las Cabezas Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A.U./Abener Energía, S.A.U.
Linares Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A.U./Abener Energía, S.A.U.
NEA Solar O&M, S.A.	Seville (ES)	Abener Energía, S.A.U./Abengoa Solar España, S.A.U.
NEA Solar Power, S.A.	Seville (ES)	Abengoa Solar, S.A /Abengoa Solar España, S.A.U.
Nicsa, Negocios Industr. y Comer. S.A.	Madrid (ES)	Abencor /Abener Energía, S.A.U.
Omega Sudamérica, S.L	Seville (ES)	Instalaciones Inabensa, S.A.U./ASA Iberoamérica S.A.
Puerto Real Cogeneración, S.A.	Seville (ES)	Abeinsa Asset Management, S.L.
Siema Investment, S.L.U.	Madrid (ES)	Siema Technologies, S.L
Siema Technologies, S.L.	Madrid (ES)	Abenewco 1, S.A.U./Sociedad Inversora en Energía y Medio Ambiente SA
Sociedad Inversora en Energía y Medioambiente, S.A.	Seville (ES)	Abenewco 1, S.A.U./Negocios Industriales y Comerciales, S.A.
Sociedad Inversora Lineas de Brasil, S.L.	Seville (ES)	Asa Iberoamérica
Solargate Electricidad Tres, S.A.	Seville (ES)	Abengoa Solar España, S.A.U./Abengoa Solar NT, S.A.
Solargate Electricidad Cuatro, S.A.	Seville (ES)	Abengoa Solar España, S.A.U./Abengoa Solar NT, S.A.
South Africa Solar Investments, S.L.	Seville (ES)	Abengoa Solar Internacional, S.A./ Abener Energía, S.A.U.
South Africa Solar Ventures, S.L.	Seville (ES)	Abengoa Solar Internacional, S.A./Abener Energía, S.A.U.
Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.	Seville (ES)	Abener Energía, S.A.U.
Zero Emissions Technologies, S.A.	Seville (ES)	Abener Energía, S.A.U./Abengoa Innovación S.A.
Zeroemissions Carbon Trust, S.A	Seville (ES)	Zeroemissions Technologies, S.A./Abener Energía, S.A.U.

Appendix XII.- Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
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	Luxemburg	259,030	100	A3T LuxCo 2 S.A	(*)		-
A3T LuxCo 2 SARL	Luxemburg	258,876	100	A3T Holdco España, S.A / Abener Energia	-	(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)	-	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 Infraestructure Ghana 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	Mexico 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	Abeima 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 Asset Management, S.L.	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)	-	100	Abeinsa Business Development, S.A./Negocios Industriales y Comerciales, S.A.	-	(1)	-
Abeinsa Business Development S.a.R.L/ A.U	Casablanca (MA)	-	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 Development México, S.A. de C.V.	Mexico D.F. (MX)	3	100	Abeinsa Business Development, S.A./ Negocios Industriales y Comerciales, S.A.	-	(1)	-
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.	Mexico 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 Khi 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	Mexico 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)	-	100	Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(1)	-
Abeinsa EPC Xina (Pty) Ltd.	Cape Town (ZA)	-	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 Gelistirme Limited Sirketi	Ankara (TR)	5	100	Abeinsa Business Development, S.A.	-	(1)	-
Abeinsa Monterrey VI, S.A. de C.V.	Mexico D.F. (MX)	2	100	Abengoa México, S.A. de CV/ Abener Energía, S.A.	-	(1)	-
Abeinsa Norte III, S. A. de C. V.	Mexico 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)	-	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	Mexico 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)	-	100	Abencor Suministros, S.A.	-	(1)	-
Abencor Suministros 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 XII.- Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
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 (Morocco)	3	100	Abener Energía, S.A.	-	(1)	-
Abener México, S.A. De C.V.	Mexico 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 (España)	2,553,490	100	Abengoa Abenewco 2, S.A.	-	(1)	B
Abengoa Abenewco 2, S.A.	Seville (España)	1,290,843	100	Abengoa S.A.	-	(1)	B
Abengoa Africa 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 Bioenergia Santa Fe, Ltda.	-	(6)	-
Abengoa Bioenergía Brasil, S.A.	Sao Paulo (BR)	1,005,278	100	Asa Bioenergy Holding AG./Abengoa Bioenergia, S.A.	-	(6)	-
Abengoa Bioenergia Inovações Ltda.	Sao Paulo (BR)	322,676	100	ASA Bioenergy Holding, AG/ Abengoa Bioenergia 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 Bioenergia Trading Brasil Ltda.	-	(6)	-
Abengoa Bioenergia Trading Brasil Ltda	Sao Paulo (BR)	-	100	Abengoa Bioenergia Brasil, S.A./Abengoa Bioenergia Agroindústria, 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 Bioenergy 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 Construçao 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 Cogeneraçao de Energía II, S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(2)	-
Abengoa Cogeneraçao de Energía, S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes 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)	-
Abengoa Concessions Investments Ltd.	Leeds (GB)	646,669	100	Abengoa Concessions, S.L./ Abengoa Solar, S.A.	-	(1)	B
Abengoa Concessions Investments, S.à.r.l.	Luxemburg (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 Construçao Brasil, Ltda./ Sociedad Inversora de Líneas de Brasil, S.L./ Abengoa Yield Plc.	-	(2)	C
Abengoa Construçao Brasil, Ltda.	Rio de Janeiro (BR)	426,583	100	Abeanza Brasil, S.A./Sociedad Inversora de Líneas 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)	-	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)	-	99.80	Abengoa Perú, S.A.	-	(1)	-
Abengoa Greenfield S.A.U.	Seville (ES)	60	100	Abengoa Abenewco 1, S.A.	-	(1)	-
Abengoa Infraestrutura, S.A.	Rio de Janeiro (BR)	-	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.	Mexico 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	Mexico 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)	-
Abengoa Servicios Industriales, S.A. de C.V.	Mexico 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.	Mexico D.F. (MX)	968	100	Abengoa México, S.A. de C.V./Servicios Aux. de Admon., S.A	-	(1)	C

Appendix XII.- Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Abengoa Solar Brasil Desenvolvimientos 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 Engeneering (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.	Mexico 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 Abenewco 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 ULC	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 Energia, S. A./ Abacus Project Management, Inc./ Abeinsa Holding, Inc.	-	(1)	-
Abengoa Water Agadir, S.L.U.	Seville (ES)	2,734	100	Abengoa Water, S.L.	-	(1)	-
Abengoa Water Beijing Co., Ltd	Pekín (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.	Luxemburg (LU)	13	100	Abengoa Concessions Investments, S.à.r.l.	-	(1)	-
Abent 3T, S.A.P.I. de C.V.	Mexico 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 Construçao Brasil Ltda	Rio de Janeiro (BR)	13,071	100	Inabensa Rio, Ltda./Abengoa Construçao 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)	-	100	Abengoa Construçao Brasil, Ltda. / Teyma Internacional S.A.	-	(1)	-
ACC 4T, S.A.P.I. de C.V.	Mexico D.F. (MX)	2	100	Abengoa México, S.A. de CV/ Servicios Auxiliares de Administración, S.A. de C.V.	-	(5)	C
ACIL Luxco 1, S.A.	Luxemburg	886,166	100	ACIL Luxco 2, S.A.	(*)		-
ACIL Luxco 2, S.A.	Luxemburg	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 (Morocco)	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 (ES)	44,611	100	Siema Investment, S.L.U./Sociedad Inversora en Energía y Medioambiente, S.A.	-	(1)	-
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 Construçao 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 Concessoes Brasil Holding, S.A./Abengoa Construçao Brasil, Ltda.	-	(2)	C

Appendix XII.- Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

Company Name	Registered Address	Shareholding: Amount in thousands of €	Shareholding: % of Nominal Capital	Parent Company	(*)	Activity	Auditor
ATE VII- Foz do Iguacú Transmissora de Energía, S.A.	Rio de Janeiro (BR)	21,269	100	Abengoa Concessoes Brasil Holding, S.A./Abengoa Construçao Brasil, Ltda.	-	(2)	C
ATE X Abengoa Brasil Administraçao Predial Ltda	Rio de Janeiro (BR)	5,115	100	Abengoa Construçao Brasil, Ltda./Abengoa Concesssoes Brasil Holding, S.A.	-	(1)	-
ATE XI, Manaus Transmissora de Energía	Rio de Janeiro (BR)	159,342	50.50	Abengoa Concessoes Brasil Holding, S.A.	-	(2)	C
ATE XIII, Norte Brasil Transmissora de Energía S.A	Rio de Janeiro (BR)	216,293	51	Abengoa Concessoes 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 Construçao 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 Construçao Brasil, Ltda.	-	(2)	-
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	-	(2)	-
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao 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)	-
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	Mexico 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	Abeinsa Asset Management, S.L.	-	(5)	-

Company Name	Registered Address	Shareholding: Amount in thousands of €	Shareholding: % of Nominal Capital	Parent Company	(*)	Activity	Auditor
Concesionaria del Acueducto el Zapotillo, S.A. de C.V.	Mexico D.F. (MX)	23,857	100	Abengoa México, S.A.C.V./Abeinsa Infraestructuras MedioAmbiente, S.A./Abeinsa, Ingeniería y Construcción Industrial, S.A.	-	(4)	C
Construcciones Metálicas Mexicanas, S.A. de C.V. (Comemsa)	Querétaro (MX)	18,925	100	Europea Const. Metálicas, S.A./Abengoa México, S.A. de C.V.	-	(1)	B
Construcciones y Depuraciones, S.A.	Seville (ES)	7,938	100	Abeinsa Infraestructuras Medio Ambiente, S.A.	-	(1)	-
Construtora Integração Ltda.	Rio de Janeiro (BR)	-	51	Abengoa Construçao Brasil, Ltda.	-	(1)	C
Consultora de Servicios y Proyectos Centro Norte, S.A. de C.V.	Guadalajara (MX)	-	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.	Luxemburg (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 Energía Renovable, S.A.P.I. de C.V	Mexico D.F. (MX)	-	100	Abengoa México, S.A. de C.V. /Servicios Auxiliares de Administración, S.A. De C.V.	-	(1)	-
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 Desenvolvimentos Solares Ltda.	Rio de Janeiro (BR)	3	100	Abengoa Solar Brasil Desenvolvimientos Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(3)	-
Europea de Construcciones Metálicas, 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)	-

Appendix XII.- Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Inabensa Bharat Private Limited	New Delhi (IN)	12,110	100	Europea Const. Metálicas, 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.	Vitrollles (FR)	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)	-	100	Instalaciones Inabensa, S.A.	-	(1)	-
Inabensa Rio Ltda	Rio de Janeiro (BR)	13,117	100	Abeanza Brasil, S.A./Abengoa Construçao 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)	-	100	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	-	100	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	-	100	Inabensa Fotovoltaica, S.L./Instalaciones Inabensa, S.A.	-	(1)	-
Instalaciones Inabensa Insaat Enerji Sanayi ve Ticaret Ltd Sirketi	Ankara (TR)	2,535	100	Abeinsa, Ingeniería y Construcción Industrial, S.A./ Instalaciones Inabensa, S.A.	-	(1)	-
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 Energia, 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)	-	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 (SUD)	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)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
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)	-
Linares 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 Construçao Brasil, Ltda.	-	(2)	C
Mallorca Desenvolvimentos Solares Ltda.	Rio de Janeiro (BR)	2	100	Abengoa Solar Brasil Desenvolvimientos Solares Ltda./ Abengoa Solar Internacional, S.A.	-	(3)	-
Manaus Constructora Ltda	Rio de Janeiro (BR)	-	51	Abengoa Construçao 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 Infraco 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 Manteinance, Ltd	Tel Aviv (IL)	-	100	NEA Solar O&M Holdings, LLC.	-	(1)	-
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 Materiais 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)	-	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.	Mexico 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 Construçao 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)	-

Appendix XII.- Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
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.	Mexico 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 Energía, 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.	Mexico 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
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 Energía y Medioambiente, S.A.	-	(1)	B
Simosa Brasil, S.A.	Rio de Janeiro (BR)	-	100	Abengoa Construçao 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.	Mexico D.F. (MX)	3,409	65	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	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 Déssalée 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 Energía, 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.	Mexico 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)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
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
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.	Upington (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 Río Coronda, S.A.	Buenos Aires (AR)	-	100	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	C
Transportadora Rio de la Plata, S.A.	Buenos Aires (AR)	-	100	Teyma Abengoa, S.A./Abengoa, S.A.	-	(1)	-
Turbogenerador Madero 7, S.A. de C.V.	Mexico 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

Appendix XII.- Subsidiary companies included in the 2017 Consolidation Perimeter using the global integration method (continuation)

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 and others.
(6) Operating segment activities area: Bioenergy.

A Audited by PricewaterhouseCoopers Auditores.
B Audited by Deloitte (for legal purposes).
C Others (for legal purposes).

Appendix XIII.- Associated companies and Joint Ventures included in the 2017 Consolidation Perimeter using the participation method

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)/ (**)/ (***)	Activity	Auditor
Abeima Fisia Shuaibah LLC	Saudi Arabia	58	50	Abeinsa Infraestructuras Medio Ambiente, S.A.	(*)	(1)	-
Abengoa Vista Ridge, LLC. (SAW)	Texas (USA)	16,339	20	Abengoa Water USA, LLC.	-	(5)	-
Agua y Gestión de Servicios Ambientales, S.A.	Seville (Spain)	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 Energía 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	London (UK)	886,176	41.47	ACIL Luxco 1, S.A.	(***)	(7)	-
Cedisolar, S.A.	Ourense (Spain)	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	Mexico D.F. (Mexico)	1	50	Abengoa México S.A. de C.V./Instalaciones Inabensa, S.A.	(**)	(1)	-
Cogeneración Motril, S.A.	Seville (Spain)	-	19	Abeinsa Asset Management, S.L.	-	(1)	-
Concecutex, S.A. de C.V.	Mexico D.F. (Mexico)	5,294	50	Abengoa México, S.A. de C.V.	(**)	(5)	-
Concesionaria Costa del Sol S.A.	Málaga (Spain)	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 (Spain)	2	36.63	Helioenergy Electricidad Uno y Dos	(**)	(3)	-
Gran Establecimiento SA	Uruguay	2	33.33	Teyma Forestal	-	(1)	-
HZN Manutenção Hospitalar Ltda.	Manaus (Brazil)	-	33	Simosa Brasil, S.A.	-	(1)	-
Inapreu, S.A.	Barcelona (Spain)	2,318	50	Instalaciones Inabensa, S.A.	(**)	(5)	B
Ledincor S.A.	Uruguay	669	49	Teyma Forestal, S.A.	(**)	(1)	-
Lidelir S.A.	Uruguay	1,081	49	Teyma Forestal, S.A.	(**)	(1)	-
Micronet Porous Fibers, S.L.	Vizcaya (Spain)	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 (Spain)	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 (Spain)	4,498	15	Abengoa Solar, S.A.	-	(1)	-
Rioglass Solar Inc.	Delaware (USA)	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 (Spain)	6,906	100	Rioglass Solar Holding, S.A	-	(1)	-
Rioglass South Africa (Lty) Ltd.	South Africa	60	100	Rioglass Solar Holding, S.A	-	(1)	-
Servicios Culturales Mexiquenses, S.A. de C.V. (Securmex)	Mexico D.F. ((Mexico)	1	50	Abengoa México, S.A. de C.V./ Instalaciones Inabensa, S.A.	(**)	(1)	-
SRC Nanomaterials, S.A	Asturias (Spain)	500	50	Rioglass Solar, S.A.	(**)	(3)	-
Total Abengoa Solar Emirates O&M Company, B.V. (TASEOM)	Amsterdam (The Netherlands)	82	50	Abengoa Solar Ventures, S.A.	(**)	(3)	-
Vista Ridge Regional Water Supply Corporation	Texas (USA)	-	100	Abengoa Vista Ridge	-	(4)	-
Xina Solar One (Rf) (Pty), Ltd. (antigua Tendogenix (RF) (Pty) Ltd.)	Gauteng (South Africa)	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).
C Others (for legal purposes).

Appendix XIV.- 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	Instalaciones Inabensa, S.A.		(1)	-
Agencia Andaluza de Energía	Seville (ES)	6.00	35	Instalaciones Inabensa, S.A.		(1)	-
Albalac	Madrid (ES)	2.04	33.34	Instalaciones Inabensa, S.A.		(1)	-
Almanjayar	Madrid (ES)	1.50	25	Instalaciones Inabensa, S.A.		(1)	-
Almería	Almería (ES)	1.50	50	Abengoa Water S.L.		(1)	-
Aparcamiento L'Ordana	Alicante (ES)	4.50	90	Instalaciones Inabensa, S.A.		(1)	-
APCA Inabensa-Abengoa Lote 2	Seville (ES)	6.00	50	Instalaciones Inabensa, S.A.		(1)	-
APCA Inabensa-Abengoa Lote 1	Seville (ES)	6.00	50	Instalaciones Inabensa, S.A.		(1)	-
Argelia	Madrid (ES)	3.00	50	Instalaciones Inabensa, S.A.		(1)	-
Asimel	Madrid (ES)	1.30	25	Instalaciones Inabensa, S.A.		(1)	-
Badaia	Vitoria (ES)	3.00	30	Instalaciones Inabensa, S.A.		(1)	-
Baja California	Seville (ES)	-	100	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	Instalaciones Inabensa, S.A.		(1)	-
Cartagena	Murcia (ES)	1.13	37.50	Abengoa Water S.L.		(1)	-
CGS-ABENGOA	Zaragoza (ES)	2.40	20	Instalaciones Inabensa, S.A.		(1)	-
Circulo Mercantil e Industrial de Sevilla	Seville (ES)	3.00	50	Instalaciones Inabensa, S.A.		(1)	-
Ciudad de la Justicia	Madrid (ES)	1.00	20	Instalaciones Inabensa, S.A.		(1)	-
Consistorio	Madrid (ES)	6.00	30	Instalaciones Inabensa, S.A.		(1)	-
Consorcio Abengoa Colombia	Bogotá (CO)	-	100	Abeinsa Infraestructuras Medio Ambiente, S.A./Abener Energía, S.A./ Abengoa Perú S,A.		(1)	-
Consorcio Pachacutec	Lima (PE)	-	50	Abengoa Perú, S.A.		(1)	-
Consorcio La Gloria	Lima (PE)	-	50	Abengoa Perú, S.A.		(1)	-
Consorcio Abengoa Kipreos Limitada	Santiago (CL)	6.77	50	Abengoa Chile, S.A.		(1)	B
Consorcio Ambiental de la Plata	Montevideo (UY)	0.67	100	Teyma Uruguay, S.A./Teyma Medioambiente S.A.		(1)	-
Consorcio Constructor Alto Cayma	Lima (PE)	-	25	Abengoa Perú, S.A.		(1)	-
Consorcio Ermitaño	Lima (PE)	-	50	Abengoa Perú, S.A.		(1)	-
CPD Solares UTE	Madrid (ES)	10.00	35	Instalaciones Inabensa, S.A.		(1)	-
CSP Atacama III	Seville (ES)	-	100	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
Edificio ETEA	Zaragoza (ES)	-	40	Instalaciones Inabensa, S.A.		(1)	-
Edificio ITA	Zaragoza (ES)	3.00	30	Instalaciones Inabensa, S.A.		(1)	-
Emvisesa Palacio Exposiciones	Seville (ES)	1.50	25	Instalaciones Inabensa, S.A.		(1)	-
Energía Línea 9	Barcelona (ES)	1.20	20	Instalaciones Inabensa, S.A.		(1)	-
Equipamiento Solar Caballería	Madrid (ES)	1.20	20	Instalaciones Inabensa, S.A.		(1)	-
Facultades	Madrid (ES)	1.00	15	Instalaciones Inabensa, S.A.		(1)	-
Ferrovial-Agroman Teyma (FAT)	Montevideo (UY)	-	40	Teyma Uruguay, S.A.		(1)	-
Giesa Inabensa	Seville (ES)	1.50	50	Instalaciones Inabensa, S.A.		(1)	-
Guardería La Nucia	Alicante (ES)	4.50	100	Instalaciones Inabensa, S.A.		(1)	-
H. Campus de la Salud	Seville (ES)	2.40	20	Instalaciones Inabensa, S.A.		(1)	-

Company Name	Registered Address	Shareholding		Parent Company	(*)	Activity	Auditor
		Amount in thousands of €	% of Nominal Capital				
Hospital Costa del Sol	Málaga (ES)	10.00	50	Instalaciones Inabensa, S.A.		(1)	-
IB INABENSA (JV) G15	India (IN)	-	100	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.		(1)	-
IB INABENSA (JV) G24	India (IN)	-	100	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.		(1)	-
IB INABENSA (JV) GR177	India (IN)	-	100	Inabensa Bharat Private Limited/ Instalaciones Inabensa, S.A.		(1)	-
IB-PGF-INABEN(JV) GR159 CORE	India (IN)	-	100	Inabensa Bharat Private Limited/ Instalaciones Inabensa S.A.		(1)	-
Inabensa-Jayton Catral	Alicante (ES)	10.00	100	Instalaciones Inabensa, S.A.		(1)	-
Inabensa-Jayton La Nucia	Alicante (ES)	6.00	100	Instalaciones Inabensa, S.A.		(1)	-
Inabensa-Jayton Villajoyosa	Alicante (ES)	3.00	100	Instalaciones Inabensa, S.A.		(1)	-
Inacom	Madrid (ES)	6.00	25	Instalaciones Inabensa, S.A.		(1)	-
Incubadora	Madrid (ES)	1.80	30	Instalaciones Inabensa, S.A.		(1)	-
Inst. Eléctricas Hospital Costa del Sol	Malaga (ES)	3.00	50	Instalaciones Inabensa, S.A.		(1)	-
La Faisanera	Burgos (ES)	4.00	30	Instalaciones Inabensa, S.A.		(1)	-
Libia-Líneas	Seville (ES)	-	50	Instalaciones Inabensa, S.A.		(1)	-
Machupichu	Seville (ES)	6.00	100	Abeinsa, Ing y Const. Ind., S.A. /Abencor Suministros, S.A.		(1)	-
Mantenimiento AVE Energia	Madrid (ES)	0.68	11.27	Instalaciones Inabensa, S.A.		(1)	-
Mataporquera	Madrid (ES)	3.00	50	Instalaciones Inabensa, S.A.		(1)	-
Metro Ligero de Granada	Madrid (ES)	6.00	40	Instalaciones Inabensa, S.A.		(1)	-
Mobiliario La Nucia	Alicante (ES)	5.00	100	Instalaciones Inabensa, S.A.		(1)	-
Norte III	Seville (ES)	-	100	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
Ontoria	Vizcaya (ES)	3.00	50	Instalaciones Inabensa, S.A.		(1)	-
Pabellón Cubierto La Nucia	Alicante (ES)	9.00	100	Instalaciones Inabensa, S.A.		(1)	-
Parque aeronáutico	Seville (ES)	2.00	40	Instalaciones Inabensa, S.A.		(1)	-
Parque Soland	Seville (ES)	3.00	50	Instalaciones Inabensa, S.A.		(1)	-
Pistas Deportivas La Nucia	Alicante (ES)	1.00	100	Instalaciones Inabensa, S.A.		(1)	-
Preufet Juzgados	Barcelona (ES)	6.00	50	Instalaciones Inabensa, S.A.		(1)	-
Rap Fenol	Madrid (ES)	6.00	33	Instalaciones Inabensa, S.A.		(1)	-
Rotonda CV-70	Alicante (ES)	4.50	100	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	Instalaciones Inabensa, S.A.		(1)	-
Sede Universitaria	Alicante (ES)	4.50	100	Instalaciones Inabensa, S.A.		(1)	-
Seguridad Vial y Tráfico Rodado	Alicante (ES)	9.00	100	Instalaciones Inabensa, S.A.		(1)	-
Silfrasub	Madrid (ES)	2.00	40	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	Abengoa Water S.L.		(1)	-
Telar Klitten	Montevideo (UY)	0.88	100	Teyma Uruguay, S.A.		(1)	-

Appendix XIV.- Temporary Joint Ventures included in the 2017 Consolidation Perimeter using the proportional integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Telvent-Inabensa	Barcelona (ES)	3.00	50	Instalaciones Inabensa, S.A.		(1)	-
Torre	Bilbao (ES)	6.00	20	Instalaciones Inabensa, S.A.		(1)	-
Torre Isla Cartuja	Seville (ES)	12.00	20	Instalaciones Inabensa, S.A.		(1)	-
Tranvía de Jaén	Seville (ES)	1.00	15	Instalaciones Inabensa, S.A.		(1)	-
Universidad de Sevilla	Seville (ES)	-	30	Instalaciones Inabensa, S.A.	(*)	(1)	-
Usansolo	Vizcaya (ES)	-	50	Instalaciones Inabensa, S.A.		(1)	-
UTE Abener Teyma Inabensa Atacama I PV	Seville (ES)	-	100	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Alacat	Madrid (ES)	3.00	50	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	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	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abeima Teyma Barka	Seville (ES)	-	100	Abeinsa Infraestructuras Medio Ambiente, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abeima Teyma Agadir	Seville (ES)	-	100	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	Abeinsa, Ing y Const. Ind., S.A./Abencor Suministros, S.A.		(1)	-
UTE Abener Inabensa NP Tabasco	Seville (ES)	-	100	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	B
UTE Abener Teyma Emirates I	Seville (ES)	-	100	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	Abener Energía, S.A./ Abengoa Water, S.L.		(1)	-
UTE Abener Teyma Upington	Seville (ES)	-	100	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Paulputs	Seville (ES)	-	100	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Paysandu	Seville (ES)	-	100	Abener Energía, S.A./Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A		(1)	-
UTE Abener Teyma Xina	Seville (ES)	-	100	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Atacama I	Seville (ES)	-	100	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Teyma Atacama II	Seville (ES)	-	100	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	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abener Inabensa NP Tabasco II	Seville (ES)	-	100	Abener Energía, S.A./Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Abensaih Guadalquivir	Seville (ES)	3.06	51	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Amés Brión	La Coruña (ES)	3.00	50	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Ute Ashalim Eucomsa-Abeinsa Engineering	Seville (ES)	-	100	Europea de Construcc. Metálicas, S.A./Abeinsa Engineering SL		(1)	-
UTE Avensaih Guadalete - Barbate	Cádiz (ES)	3.06	51	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE B.Almanzora	Murcia (ES)	2.40	40	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Ute Baja California Sur IV	Seville (ES)	-	100	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	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
UTE Cáceres	Cáceres (ES)	3.00	50	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Canal de Navarra	Navarra (ES)	3.60	20	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE CCAC Arequipa	Arequipa (PE)	6.66	25	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Centro Morelos	Seville (ES)	-	100	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	Construcciones y Depuraciones, S.A./ Abengoa Water S.L.		(1)	-
UTE Chennai	India (IN)	6.00	100	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
UTE Conquero	Huelva (ES)	3.00	50	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
Ute Dead Sea	Seville (ES)	-	100	Abener Energía, S.A/Abeinsa Engineering SL		(1)	-
UTE Denizli	Denizli (TR)	-	100	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	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Fuente Alamo	Murcia (ES)	2.97	33	Construcciones y Depuraciones, S.A		(1)	-
UTE Guadalajara	Guadalajara (ES)	3.31	55	Abengoa Water S.L.		(1)	-
UTE Hassi R'Mel Construction	Seville (ES)	-	70	Abener Energía, S.A./ Abengoa Solar New Technologies, S.A		(1)	-
UTE Hassi R'Mel O&M	Seville (ES)	-	100	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	Abengoa Water S.L.		(1)	-
UTE Honaine	Algeria (AR)	1.50	50	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Inabensa Teyma Peralta	Seville (ES)	60.00	100	Instalaciones Inabensa, S.A. /Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Inabensa Teyma Eólica del Tala	Seville (ES)	60.00	100	Instalaciones Inabensa, S.A. /Teyma Gestión de Contratos de Construcción e Ingeniería, S.A.		(1)	-
UTE Inabensa-Eucomsa-Perú	Seville (ES)	6.90	100	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	Instalaciones Inabensa, S.A.		(1)	-
UTE Las Bambas	Seville (ES)	6.00	100	Abeinsa, Ing y Const. Ind., S.A. /Abencor Suministros, S.A.		(1)	-
UTE Lubet Cádiz	Cádiz (ES)	-	75	Construcciones y Depuraciones, S.A.		(1)	-
UTE Mantenimiento Presas	Málaga (ES)	2.10	35	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Marismas Construccion	Seville (ES)	12.00	100	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.(Codesa)		(1)	-
UTE Ojén Mijas	Málaga (ES)	-	70	Construcciones y Depuraciones, S.A.		(1)	-
UTE Reus	Cataluña (ES)	3.90	65	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Riegos Marismas	Seville (ES)	5.94	99	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Sallent	Cataluña (ES)	3.00	50	Abeinsa Infraestructuras Medio Ambiente, S.A.		(1)	-
UTE Skikda	Algeria (AR)	2.00	67	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
UTE Skikda O&M	Algeria (AR)	2.01	67	Construcciones y Depuraciones, S.A./ Abengoa Water S.L.		(1)	-
UTE Tenés	Algeria (AR)	6.00	100	Abeinsa Infraestructuras Medio Ambiente, S.A /Construcciones y Depuraciones, S.A.		(1)	-
Ute Tenes O&M	Algeria (AR)	4.80	100	Construcciones y Depuraciones, S.A./ Abengoa Water S.L.		(1)	-
Utrera	Seville (ES)	3.01	50	Abengoa Water S.L.		(1)	-

Appendix XIV.- Temporary Joint Ventures included in the 2017 Consolidation Perimeter using the proportional integration method (continuation)

		Shareholding					
Company Name	Registered Address	Amount in thousands of €	% of Nominal Capital	Parent Company	(*)	Activity	Auditor
Winterra-Inabensa Sarriá	Compostela (ES)	2.00	30	Instalaciones Inabensa, S.A.		(1)	-
Winterra-Inabensa Monterroso	Compostela (ES)	6.00	30	Instalaciones Inabensa, S.A.		(1)	-
Zonas Deportivas La Nucia	Alicante (ES)	4.00	100	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 and others.
(6) Operating segment activities area: Bioenergy.

A Audited by PricewaterhouseCoopers Auditores.
B Audited by Deloitte.
C Others.

Appendix XV.- 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	In operation
Abengoa Bioenergía Agroindustria, Ltda.	Sao Paulo (BR)	3	In operation
Abengoa Cogeneraçao de Energia II, S.A.	R. de Janeiro (BR)	9	Construction phase
Abengoa Cogeneración Tabasco, S. de R.L. de C.V.	Mexico D.F. (MX)	3	In operation
Abengoa Transmisión Norte, S.A.	Lima (PE)	9	In operation
Abengoa Transmisión Sur, S.A.	Lima (PE)	9	In operation
Abent 3T, S.A.P.I. de C.V.	Mexico D.F. (MX)	3	Construction phase
ACC 4T, S.A.P.I. de C.V.	Mexico D.F. (MX)	3	Construction phase
Aguas de Skikda	Argel (DZ)	7	In operation
Aprovechamientos Energéticos Furesa, S.A.	Murcia (ES)	1	In operation
Arizona Solar One, LLC	Colorado (US)	6	In operation
ATE VI Campos Novos Transmissora de Energía ,S.A	R. de Janeiro (BR)	9	In operation
ATE VII- Foz do Iguacú Transmissora de Energía, S.A.	R. de Janeiro (BR)	9	In operation
ATE VIII Transmissora de Energía, S.A.	R. de Janeiro (BR)	9	In operation
ATE XI, Manaus Transmissora de Energía	R. de Janeiro (BR)	9	In operation
ATE XIII, Norte Brasil Transmissora de Energía S.A	R. de Janeiro (BR)	9	In operation
ATE XIX Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XVI Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XVII Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XVIII Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XX Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XXI Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XXII Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XXIII Transmissora de Energia S.A.	R. de Janeiro (BR)	9	Construction phase
ATE XXIV Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	Construction phase
ATE XXVI Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Construction phase
ATE XXVII Transmissora de Energia, S.A.	Rio de Janeiro (BR)	9	Construction phase
ATE XXVIII Transmissora de Energia S.A.	Rio de Janeiro (BR)	9	Construction phase
ATN 1, S.A.	Lima (PE)	9	In operation
ATN 2, S.A.	Lima (PE)	9	In operation
ATN 3, S.A.	Lima (PE)	9	Construction phase
Cadonal, S.A.	Montevideo (UY)	2	In operation
Cogeneración Villaricos, S.A.	Seville (ES)	1	In operation
Copero Solar Huerta Uno, S.A.	Seville (ES)	5	In operation
Copero Solar Huerta Dos, S.A.	Seville (ES)	5	In operation
Copero Solar Huerta Tres, S.A	Seville (ES)	5	In operation
Copero Solar Huerta Cuatro, S.A.	Seville (ES)	5	In operation
Copero Solar Huerta Cinco, S.A.	Seville (ES)	5	In operation
Copero Solar Huerta Seis, S.A.	Seville (ES)	5	In operation
Copero Solar Huerta Siete, S.A.	Seville (ES)	5	In operation

Company Name	Registered Address	Activity (*)	Comments
Copero Solar Huerta Ocho, S.A.	Seville (ES)	5	In operation
Copero Solar Huerta Nueve, S.A.	Seville (ES)	5	In operation
Copero Solar Huerta Diez, S.A.	Seville (ES)	5	In operation
CSP Atacama Dos, S.A	Santiago de Chile (CL)	6	Construction phase
DGEN Transmission Company, Ltd.	N. Delhi (IN)	9	Construction phase
Fotovoltaica Solar Sevilla, S.A.	Seville (ES)	5	In operation
Helioenergy Electricidad Uno, S.A.	Seville (ES)	6	In operation
Helioenergy Electricidad Dos, S.A.	Seville (ES)	6	In operation
Helios I Hyperion Energy Investments, S.L.	Seville (ES)	6	In operation
Helios II Hyperion Energy Investments, S.L.	Madrid (ES)	6	In operation
Honaine	Argel (DZ)	7	In operation
Inabensa Fotovoltaica, S.L.	Seville (ES)	5	In operation
Iniciativas Hidroeléctricas, S.A.	Seville (ES)	7	In operation
Iniciativas Hidroeléctricas de Aragón y Cataluña, S.L.	Huesca (ES)	7	In operation
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	5	In operation
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	5	In operation
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	5	In operation
Kaxu Solar One (Pty) Ltd.	Gauteng (ZA)	6	In operation
Khi Solar One (Pty) Ltd.	Gauteng (ZA)	6	In operation
Linares Fotovoltaica, S.L.	Seville (ES)	5	In operation
Londrina Transmissora De Energía, S.A.	R. de Janeiro (BR)	9	In operation
Marudhara Akshay Urja Private Limited	Maharashtra (IN)	6	Construction phase
Marusthal Green Power Private Limited	Maharashtra (IN)	6	Construction phase
Mojave Solar LLC	Colorado (US)	6	In operation
Palmatir, S.A.	Montevideo (UY)	2	In operation
Palmucho, S.A.	Santiago de Chile (CL)	9	In operation
Procesos Ecológicos Vilches, S.A.	Seville (ES)	3	In operation
Puerto Real Cogeneración, S.A.	Seville (ES)	3	In operation
Rajasthan Photon Energy Pvt Ltd	Maharashtra (IN)	6	Construction phase
Sanlúcar Solar, S.A.	Seville (ES)	6	In operation
Sao Mateus Transmissora de Energía, Ltda.	R. de Janeiro (BR)	9	In operation
Solaben Electricidad Uno, S.A.	Cáceres (ES)	6	In operation
Solaben Electricidad Dos, S.A.	Cáceres (ES)	6	In operation
Solaben Electricidad Tres, S.A.	Cáceres (ES)	6	In operation
Solaben Electricidad Seis, S.A.	Badajoz (ES)	6	In operation
Solacor Electricidad Uno, S.A.	Seville (ES)	6	In operation
Solacor Electricidad Dos, S.A.	Seville (ES)	6	In operation
Solar de Receptores de Andalucía, S.A.	Seville (ES)	5	In operation
Solar Power Plant One	Argel (DZ)	5	In operation
Solar Processes, S.A.	Seville (ES)	6	In operation

Appendix XV.- Companies with Electricity Operations included in the 2017 Consolidation Perimeter (continuation)

Company Name	Registered Address	Activity (*)	Comments
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	In operation
Solnova Electricidad Tres, S.A.	Seville (ES)	6	In operation
Solnova Electricidad Cuatro, S.A.	Seville (ES)	6	In operation
Transmisora Baquedano, S.A.	Santiago de Chile (CL)	9	In operation
Transmisora Mejillones, S.A.	Santiago de Chile (CL)	9	In operation
Xina Solar One (Rf) (Pty), Ltd.	Gauteng (ZA)	6	In operation

(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 12.31.17

Abengoa Tax Group Number 02/97		
Company Name	Tax Address	Shareholding
Abengoa S.A.	Seville (ES)	Parent Company
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 Sudamérica, 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 Solar New Technologies, S.A.	Seville (ES)	Abengoa Solar, S.A./ Abengoa Solar España, S.A.

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

Appendix XVI.- 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 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. Torrecuéllar, 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.
Las Cabezas Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Linares Fotovoltaica, S.L.	Seville (ES)	Abengoa Solar España, S.A./Abengoa Solar, S.A.
Marismas PV A1, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A2, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A3, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A4, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A5, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A6, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A7, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A8, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A9, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A10, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A11, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A12, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A13, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.
Marismas PV A14, S.L.	Seville (ES)	Las Cabezas Fotovoltaica, S.L./Abengoa Solar España, S.A.

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

Appendix XVI.- 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 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.

03. Consolidated management report

Appendices

03.1 Annual report on corporate governance of listed public limited companies

03.2 Annual report on remuneration of Board Members (ARR)

Consolidated Management Report as of December 31, 2018

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 2018 included the following:

- The holding parent company itself.
- 334 subsidiaries.
- 22 associates and 15 joint ventures; as well as certain companies of the Group being involved in 124 temporary joint operations (UTE). Furthermore, the Group’s companies have shareholdings of less than 20% in other entities.

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. 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. In addition, it performs activities related to the development of solar thermal and water management technologies and innovative technological business activities such as hydrogen or the management of energy crops.
- 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. These assets generate low demand risk and 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, in line with the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and subsequently on January 21, 2019, 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, 2018 and 2017. The classification has been done in accordance with the IFRS 5 “Non-Current Assets Held for Sale and Discontinued Operations”.

Unless otherwise noted, the figures shown in this Consolidated Management Report have been expressed in millions of Euros.

2.- Evolution and business results

2.1. Financial position

a) Restructuring process situation update

The following summary shows the relevant facts which took place during the year 2018 until the formulation of the present Consolidated financial statements, in relation with the financial restructuring process:

a) In relation to the financial restructuring process realized in Abengoa, it should be noted that;

› In relation to the Restructuring Agreement closed on March 31, 2017, during the year 2018, meetings have continued to be held with the challengers for the purposes of negotiating and reaching an agreement on the claimed debt. Following said negotiation period, a preliminary agreement has been reached with some of the challengers to restructure their debt, either by issuing a new instrument in terms substantially similar to those of the Senior Old Money but equally classified as senior, or by issuing new Senior Old Money securities in the specific case of one of the challengers, as decided by the pertaining challengers. For said purposes, on April 30, 2018 the Group requested its creditors to authorize the implementation of said agreement which was rejected by the creditors.

On April 25, 2019 the Company informed that, within the Restructuring Agreement framework, an agreement had been reached with the challengers to refinance said debt as part of the Senior Old Money instruments, all within the terms set forth in said Restructuring Agreement (see Note 2.2.2).

In some cases, the real debt held so far by the challengers will be assumed by Abengoa Abenewco 2bis and subsequently exchanged for SOM (Senior Old Money) convertible notes for an approximate amount of USD 76.6 million and €77.0 million, plus an additional contingent amount to be determined in light of future eventualities. In other cases, the debt has been traded by applying payments or payment commitments, debt relief and debt payment extensions, for an approximate amount of €23 million. The aforesaid negotiated agreements allow to eliminate the risk that existed up to now derived from claims.

› In addition to the aforementioned, and as Note 2.2.2. explains, the Company remains working on additional actions that allow to ensure its viability in the short and medium term. In this respect, the Board of Directors approved, at their meetings of December 10, 2018 and January 21, 2019, a new 10-year Viability Plan which, along with the new financial restructuring process will allow it to continue with its activity in a competitive and sustainable manner in the future.

b) On the other hand, in relation to the proceedings in Brazil related to 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 2017, 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, 2017, brown field assets were awarded to Texas Pacific Group through public auction as provided in the Judicial Recovery for an amount of BRL 482 million, subject to conditions precedent.
- In the month of June 2018, all the conditions precedent were fulfilled, resulting in the closing of the operation and the transmission of the assets in operation to the Texas Pacific Group, paying 80% of the price of the assets, which are used to process the payments to creditors as established in the Judicial Recovery Plan. The remaining 20% of the price has been paid during the third quarter of 2018, coinciding with the completion of the audit of the assets.

c) Additionally, in relation to the proceedings in United States, on occasion as well of the mentioned situation of Abengoa, indicate that:

- 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 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.
- In relation to the Chapter 11 processes conducted in Delaware, during the 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 were substantially modified, the requirements set forth in the IAS 39 “Financial Instruments: Recognition and Measurement” were 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 had an impact on the consolidated income statement at December 31, 2017 for €116 million that were recognized under Other finance income.
- The Delaware Reorganization Plan continues to be managed by the Responsible Person designated by the Court while the Liquidation Plan continues to be administered by the Liquidating Trustee appointed by the Court. In both cases, both the Responsible Person and the Liquidating Trustee have the obligation to examine the insinuations of debt and claims filed by the different debtors in order to determine the origin of the same. The Responsible Person and the Liquidating Trustee are responsible for accepting the origin or not of the debts and claims as well as their transaction, if applicable. The Chapter 11 process is therefore kept open until all the claims filed by the debtors are resolved and all the requirements set forth in the plan are met, including the dissolutions and liquidations of the companies classified as non-go forward companies.

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;

› 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.

› During the 2018 period, and as a continuation to the normal company liquidation procedure, the insolvency administrator has made a preliminary distribution of the available funds following the sale of the asset among the insolvency estate's creditors. At present, the insolvency administrator continues verifying the accuracy and origin of certain creditor claims, pursuant to the usual insolvency and liquidation procedures in the Netherlands. At last, the insolvency administrator has rejected the right to claim part of these credits against the insolvency estate, and no objection has been filed by the holders of said credits. The liquidator continues with the distribution of part of the funds retained for this procedure in the normal course of the insolvency proceeding.

e) Regarding the declaration of bankruptcy of Abengoa México, S.A. de C.V.

› 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 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.

› Under the approved Bankruptcy Agreement, approved on January 22, 2018 Abengoa México S.A. de C.V. (here in after Abemex), committed to make a payment, in favor of its recognized creditors with the degree of common, of 10% of the outstanding principal balance of the final credit in two installments, the first on March 25, 2018 and the second on June 25, 2018 ("Second Principal Term"). In addition, the first period of ordinary interest runs from the date on which the judgment of approval took effect until June 25, 2018, which must be paid in three installments, the first payment being on June 25, 2018 ("First Third of Interest").

In relation to the foregoing, and as regards the payment of the Second Principal Term and the First Term of the First Third of Interest:

(i) 50% of the amount corresponding to the Second Principal Term and the First Third of Interest for the first period was paid by Abemex on June 26, 2018, as communicated through a relevant event of the same date as the payment to the Mexican Stock Exchange; and

(ii) the remaining 50% of the amount corresponding to the Second Principal Term and the First Third of Interest for the first period was paid by Abemex on July 5, 2018, as communicated by means of a relevant event dated July 6, 2018 to the Mexican Stock Exchange.

Although the previous payments have been a breach of Abemex of the obligations assumed in the Bankruptcy Agreement, since they were made on dates other than those agreed and partially, which means in accordance with the Bankruptcy Agreement an early expiration of the final loan automatically, Abemex had no knowledge of the receipt of any communication urging the payment of the final credit derived from the aforementioned delay and partial payment of the Second Term of Principal and First Term of Interest.

Likewise, the company, by means of a relevant event, published on September 21, 2018, informed the market that, due to its financial situation, the Company will not be able to meet the obligation assumed in the Bankruptcy Agreement, consisting of the payment to be made on September 25, 2018. The company also reported that, together with its financial and legal advisers, it was analyzing the financial situation in order to prepare a strategic plan that allows the long-term viability of the company.

› By the ruling dated November 14, 2018, Mexico's Auxiliary Unitary Circuit Court of the Seventh Region (Tribunal Unitario de Circuito Auxiliar de la Séptima Región) resolved to revoke the insolvency agreement approval ruling. By virtue of said decision, dated November 22, 2018, the Sixth Court of Civil Affairs in Mexico City resolved, among other things, to declare the Company to be in an insolvency status until such time as a new agreement approval decision, or whatever the Law requires, is issued.

› Abengoa Mexico filed means of challenge against the aforementioned decisions and still remains in a negotiation process with its creditors for the purpose of reaching an agreement that guarantees its financial feasibility and the equitable treatment of its creditors.

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

› On September 8, 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.

› On August 7, 2018 a first call for the meeting of creditors took place. Due to the lack of quorum, this meeting was suspended and held on second call on August 21, 2018, in which the creditors decided to keep open and postpone the vote on the potential recovery plan to be presented and still in the due diligence phase. At present, creditors have not yet voted to approve the pertinent recovery plan; in fact, creditors have always opted to keep the decision to approve the plan open and to postpone it on different occasions, as on October 4, 2018, November 8, 2018, December 12, 2018, February 12, 2019, March 13, 2019 and April 11, 2019. An agreement was reached at the creditors' meeting held on April 11, 2019 to postpone it again to May 9, 2019.

g) Regarding the restructuring process carried out in Perú, Uruguay and Chile:

› During the 2018 period, Abengoa Perú executed a new financial restructuring agreement and the corresponding payment took place on October 29, 2018.

› Teyma Uruguay; Teyma Forestal; Consorcio Ambiental del Plata; Operación y Mantenimiento Uruguay; and Etarey 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.

Subsequently, during the 2018 period, Teyma Sociedad de Inversión, S.A., Teyma Uruguay, S.A., Consorcio Ambiental del Plata, and Teyma Medioambiente, S.A. executed, as co-borrowers and jointly with Operación y Mantenimiento Uruguay, S.A., Etarey, S.A., y Teyma Forestal, S.A. as guarantors, a new financial restructuring agreement where the payment took place on December 17, 2018.

› 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 Tork branch and Banco do Brasil Chile for the totality of their financial debt with said entities, which allowed Abengoa Chile to re-plan and extend their owed obligations.

h) Regarding Construcciones Metálicas Mexicanas, S.A. de C.V.

- The Company Construcciones Metálicas Mexicanas, S.A. of C.V. requested voluntary bankruptcy on February 8, 2018 before the Fifth District Court in civil matters of Mexico City. This request was admitted for processing on April 20, 2018, starting from that date the completion of the procedural phases prior to the declaration of bankruptcy and in accordance with the applicable legislation. Finally, on September 24, 2018, the Fifth District Court in civil matters of Mexico City notified the company of the declaration of insolvency contained in judgment dated on September 21, 2018.
- The provisional list of credits proposed by the conciliator was published in December 2018 and, on the basis thereof, the Judge published the final list of credits in January 2019.
- On June 12, 2017, by resolution of the plenary session of the Twelfth Collegiate Court of Mexico City, the award of one of the properties in which the plant is located has been confirmed, in favor of Banco Autofin, S.A. ("Autofin") derived and in relation to the commercial executive judgment filed by Autofin against Comemsa, before the Fifty-Seventh Civil Court of Mexico City, under file 145/2016.
- Within the bankruptcy proceedings, Autofin filed a motion to remove its assets that was admitted. The admission of said motion was challenged by Comemsa and said appeal is pending resolution.
- On the other hand, a Comemsa creditor filed a motion, admitted on February 6, 2019, to change the backdating date for the purpose of challenging the judgement whereby the property was allocated to Autofin. On February 15, 2019, an additional creditor adhered to this request requesting the Court to adopt the resolution concerning the change of the backdating date; said motion is pending resolution.

i) Finally, an update of the Spanish bankruptcy proceedings is included:

- Abengoa Research, S.L. (hereinafter, "AR") filed a request for voluntary bankruptcy on October 27, 2017. This request was admitted for processing on November 13, 2017 by the Commercial Court No. 2 of Seville, which issued an order declaring the voluntary bankruptcy. Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration but retains the faculties of administration and disposition of its assets with all its duties and responsibilities. By order of March 2, 2018, the judge agreed to open the liquidation phase requested by AR on February 26, 2018, leaving the powers of administration and disposition of AR over its assets and declaring AR dissolved, ceasing its Directors functions, which would be replaced by the Insolvency Administration. By order of May 17, 2018, the judge approved the Liquidation Plan for the assets and rights of AR.
- Abencor Suministros, S.A. filed an application for voluntary bankruptcy of creditors dated March 28, 2018. This request was admitted for processing and on April 27, 2018 the Commercial Court No. 2 of Seville issued an order stating the voluntary bankruptcy of the company agreeing the processing of the same by the channels of the ordinary procedure (number 312/2018). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration but retains the faculties of administration and disposition of its assets with all its duties and responsibilities.
- Servicios Integrales de Mantenimiento y Operación, S.A. (hereinafter, "Simosa") filed a request for voluntary bankruptcy on April 14, 2018. This request was admitted for processing and on May 23, 2018 the Commercial Court No. 2 of Seville issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 388/2018). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.

- Simosa IT, S.A. (hereinafter, "Simosa IT") was declared to be in an involuntary bankruptcy procedure through an order issued by Commercial Court no. 2 of Seville on November 12, 2018. The competent Court has resolved to process the insolvency procedure through ordinary procedure (court order no. 232/2018). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The administration of the Company has been intervened by the Bankruptcy Administration.

- Abengoa PW I Investments, S.L. (hereinafter, "APWI") filed a request for voluntary bankruptcy on December 21, 2018. This request was admitted for processing on February 18, 2019 by the Commercial Court No.2 of Seville, which issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 117/2019). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.

- Abengoa Bioenergía Nuevas Tecnologías, S.A. (hereinafter, "ABNT") filed a petition for voluntary insolvency on February 1, 2019. Said request was admitted and, on February 25, 2019, the Commercial Court no. 2 of Seville issued a Court Order declaring the Company to be in a voluntary insolvency proceeding and agreeing to process it through ordinary procedure (Court Order no. 122/2019). Likewise, Ernst & Young was appointed Insolvency Administrator. The Company has been intervened by the Insolvency Administrator but retains the authority to administer and dispose of its assets with all its obligations and responsibilities.

b) 2017 Restructuring process

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 at that time 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 thousand 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 March 31, 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 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 pre-existing 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
Costs	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, had 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 had been established for Corporate Financing which, at December 31, 2017, the Company had met.

The financing of New Money counted with the joint and several guarantees 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 ten year maturity, with no annual coupon or option for capitalization (Standard Restructuring Terms).

Creditors who had 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 pre-existing debt in exchange for 40% of Abengoa's new share capital post restructuring.

- Refinance the 30% remaining of the nominal value of the pre-existing debt through new debt instruments, replacing the pre-existing 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 had maturities of 66 and 72 months respectively, with the possibility of an extension of up to 24 months, accruing annual interest of 1.50% (0.25% cash payment and 1.25% Pay If You Can). The junior instrument could be subject to additional reductions (provided that total reduction does not exceed 80% of the nominal value prior to the capitalization) if the aggregate amount of refinanced pre-existing debt (after the 70% aforementioned capitalization) exceeded €2.7 billion.

The conditions of the pre-existing 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
Costs	-	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 2.7 billion 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 write-offs, the aforementioned credits before incurring into a cause for accelerated maturity. Throughout 2017 and 2018 up to the date of preparation of these Annual Accounts, the 2.7 billion limit for the Old Money has not yet been exceeded.

The financing of Old Money counted with the joint and several guarantees 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).

› Likewise, 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.

› On the other hand, 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 January 10, 2017. The hearings of the aforementioned challenges were held on last 13th and 24th of July of 2017, the moment at which the trial was remitted for decision.

› On September 25, 2017, the Mercantile Court of Seville Nº 2 issued a ruling in regard 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 amounted 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 produced 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 was considered as non-produced.

c) Going concern

Once concluded the Restructuring Agreement described in Note 2.2.1.2, the company has been developing the Revised Viability Plan August 2016 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 Revised Viability Plan August 2016 focused the activity in the energy and environmental industry, combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has developed a competitive advantage, mainly of technological kind, which allows a bigger added value projects. The mentioned Revised Viability Plan August 2016 projected a 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 in markets of high potential growing such as energy and water.

3) Technology abilities 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 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 last years, which has been affected by a strong limitation of financial resources for more than two years, 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 Revised Viability Plan August 2016.

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 S.A., the expected measures in the effective application of the 2017 Restructuring Agreement have allowed to gain a financial stability at December 31, 2017 once there was a positive impact recognized in the income statement derived from debt write-offs and capital increases.

Abengoa, S.A., the parent company, has had a negative profit for the 2018 period that amounts to €431,546 thousand as a result, among other circumstances, of the significant impairment recorded with respect to its investments in Group companies, based on the estimate of its subsidiaries' fair value, and has presented, in addition, a positive equity for an amount of €99,162 thousand at the end of the 2018 period.

Nonetheless, the normalization of the activity following the financial restructuring process concluded in March 2017 has been slower than expected, resulting in a negative impact on business as well as on the consolidated profit or loss for the period, entailing a loss of €1,487,669 thousand.

On the other hand, the negative working capital position of the Balance Sheet at December 31, 2018 for an amount of €4,359,562 thousand corresponds to the Group's situation previously discussed in the restructuring process framework.

Hence, to ensure the viability of the Group in the short and medium term, and for it to be able to continue with its activity in a competitive and sustainable manner in the future, the following becomes necessary:

› To have a stable platform that allows access to the capital markets to finance its working capital.

› To Access new lines of guarantees to ensure the growth of its Engineering and Construction business.

› Maintain an adequate financial structure for the business model that it will develop in the future.

In order to achieve these objectives, the Company has been working on additional actions, specifically a new 10-year viability plan, as well as a financial restructuring process.

In this respect, as reported in the relevant event dated September 30, 2018, Abengoa has signed with the main creditors of New Money 2 and New Bonding a term sheet, subject to the conditions that will be specified later, including the signing of definitive documentation, in order to establish the bases to the aforementioned financial restructuring, that includes, among other issues, the granting of new liquidity for a maximum amount of €97 million, and new lines of guarantees for amount of €140 million, to finance the group's liquidity needs and guarantees.

Furthermore, in order to optimize the financial structure of the Group and facilitate access to new financing in the future, the Company reached an agreement in December 2018 with a group of investors holding significant interest in the Old Money instruments to consent to an Old Money restructuring. The terms of said restructuring, which are described in this Note, have been equally offered to the challengers.

Abengoa executed, on December 31, 2018 a Lock Up agreement (the "lock-up agreement") with a group of financial entities and investors holding the majority of New Money 2, the syndicated guarantee facilities and Senior Old Money, as well as with the new liquidity bookrunners, by virtue of which said creditors have agreed the following, among other matters: (i) to stay certain rights and actions under such facilities vis-à vis the relevant Group companies until any of these events take place, whichever occurs first: the date when the Lock-Up Agreement ends pursuant to its own terms or the Expiration Date, which was originally set on January 31, 2019, and subsequently extended in successive occasions until April 26, 2019 (the "Long-Stop Date"), (ii) to take all actions to support, facilitate, implement, consummate or otherwise give effect to the financial restructuring proposal and, in particular, enter into negotiations with a view to agreeing and executing a restructuring agreement on or prior to the Long-Stop Date, and (iii) agree not to sell or otherwise transfer their debt until the Long-Stop Date or the date of termination of the Lock-up Agreement, except under certain circumstances.

Upon execution of the Lock-Up contract, the remaining New Money 2 creditors, Old Money bonding providers and creditors, as well as challengers were requested to accede to the Lock-Up agreement pursuant to the procedures established and communicated in the Relevant Fact published in that regard on December 31, 2018.

The majority required for the Lock-Up Agreement to be in effect was reached on January 28, 2019.

On February 22, 2019, the Company requested consent from New Money 2, Senior Old Money and Junior Old Money bondholders to amend certain terms to the bond and to sign an agreement named "Amendment and Restructuring Implementation Deed" (the "Restructuring Contract"), pursuant to the provisions set forth in the two documents named "Amendment and Restructuring Consent Requests" concerning each of the issuances (the "Novation and Restructuring Consent Documents") .

Subsequently, the Company announced, on February 27, 2019, that the General Shareholders' Meeting (hereinafter, the "GSM") had been called to be held presumably on March 28, 2019 on second call with the following agenda:

One.- Approval, within the framework of Abengoa Group's debt restructuring operation, of several issuances of Convertible Notes by certain Group companies other than Abengoa, S.A. pursuant to article 160(f) of the Spanish Capital Companies Law (LSC) and the provision and ratification of guarantees.

Two. - Approval of amendments to the remuneration policy applicable to the 2019-2020 periods.

Three.- Delegation of powers to the Board of Directors to interpret, correct, execute, cause to be recorded as documents of public record and register the resolutions adopted.

Said General Shareholders' Meeting was held on March 28, 2019 and all the aforementioned agreements were approved.

On March 11, 2019, the Company signed, along with some of the Group subsidiaries and a significant group of financial creditors participating in the existing financial debt, the Amendment and Restructuring Implementation Deed (the "Restructuring Agreement") for the purpose of amending the terms of the existing financing and of restructuring the Group's financial debt (the "Restructuring").

The main terms to the Restructuring include, among others:

(a) The injection of new money to the Group through the issuance, by the subsidiary A3T Luxco 2 S.A. ("A3T Luxco 2"), of convertible notes for a maximum nominal value of €97 million, which would entitle to convert into up to 99.99% the A3T Luxco 2 shares (the "A3T Issuance").

(b) Within the A3T Issuance framework and for the purposes of ensuring that it is fully repaid in the event that the amount obtained by the sale of the A3T Project does not allow to fully repay the amounts owed under the A3T Issuance (including the accumulated profitability up to the repayment date), non-repaid amounts will be assumed by the subsidiary company named Abengoa Abenewco 1, S.A.U. ("Abenewco 1") as debt ranking pari passu with the Refinanced NM2 Debt (as defined below). For said purposes, Abenewco 1 will grant a personal guarantee (prior to the notes' conversion) and a put option (put option agreement) (following the notes' conversion) over the A3T Project, exercisable until December 2023, to the original subscriber for the A3T Issuance.

(c) The provision of new liquidity to Abenewco 1 in the form of a new syndicated guarantee facility for a maximum amount of approximately €140 million, with the guarantee of certain Group companies and under similar terms as those of the existing guarantee facility (the "New Guarantee Facility").

(d) The amendment of certain terms and conditions of the existing guarantee facility in favor of Abenewco 1.

(e) The assumption, by A3T Luxco 2, of Abenewco 1's debt consisting of (i) an amount equivalent to 45% of the debt under the financing agreement and the issuance of New Money 2 creditors' bonds (together with the related documents, the "NM2 Financing Documents") and (ii) the total amounts owed under the liquidity facility obtained by the Group in November 2017 and extended in May 2018 (jointly, the "Transferred Debt") and the amendment of its financial conditions. The Transferred Debt will have the A3T Project as the only recourse.

(f) The amendment of certain terms and conditions of the remaining debt derived from the NM2 Financing Documents different from the Transferred Debt, corresponding to approximately 55% of said debt, which will remain in Abenewco 1 (the "Non-Rolled Over Debt").

(g) The recognition by Abenewco 1 of new debt for an approximate maximum amount of €50.5 million to certain creditors of the Non-Rolled Over Debt and the New Guarantee Facility in consideration for their investment in the Restructuring Operation.

(h) The amendment of certain covenants of the agreement between Group creditors (Intercreditor Agreement) executed on March 28, 2017.

(i) One or several issuances, by Abenewco 1, of compulsorily convertible notes with a total nominal value of €5 million, which would entitle to convert into shares representing up to 22.5% of Abenewco 1's share capital (the "Abenewco 1 Convertible Notes") that will be issued to the original subscriber of the A3T Issuance, certain creditors under the Refinanced NM2 Debt, members of the NM2 Ad Hoc Committee and members of the Senior Old Money Ad Hoc Committee, by offsetting certain credit rights held by said creditors against Abenewco 1; as well as an agreement between shareholders to regulate the relationship between Abenewco 1 shareholders derived from the conversion of Abenewco 1 Convertible Notes.

(j) The implementation of a corporate restructuring whereby Abengoa Abenewco 2, S.A.U. ("Abenewco 2") will contribute, through a non-monetary contribution, to Abengoa Abenewco 2 Bis, S.A.U. ("Abenewco 2 Bis") (a Spanish company fully owned by Abenewco 2), all of Abenewco 1 shares owned by Abenewco 2, which represent 100% of Abenewco 1's share capital. As a consequence of this contribution, the Company will become the sole shareholder of Abenewco 2, which will be the sole shareholder of Abenewco 2 Bis, which will in turn own all Abenewco 1 shares which are currently owned by Abenewco 2.

(k) The assumption by Abenewco 2 Bis of Abenewco 2 and other Group companies' debt derived from the Senior Old Money and, if applicable, from the Challengers (as described below) including, for clarification purposes, the Senior Old Money and Challengers debt regarded as contingent debt for the purposes of materializing the issuance of SOM Convertible Notes (as defined below).

(l) One or several issuances of convertible notes by Abenewco 2 Bis with a total nominal value of €1,423 million plus the amount of (i) the contingent debt crystallized prior to the transaction closure, amounting to €160 million maximum; and (ii) an amount to be agreed upon corresponding to the challengers' debt, with an initial duration of 5 years, guaranteed by the Company, Abenewco 2 and other Group companies ("SOM Convertible Notes") that will be issued to the Senior Old Money creditors and by the creditors who successfully challenged the judicial approval of the Group's debt approved in 2016 (the "Challengers"), by offsetting the credit rights that said creditors hold against the Group. The amortization (whether total or partial) of the SOM Convertible Notes' principal will be made with the Group's available cash that is above a certain threshold. At the moment that the SOM Convertible Notes are fully amortized, any outstanding amount which cannot be repaid in cash will be mandatorily converted into Abenewco 2 Bis shares representing up to a maximum of 100% its share capital, and thus the dilution practiced by the SOM Convertible Notes' possible conversion into capital is expected to be very high. Likewise, in the event that a series of events take place, SOM Convertible Notes bondholders are expected to have the right, at the time of conversion, to require Abenewco 2 to sell their shares in Abenewco 2 Bis to said bondholders.

(m) One or several issuances of convertible notes by Abenewco 2 with a total nominal value equivalent to a portion of the amount owed under the current Junior Old Money instruments (plus the debt crystallized up to the transaction closure date) and an initial duration of 5 years and 6 months, which shall be compulsorily convertible into 49% of Abenewco 2 shares and guaranteed by the Company and other Group companies, that will be issued to creditors under the financing agreement and the issuance of Junior Old Money bonds by offsetting part of the credit rights that said creditors hold against the Group.

(n) An issuance by Abenewco 2 of convertible notes with a nominal value equivalent to the other portion of the amount owed under the current Junior Old Money instruments (plus the debt crystallized up to the transaction closure date) so that the JOM Issuances fully refinance the current Junior Old Money instruments, with an initial duration of 5 years and 6 months, guaranteed by the Company and other Group companies, that will be issued to the Junior Old Money creditors by offsetting part of the credit rights that said creditors hold against the Group. Payment, when due, will be made with the Group's free cash flow available over a minimum amount, and everything that fails to be serviced with cash will be subject to an obligatory conversion to Abenewco 2 shares representing up to 100% its capital stock.

On the other hand, New Money 1 and 3 will maintain its current conditions unaltered, and it has been repaid in its entirety on the date of preparation of these Consolidated financial statements with the bridge financing on A3T entered into with a group of financial entities.

As a condition to the Restructuring, the majorities required of creditors shall consent and approve the modification and restructuring of their existing debt, pursuant to the terms established in the Restructuring Agreement.

To this end, and in the event that they give their approval, creditors (and bondholders through the tabulation agent) shall also adhere to the Restructuring Agreement through the "Accession Deed".

Contingent upon obtaining the majorities required of the existing creditors, certain conditions established in the Restructuring Agreement shall have to be met prior to implementing the Restructuring process. Once the Restructuring process has been implemented, Abengoa will proceed to request its judicial approval pursuant to the provisions set forth in the Spanish Insolvency Law.

In March 2019, NM2, Senior Old Money and Junior Old Money bondholders held their meetings and approved, by majority of the votes, the proposals made (approval of the restructuring operation and adherence to the Restructuring Agreement).

The Restructuring Agreement's accession period ended on March 29, 2019. On that date, the number of financial creditors required to adhere to the agreement for the restructuring operation to be implemented was reached.

On April 25, 2019, the Company informed that the Restructuring Effective Date occurred. Likewise, all the restructuring documents have been signed and the operation has concluded on April 26, 2019 with the issuance of new instruments with the following nominal values: Senior Old Money convertible notes amounting to €1,148 million and USD 562 million; Junior Old Money convertible notes for an amount of €859 million and USD 502 million; A3T convertible notes for an amount of €97 million; as well as Abenewco 1 convertible notes amounting to €5 million.

On the other hand, and as explained above, the Company has been working, within its current financial restructuring context, on a new 10-year viability plan that, together with the new financial restructuration outlined above, will allow it to lay the foundations to ensure its viability in the short and medium term.

In this respect, the Board of Directors approved, at their meetings of December 10, 2018 and later on January 21, 2019, the Company's aforesaid 10-year Viability Plan which was published through a Relevant Fact on January 24, 2019.

The main hypotheses in said Viability Plan include:

- Completion of the financial restructuring proposal in order to reestablish the liquidity and bonding position required by the Group, reducing the financial risk of the business.
- Reduction of the overhead up to a goal of 3% over sales as of 2020.
- A business plan based on EPC projects for third parties with a significant contribution derived from the strategic alliance with AAGEs.
- Improvement in the Group's competitive position and in the markets and geographical locations that are key for the business.
- Execution of the divestment plan with no significant deviations in terms of deadlines and amounts.
- Execution of the provider payment plan with no significant deviations from the estimated forecast.

Additionally, in the 2018 period, the Company requested an independent expert to perform an analysis of the fair value of Abengoa S.A.'s investment portfolio in its affiliated company Abenewco 2, S.A. at December 31, 2018, under certain critical hypotheses that have been defined below:

a) Compliance with the Group's 10-year Viability Plan, whose main hypotheses have been described above.

b) Consolidation of the business at standard levels as of 2029.

c) Post-restructuring financial debt forecasts and determination of its fair value.

d) Valuation of cash flows attributable directly to Abengoa, in accordance with the contracts signed by Abengoa, S.A. with its subsidiaries and the restructuring agreement

e) Completion of the financial restructuring process under the expected terms.

Should any of these hypotheses not materialize, the assessment results may be significantly affected.

The main method used to determine the business' fair value has been the discounted cash flow to equity method for a 10-year period, applying the average cost of the Company's own resources, which the Company has estimated to be in a range between 11% and 12%, as the discount rate. The long-term growth rate has been of 2%. The compounded annual growth rate and the EBITDA considered for the 2019-2028 period have been 13.5% and 6.7%, respectively.

To determine the fair value of the Senior Old Money and Junior Old Money instruments, the discounted flow method has been used pursuant to the issuance conditions included in the restructuring agreement and applying market discount rates based on a selection of comparable quoted bonds. The estimated discount rates for these financial instruments have resulted to be significantly higher than the current average rates of return and comparable to financial debt redemption operations conducted in the international market. The discount rates used for the Senior Old Money and the Junior Old Money range between 40-45% and 75-80% respectively, corresponding to discount rates that a participant in the financial market would consider in equivalent financial debt redemption operations.

As a result of the above, the parent company Abengoa S.A. has recognized a portfolio impairment loss of €275 million in its individual profit and loss account.

The corresponding sensitivity analysis of the critical variables used to determine the assessment of the fair value of Abengoa S.A, and that of its subsidiary Abenewco 2, S.A. has been performed:

› If the compounded annual growth rate decreased by 1% (12.5%), the impairment of the portfolio would increase by €121 million.

› If the EBITDA decreased by 1% (5.7%), the impairment of the portfolio would increase by €63 million approximately.

› If the long-term growth rate decreased by 1% (1%), the impairment of the portfolio would increase by €45 million.

› If the discount rate of the own resources' cost grows by 1%, hence being in a 12%-13% range, the impairment of the portfolio would increase by €90 million approximately.

› If the discount rates of the Senior Old Money and Junior Old Money instruments decreased by 5%, respectively, the impairment of the portfolio would increase by €71 million.

Based on the foregoing, Abengoa´s Directors have considered appropriated to prepare these Consolidated financial statements at December 31, 2018 on a going concern, considering the fundamental aspects of the new Viability Plan approved, which will be reinforced by the aforementioned Restructuring Agreement. 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) in order to record the assets, liabilities, revenues and expenses as of December 31, 2018 in accordance with the existing information by the time of preparing these Consolidated financial statements.

d) Restructuring process accounting impacts

As indicated on Note 2.2.1.2, 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 valuated on the date in which the liability or a part of it is cancelled.

When valuating the handed over equity instruments, it was applied the IFRS 13 "Fair value measurement" and, consequently, market price was taken as reference 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 was €478 million.

With the portion of debt to be refinanced, and considering the conditions of the debt to be refinanced had been substantially modified after the Restructuring agreement, IAS 39 "Financial instruments, recognition and measurement" was 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 was no obligation to deliver equity instruments in order to cancel 97% of the liabilities, the terms of IAS 39 were 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 was 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 (€5,730 million in the income statement, €35 million in share capital, and €443 million in capital share and share premium). The following table shows the breakdown of such impacts (in millions of 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

On the other hand, and as Note 2.2.2. states, the Company has been working on additional actions to ensure the viability of the Group in the short and medium term, which include a new financial restructuring process that is currently underway.

One of the milestones of said restructuring process was the execution of a "Lock-Up Agreement" dated December 31, 2018 with several financial creditors, as the aforementioned Note 2.2.2. states, as well as the initiation of an accession period to said agreement as a step prior to the signature of the restructuring agreement ("Restructuring Agreement"). The majority required for the Lock-Up Agreement to be in effect was reached on January 28, 2019.

As set forth in said Lock-Up Agreement's clauses, the execution of said document, as it entails the commencement of a negotiation process with a substantial part of its creditors to restructure its obligations therewith, constitutes the non-compliance ("Event of Default") of the New Money 2, syndicated guarantee and Old Money (Senior Old Money and Junior Old Money) facilities.

Nonetheless creditors, by acceding to the Lock-Up Agreement, agree on one hand to stay certain rights and actions under such facilities vis-à vis the different Group companies, which include exercise of enforcement actions and, on the other hand, to overlook the noncompliance derived from the signature of the Lock-Up Agreement until any of these events take place, whichever occurs first: the date when the Lock-Up Agreement ends pursuant to its own terms or the Expiration Date, which was originally set on January 31, 2019 and subsequently extended in successive occasions until April 26, 2019 (the "Long-Stop Date").

As a consequence of the above, and since the Company facilities which are subject of the Lock-Up Agreement (New Money 2, Guarantee Facility and Old Money) were in a transitional status of technical non-compliance at the balance end date which resulted from the execution itself of said Lock-Up Agreement, and since the consent to said non-compliance situation agreed-upon by financial creditors in the Agreement itself was established for up to the "Long Stop Date", this is, up to January 31, 2019, and subsequently extended in successive occasions until April 26, 2019, Abengoa has applied the provisions set forth in IAS 1 "Presentation of Financial Statements" and has proceeded to reclassify the Old Money debt from non-current liabilities to current liabilities of the Statement of Financial Position. As for New Money 2 financing, it has not entailed any reclassification as it was already entered under current liabilities at December 31, 2017.

As mentioned above, the Group's creditors agreed, by signing the Lock-Up Agreement, to temporarily stay the exercise of certain rights and actions under such facilities vis-à vis the different Group companies. Nonetheless, since said stay will not meet the minimum period of twelve months after the reporting period, as required in IAS 1, paragraphs 69 et seq., said classification has been deemed convenient.

Additionally, and since both debts (Old Money and New Money 2) were measured at amortized cost using the effective interest rate, said value has been adjusted to reflect its corresponding settlement value.

Said adjustment has entailed a negative impact on the Consolidated Income Statement for an amount of €1,060 million recognized under "Other finance costs – Finance expenses due to restructuring" (see Note 30.3), counterbalanced by "Corporate Financing" of current liabilities of the Consolidated Statement of Financial Position at the end of the 2018 period.

In addition, the tax impact associated to said recognition has entailed the recognition of income amounting to €265 million in the Group's corporate income tax, counterbalanced by a reversal of deferred tax liabilities of the Consolidated Statement of Financial Position at the end of the 2018 period (see Note 24.2).

It is important to highlight that the above negative impact that has occurred in the Consolidated Income Statement and, in consequence, in Abengoa's consolidated shareholders' equity, stems from applying the provisions set forth in the above-explained accounting regulations as concerns the classification and measurement of financial debt for those cases in which the company is in a non-compliance situation at the balance end date and has failed to obtain authorization by its creditors to refrain from early settlement actions for a minimum period of 12 months after the Financial Statement end date.

As note 2.2.2. indicates, the Restructuring Effective Date occurred on April 25, 2019; thus, the Company estimates that said debt will be recorded under Non-Current Liabilities of the Consolidated Statement of Financial Position.

Consequently, this negative impact at the end of the 2018 period does not reflect Abengoa's future financial status which, at the Directors' discretion, and upon conclusion of the Restructuring Process, will be contingent upon the compliance of the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and January 21, 2019, and associated to the Group's ability to generate resources from its operations and to obtain sufficient liquidity as required by the recovery of the market to continue with its activity in a competitive and sustainable manner.

e) Application of new accounting standards

a) Standards, amendments and interpretations yet entered into force, from the year beginning on January 1, 2018:

The following standards, whose application is mandatory, have been adopted by the Group:

- IIFRS 9 "Financial Instruments". This Standard is effective from January 1, 2018 under IFRS-EU.
- IFRS 15 "Ordinary revenues proceeding from contracts with Customers". IFRS 15 is applicable for years beginning on or after January 1, 2018 under IFRS-EU, 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 Standards, indicate the following:

› IFRS 9 "Financial Instruments" has been fully applied as of January 1, 2018, without restating the comparative information related to the 2017 year based on the regulatory exemption. The main identified aspects that entail an impact in the Group's Consolidated financial statements have been summarized below:

- Hedge accounting; the Standard aims to align hedge accounting with the Group's risk management establishing new requirements with a principle-based approach. Notwithstanding the above, even if no significant hedging derivatives exist to this date, the changes in this respect would not differ from those applied by the Group

- Impairment of financial assets; the Standard replaces a model 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.

- 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 both previous business models are met). Therefore, the categories of instruments held for sale are eliminated from IAS 39 (see Note 2.11).

The Group developed an "expected loss" model, conducting an assessment and estimation of the provision for impairment required due to the application of this new simplified "expected loss" model on the financial assets, recognizing as a first-time application adjustment on the transition date a provision of €8 million directly in the Consolidated Equity (see Note 18.5). No other impact arose in relation to the application of the new Standard.

› IFRS 15 "Revenue from contracts with customers", replaces, from the period beginning on January 1, 2018, the following Standards in force until December 31, 2017, and has been applied as of the transition date without restating the comparative information related to 2017 on the basis of the regulatory exemption:

- 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 recognized 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.

- IFRS 15 (Modification): Clarifications to IFRS 15 "Incomes from contracts with customers".

  The main changes identified that led to an analysis and a review of the possible impacts 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 Standard establishes 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 Standard states that will be combined two or more contracts made at a close point in time with the same client, and that 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).

  An assessment was carried out under the estimation that the expected impact of the application of this Standard in the Group's consolidated annual accounts does not mean that revenue recognition significantly differs from the one applied at present, and hence, no relevant equity impact had been registered as first-time application adjustment on the Consolidated financial statements.

- Yearly improvements to IFRS Cycle 2014 - 2016 (published December 8, 2016).
- IFRS 2 (Amendment) "Classification and valuation of share-based payment transactions"
- 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 foreign currency.

  The application of the mentioned improvements, modifications and interpretations have not represented a significant impact in the Consolidated financial statements.

b) Standards, amendments and interpretations applied to existing standards that have not entered into force for the European Union but can be adopted with advance notice at the date of formulation of these Consolidated statements:

- Introduction of IFRS 16 "Leases" that replaces IAS 17. Tenants will include all leases in the balance sheet as if they were financed purchases. This amendment will be applicable for annual periods beginning on or after January 1, 2019, although it has been approved for use in the European Union , and shall be prospectively applied, pursuant to paragraph C5,b of said Standard and, consequently, the comparative information will not be restructured thereby. Likewise, the Group will opt for the right-of-use asset measurement model, applying the regulatory change to the agreements with a term exceeding 12 months and whose underlying asset is not of low value.
- Amendment of IFRS 9 "Prepayment features with negative compensation". The amendment to the IFRS 9 clarifies that a party may pay or receive reasonable compensation for the early termination of the contract, which may allow these instruments to be measured at amortized cost or at fair value through other comprehensive income. This amendment will be effective for annual periods beginning January 1, 2019, with earlier application permitted.

- IFRIC 23, “Uncertainty over Income Tax Treatments”: The interpretation provides requirements that add to the requirements in IAS 12 “Income Taxes”, by specifying how to reflect the effects of uncertainty in accounting for income taxes. This interpretation clarifies how the recognition and measurement requirements of IAS 12 are applied where there is uncertainty over income tax treatments. This interpretation will be effective for annual years beginning January 1, 2019, with earlier application permitted.
- IAS 28 (Amendment) "Long-term interests in associates and joint ventures”
- Yearly improvements to IFRS Cycle 2015-2017. Amendments that affect to IFRS 3, IFRS 11, IAS 12 and IAS 23-
- IAS 19 (Amendment)- “Modification, reduction or liquidation of the plan”.

The Group is analyzing the impacts that the new regulations may have. However, it is estimated that there will be no significant impact for the Consolidated financial statements.

c) Standards, amendments and interpretations applied to existing standards or have not been adopted to date by the European Union at the date of publication of the present Consolidated financial statements:

- IFRS 10 (Amendment) “Consolidated Financial statements” and IAS 28 (Amendment) “Investments in Associates and Joint Ventures” 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.
- › Amendment to IFRS 3 “Definition of a Business”: These amendments will help to determine whether an entity has acquired a business or a group of assets and will be applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting year beginning on January 1, 2020, and to asset acquisitions that occur on or after the beginning of that year. Earlier application is permitted.
- Amendment to IAS 1 and IAS 8 “Definition of Material”: These amendments clarify the definition of “material”. They shall apply to annual periods beginning January 1, 2020, with earlier application permitted.

The Group is currently analyzing the impact that these new regulations may have, although they are not expected to entail significant impact on the Group’s Consolidated financial statements.

f) Changes in the consolidation group

a) In 2018 a total of 6 subsidiaries (6 in 2017), 2 associates (zero in 2017) and 4 joint ventures (2 in 2017), were included in the consolidation group, which are identified in Appendices I, II, XII, XIII to these Consolidated financial statements.

These changes did not have a significant impact on the overall consolidated amounts in 2018 and 2017.

In addition, during 2018, 3 temporary joint operations (UTE) were included in the consolidation perimeter, (2 in 2017), 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 2018, and which have been listed in Appendixes III and XIV of these Consolidated financial statements.

The amounts set out below represent the Group's proportional interest in the assets, liabilities, revenues and profits of the UTE with non Group partners, which have been included in the Consolidated financial statements in 2018 and 2017:

Item	2018	2017
Non-current assets	29,010	35,168
Current assets	51,663	127,242
Non-current liabilities	13,103	19,725
Current liabilities	67,570	142,685

Item	2018	2017
Revenue	97,857	45,486
Expenses	(85,542)	(48,845)
Profit (loss) after taxes	12,315	(3,359)

b) During the year ended December 31, 2018 a total of 35 subsidiaries were no longer included in the consolidation perimeter (166 in 2017), 56 associates (6 associates in 2017) and 5 joint ventures (10 in 2017), which are identified in Appendix IV and V and which did not have any material impact in the Consolidated Income Statement, except for disposals mentioned in Note 6.2.b).

During 2018, 22 temporary joint operations (UTE) are no longer included in the consolidation perimeter (52 in 2017), 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 2018 has been €85 thousand (null amount in 2017). A breakdown thereof has been included in Appendix VI of these Consolidated financial statements.

Within the companies that have ceased to form part of the consolidation perimeter during 2017 were 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 2.2.1). 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 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.

g) Assets classified as Assets Held-for-Sale and Discontinued Operations

Changes in classification:

In the 2018 period, Khi Solar One solar thermal power plant in South Africa ceased being classified under "Non-current assets and liabilities held for sale" as it no longer met the cases and requirements of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations" according to the deadlines established in the approved 10-Year Viability Plan for the divestment of said asset. In addition, the assets related to the solar power plants located in Chile (Atacama Solar Platform) have also ceased being classified under said item as they do not meet the IFRS 5 requirements based on the new approved 10-year Viability Plan, with no significant impact.

On the other hand, and based on the aforementioned 10-Year Viability Plan, the San Antonio Water System has been classified under "Non-current assets and liabilities held for sale" as it meets the cases and requirements set forth in IFRS 5.

Asset impairment analysis:

At December 31, 2018, a net positive impact of €38 million from assets classified as held for sale and discontinued operations was recognized as the difference between their net book value and their fair value less costs to sell. The main positive impact corresponds to the agreement reached with suppliers for the sale of main equipment, as well as the update of the corresponding fair values of certain assets.

h) Main acquisitions and disposals

Acquisitions:

- During the year 2018 and 2017 there were no significant acquisitions.

Disposals:

- During the year 2018, two significant disposals took place: the completion of sale of Atlantica Yield and the operating transmissions lines in Brazil as part of the Divestment plan established in the Updated Viability Plan, detailed as follows:

  - On November 1, 2017 Abengoa S.A. 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"). In addition, the parties agreed on an "earn-out" mechanism under which Abengoa could benefit from 30% of the first USD 2 in which the share of AY is revalued, up to a maximum of USD 0.60 per share.

    Additionally, on November 1, 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.

On March 9, 2018, the Company announced that the operation with Algonquin Power & Utilities Corp has been completed for a total price of USD 607 million, where the debt repayment has reached USD 510 million approximately, according to the New Money financing agreements.

On April 17, 2018, Abengoa announced that has reached an agreement for the sale of its remaining 16.47% stake of Atlantica Yield to Algonquin Power & Utilities Corp. (APUC). This new sale was subject to certain conditions precedent which include the approval of the transaction by certain regulatory bodies and by Abengoa's creditors.

Likewise, an agreement was signed where Abengoa agrees to indemnify Algonquin in case there is a reduction in the annual dividend distributed by Atlantica Yield derived from the performance of the plants, limited by a CAP of USD 0.30 per share and compensable with the "earn-out" described above.

On November 22, 2018, the Company announced that the conditions precedent required to complete the sale of 16.47% had been met, thus completing the divestment of the total of 41.47% shares that it held on Atlantica Yield.

As agreed upon in the aforesaid agreement signed in April 2018 to sell 16.47% of Atlantica Yield's shares, the price was USD 20.90 per share (last closing price of Atlantica Yield prior to the agreement), which entailed a premium of 6.2% over the closing market price on April 16 and 8% over the closing market price of November 21, 2018 The operation has represented a total amount of USD 345 million, which must be reduced by USD 20 million by way of transaction costs and other deductions, as well as by USD 40 million which will be temporarily withheld until certain contingencies are released On November 27, 2018, the net amount obtained, USD 285 million, was used towards the partial repayment of the New Money 1 debt pursuant to the financing agreements.

As a consequence of the above, a positive impact for an amount of €108 million was registered on December 31, 2018 on the Consolidated Income Statement as a difference between the book value and the sale value of 41.47% of the stock shares.

› 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 million of Brazilian Real. 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.

  On May 30, 2018, all the conditions precedent were fulfilled for the sale in public auction within the Judicial Recovery to Texas Pacific Group of the transmission lines in operation in Brazil for an amount of BRL 482 million.

› On December 20, 2018, the subsidiary Abeinsa Asset Management, S.L. formalized the sale of its interest in the company named Cogeneración Villaricos, S.A. to Neoelectra SC Fuente de Piedra Gestión, S.L.U., with a sale price of €5.2 million.

› On the other hand, on February 18, 2017 the Company signed an 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-ServiceTM (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). This divestment has a price of USD 20 million approximately, is subject to potential adjustments at closure.

  This operation is expected to be fully completed during the first semester of 2019, following the fulfillment of certain conditions which include the restructuring of the water sale contract with GWLC.

› On December 27, 2018, the Company entered into an agreement with Abengoa-Algoquin Global Energy Solutions ("AAGES") to transfer the ATN 3 transmission line in Peru, contingent upon the fulfillment of certain conditions that are standard in this type of agreements, which include the approval by the Peruvian State.

- 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) was €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". In addition, there is an amount outstanding to be received (in a 5 to 10 year period) subject to certain conditions, of which €3 million were released in 2018. 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 Acueducto Zapotillo S.A. de C.V. 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.

  On November 27, 2018, the concessionary company Concesionaria Acueducto Zapotillo, S.A. de C.V (hereinafter, "CAZ") received a notification from the grantor whereby it accepted the refusal submitted on August 25, 2017, but rejected the right to do so without responsibility. On January 27, 2019, the concessionary company challenged said notification through contentious administrative proceeding, and on March 4, 2017 the Court ordered its precautionary suspension, making it void. This is, the effects of the administrative act whereby the Comisión Nacional del Agua (National Water Commission) accepted CAZ's refusal to the concession, but rejected their right to do so without responsibility as well as their right to receive the payments claimed, are definitely suspended until the litigation is resolved.

On March 14, 2019, Conagua filed an appeal against the court order that granted the definitive suspension. To this respect, CAZ has filed, in due time and as appropriate, the corresponding statements by law. Said appeal is pending resolution by the Federal Court of Administrative Justice' Specialized Chamber in Online Trials.

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).

i) Main figures

Financial data

- Revenues of €1,303 million, a 12% lower to the same period of 2017.
- EBITDA of €188 million, an increase of 48% compared to the same period of 2017.

Item	2018	2017	Var (%)
Income Statement (€ million)			
Revenue	1,303	1,480	(12)
EBITDA	188	127	48
EBITDA Margin	14%	9%	56
Net Income	(1,498)	4,278	(135)
Balance Sheet			
Total Assets	3,830	6,359	(40)
Equity	(4,251)	(2,408)	(77)
Corporate Net Debt	4,096	3,254	26
Share Information (€ million)			
Last price (€ per B share)	0.0034	0.01	(66)
Capitalization (A+B share) (€ million)	82	218	(62)
Daily trading volume (€ million)	1	6	(83)

Operating figures

- The international activity represents 89% of the consolidated revenues.
- The main operating figures of December 31, 2018 and 2017 are the following:

Key operational	2018	2017
Transmission lines (km)	-	3,532
Water Desalination (Cap. ML/day)	475	475
Cogeneration (GWh)	140	163
Solar Power Assets (MW)	300	300
Biofuels Production (ML/year)	235	235

- The main contract and portfolio figures at the end of the 2018 and 2017 period are as follows:

Item	2018	2017
Contract	1,507	1,395
Portfolio	1,775	1,424

Corporate debt conciliation

The following table sets out the conciliation of the Net Corporate Debt with the information included in the Statement of financial position at December 31, 2018 and December 31, 2017 (in millions of euros):

Item	Balance as of 12.31.18	Balance as of 12.31.17
+ Corporate financing	4,407	3,644
- Financial statements	(130)	(195)
- Cash and cash equivalents	(205)	(196)
- Treasury shares + financial investments and cash from Project companies	24	1
Total Net Debt	4,096	3,254

j) Consolidated income statement

The following summary shows the Consolidated Income Statement of Abengoa at December 31, 2018 and December 31, 2017, with an explanation of the main variations between both periods (in millions of euros):

Item	2018	2017	Var (%)
Revenue	1,303	1,480	(12)
Operating revenues and expenses	(1,115)	(1,353)	18
EBITDA	188	127	48
Depreciation and amortization	(40)	(405)	90
I. Net Operating Profit	148	(278)	153
Financial incomes and expenses	(410)	(417)	2
Net Exchange rates differences and other financial incomes / expenses	(1,149)	6,172	(119)
II. Financial results, net	(1,559)	5,755	(127)
III. Share of profit / (loss) of associates	107	(73)	247
IV. Profit (loss) before income tax	(1,304)	5,404	(124)
V. Income tax (expense) benefit	(131)	(824)	84
VI. Profit for the year from continuing operations	(1,435)	4,580	(131)
Profit (loss) from discontinued operations, net of tax	(53)	(296)	82
Profit for the year	(1,488)	4,284	(135)
VII. Non-controlling interests	(10)	(6)	(67)
Net income attributable to the parent company	(1,498)	4,278	(135)

Revenues

Revenue has decreased to €1,303 million, which is a decreased of €177 million from €1,480 million in the same period of 2017. The decrease in consolidated revenues is due to the decrease is mainly attributed to the reactivation of the business, contracting and execution that was lower than the sales contributed by the projects completed during the previous year, as well as the delay in the start of projects contracted during the last quarter of 2017 and the beginning of 2018.

EBITDA

EBITDA has increased in a 48% reaching €188 million, which suppose an increase of €61 million compared to the €127 million of the same period of the previous year. The increase in EBITDA is mainly attributable to the lower restructuring expenses, reduction of structure costs and greater profitability of projects under construction.

Operating profit

Operating profit has increased in 153%, from loss of €278 million in 2017 to profit of €148 million in 2018. 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.

Net Financial Expense

Net Finance expenses have reached a loss of €1,599 million, which entail a deterioration of 127% in comparison to a profit of €5,755 million in the same period of 2017. This variation is mainly due to the positive impact caused by the financial debt restructuring of the Group in the same period of 2017, as well as the financial expense registered in 2018 in relation to the financing agreements of New Money and Old Money, which includes a negative impact for the recognition of Old Money and New Money 2 financing at redemption value amounting to €1,060 million (see Note 30).

Share of profit (loss) of associates carried under the equity method

The share of profit /(loss) of associated carried under the equity method has increased from a loss of €73 million in December 2017 to a profit of €107 million in December 2018. This increase is mainly due to the sale of 41.47% of the shares on the stake in Atlantica Yield (see section 6.2).

Corporate Income Tax

Corporate income tax decreased from a net loss of €824 million in December 2017 to a net loss of €131 million in December 2018. This decrease in mainly attributable to income tax expenses recognized in 2017 due to the positive result arisen after the financial debt restructuring of the Group (see Note 2.2.2).

During the 2018 period, the tax effect of the financial expense recognized for adjusting the Old Money and New Money 2 debt at redemption value should be highlighted (see Note 30), offset by the impairment on certain tax credits recognized based on the new 10-year Viability Plan that has been approved.

Profit for the year from continuing operations

Due to the aforementioned changes, results from continuing operations of Abengoa decreased from profits of €4,580 million in December 2017 to a loss of €1,435 million in December 2018.

Profit/(Loss) from discontinued operations, net of tax

Profit (loss) for the period from discontinued operations, net of tax, has improved from a loss of €296 million in December 2017 to a loss of €53 million in December 2018. This improvement is mainly due to a lower expense amount for the impairment on certain discontinued assets, mainly related to the Bioenergy activity, recognized in the previous period given the Company's situation at the time.

Profit attributable to the parent company

Profit attributable to the parent company has deteriorated from a profit of €4,278 million in December 2017 to a loss of €1,498 million in December 2018 as a consequence of the changes described in previous sections.

k) Results by activities

The following table shows the distribution between business activities of revenues and consolidated EBITDA at December 31, 2018 and December 31, 2017, with an explanation about the main variations between both periods:

	Sales			Ebitda			Margin	
Item	2018	2017	Var (%)	2018	2017	Var (%)	2018	2017
Engineering and Construction	1,112	1,317	(16)	103	77	34	9%	6%
Concession-type infrastructure	191	163	17	113	102	11	59%	63%
Total	1,303	1,480	(12)	216	179	21	17%	12%
Restructuring advisory expenses (1)	-	-	-	(28)	(52)	(46)	-	-
Total	1,303	1,480	(12)	188	127	48	14%	9%

(1) Includes fees by independent professionals other than the advisors who participated in the restructuring process amounting to €28 million and €52 million at December 31, 2018 and 2017, respectively.

Engineering & Construction

Revenues in the Engineering & Construction segment has decreased by 16% to €1,112 million, which is a decrease of €205 million compared to the €1,317 million of the same period last year. This decrease in revenues is mainly attributable to the completion of projects under construction in 2017, and the delay in the start of contracted projects during the last quarter of 2017 and beginning of 2018.

EBITDA, with no restructuring advisor expenses in the Engineering and Construction activity, has improved reaching €103 million, which entails an increase of €26 million against the €77 million in the same period last year This increase is mainly attributable to a reduction in the overhead expenses and to a higher profitability in construction projects.

Concession-type Infrastructures

Revenues in concession-type infrastructures have increased by 17% to €191 million, which is an increase of €28 million compared to the €163 million in the same period last year. This increase in revenues is mainly attributable to the beginning of operation of concession assets, mainly.

EBITDA in the concession-type activity has increased by 11% reaching €113 million, which entails an increase of approximately €11 million against the €102 million registered in the same period last year.

l) Consolidated statement of financial position

Consolidated balance sheet

A summary of Abengoa's consolidated asset for December 31, 2018 and December 31, 2017 is given below, with main variations (in millions of euros):

Item	2018	2017	Var (%)
Intangible assets and fixed assets	188	235	(20)
Fixed assets in projects	347	165	110
Associates under the equity method	15	34	(56)
Financial investments	28	41	(32)
Deferred tax assets	137	376	(64)
Non-current assets	715	851	(16)
Inventories	60	75	(20)
Clients and other receivable accounts	603	965	(38)
Financial investments	130	195	(33)
Cash and cash equivalents	205	196	5
Assets held for sale	2,117	4,077	(48)
Current assets	3,115	5,508	(43)
Total assets	3,830	6,359	(40)

- The amount for non-current assets has decreased by 16% reaching €715 million, which entails a decrease of €136 million compared to €851 million at December 31 of the previous year. This decrease in non-current assets is mainly attributable to the impairment of certain tax credits, the amortization of the period, as well as to the sale of the Company's former headquarters, partially offset by the classification of Khi Solar One after it no longer met the cases and requirements of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations" and the appreciation of the US dollar.

- The amount for non-current assets has decreased by 43% reaching €3,115 million, which entails a decrease of €2,393 compared to €5,508 million registered at December 31 of the previous year. This decrease in current assets is mainly attributable to a reduction of the assets held for sale as a result of the sale of 41.47% of the interest in Atlantica Yield, the sale of transmission lines under operation in Brazil, as well as the aforementioned variation of the Khi Solar One assets.

A summary of the liabilities in Abengoa's consolidated financial statement at December 31, 2018 and 2017 is shown below, with a description of the main variations occurred between both periods (in millions of euros):

Item	2018	2017	Var (%)
Capital and reserves	(4,379)	(2,870)	(53)
Non-controlling interest	128	462	(72)
Total Equity	(4,251)	(2,408)	(77)
Project debt	95	11	764
Corporate financing	200	1,611	(88)
Grants and other liabilities	113	52	117
Provisions and Contingencies	62	54	15
Deferred tax liabilities and Personnel liabilities	137	531	(74)
Total non-current liabilities	607	2,259	(73)
Project debt	225	97	132
Corporate financing	4,207	2,033	107
Trade payables and other current liabilities	1,361	1,883	(28)
Current tax liabilities	316	128	147
Provisions for other liabilities and expenses	20	23	(13)
Liabilities held for sale	1,345	2,344	(43)
Total current liabilities	7,474	6,508	15
Total Shareholders' Equity and Liabilities	3,830	6,359	(40)

- The amount for equity has decreased by 77% reaching €-4,251 million, which entails a decrease of €1,843 million compared to €-2,408 million at December 31 of the previous year. This decrease in equity is mainly attributable to the release of non-controlling interest due to the sale of transmission lines under operation in Brazil, Brownfield, (see Note 6.2.) and to the profit/(loss) for the period mainly derived from the adjustment of Old Money and New Money 2 financing (see Note 30).

- The amount for non-current liabilities has decreased by 73% reaching €607 million, which entails a decrease of €1,652 million compared to €2,259 million at December 31 of the previous year. This decrease in non-current liabilities is mainly attributable to the reclassification of Old Money financing as current liabilities (see Note 2.2.2.) and to the reversal of the deferred tax liabilities associated to the restructuring process (see Note 2.2.2.).

- The amount for current liabilities has increased by 15% reaching €7,474 million, which entails an increase of €966 million compared to €6,508 million at December 31 of the previous year. This increase in current liabilities is mainly attributable to the reclassification of the aforesaid Old Money financing, partially offset by the amortization of New Money 1 with the sale of 41.47% of Atlantica Yield, to the repayment to providers of, mainly, solar projects in Chile and to the reduction of liabilities held for sale as a result of the sale of transmission lines in Brazil (see Note 6.2).

m) Consolidated cash flow statements

A summary of the Consolidated cash flow statements of Abengoa for the periods ended December 31, 2018 and December 31, 2017 with an explanation of the main cash flows (in millions of euros):

Item	Balance as of 12.31.18	Balance as of 12.31.17	Var (%)
Profit for the year from continuing operations	(1,435)	4,580	(131)
Non-monetary adjustments	1,608	(4,662)	134
Variations in working capital	(10)	(23)	57
Taxes and interest received / paid	(147)	(82)	(79)
Discontinued operations	12	46	(74)
A. Net Cash Flows from operating activities	28	(141)	120
Intangible assets and property, plant & equipment	(161)	(161)	-
Other investments/disposals	899	68	1,222
Discontinued operations	(55)	36	(253)
B. Net Cash Flows from investing activities	683	(57)	1,298
Other disposals and repayments	(774)	122	(734)
Discontinued operations	84	11	664
C. Net Cash Flows from financing activities	(690)	133	(619)
Net increase/(decrease) of cash and equivalent	21	(65)	132
Cash or equivalent at beginning of year	196	278	(29)
Translation differences cash or equivalent	-	(15)	100
Cash or equivalent held for sale and discontinued operations	(12)	(2)	(500)
Cash and cash equivalent at end of year	205	196	5

- As of December 31, 2018, cash inflows from operating activities amounts to €28 million compared to the cash outflows amounting €141 million in the same period of 2017. The improvement in cash flows occurs after the reactivation of the business, improvement in margins and the lower consumption of working capital, partially offset by cash outflow due to the payment of interest related to the New Money 1 debt.

- In terms of net cash flows from investment activities, there is a net cash inflow of €683 million as of December 31, 2018, compared with net cash outflow of €57 million in the same period of 2017. The cash inflow of investment activity flows is the result of the sale of a stake in 41,47% of the capital stock of Atlantica Yield plc, and the transmission lines in operation in Brazil.

- Net cash flow from financing activities was a cash outflow €690 million as of December 31, 2018 compared to €133 million in the same period of 2017. The cash outflow of financing activities flows mainly due to the partial amortization of the New Money 1 debt.

2.2. Financial and non-financial key indicators

The main operational and financial indicators for the years ended December 31, 2018 and 2017 are as follows:

Item	2018	2017	Var (%)
Consolidate EBITDA (millions)	188	127	48%
EBITDA margin (EBITDA/revenues)	14%	9%	69%
Operating margin (Operating profit/revenue)	11%	(19%)	(161%)
Profit margin	(115%)	289%	(140%)
Basic earnings per share	(0.08)	0.29	(127%)
Diluted earnings per share	(0.08)	0.28	(127%)
Market capitalization (million)	82	218	(62%)

The key performance indicators for each activity are detailed below for the years 2018 and 2017

Item	2018	2017
Engineering and Construction		
Backlog (€ in millions)	1,775	1,424
Concession-Type Infrastructure		
Solar		
MW in operation	300	300
Total MW	300	300
Transmission		
Km of transmission under construction	-	6,707
Km of transmission in operation	-	3,532
Total Km	-	10,239
Water		
Capacity of desalination in construction (m3/day)	275	275
Capacity of desalination in operation (m3/day)	475	475
Industrial Production		
Capacity Biofuels production (ML/Yr)	235	235

2.3 Non-Financial Information Statement (NFIS)

A) About this Report

This Non-Financial Information Statement (NFIS) has been prepared to comply with Spanish Law 11/2018 on non-financial information and diversity, which transposes EU Directive 2014/95 to Spanish regulations and has been prepared pursuant to recognized international frameworks such as the Sustainability Reporting Standards of Global Reporting Initiative (GRI Standards) and those contained in the Law.

This Report shows a brief description of the Group's business model, a summary of the due diligence policies and procedures applied to identify, evaluate, prevent and mitigate significant risks and impacts along with the results of these policies, the main risks and a Responsible Management Balance Sheet containing key indicators of non-financial results.

Unless stated otherwise in the text or data included in this report, all the information and performance KPIs refer to the activity performed during 2018 by the subsidiaries controlled by the Company (listed in Appendices I, II and III of the Annual Accounts Report) which have a social, environmental, economic and governmental impact both inside and outside the company's perimeter. UTEs (in Spanish, *Uniones Temporales de Empresas*) and Permanent Establishments managed by Abengoa which generate impact in any of the aforementioned areas have also been included.

With the aim of facilitating comparability in the information reported, data concerning the two previous years (2017 and 2016) have also been included.

This report aims to respond to the expectations of its stakeholders and to society's main concerns through its analysis of materiality from an internal and external perspective.

Analysis of Materiality

Abengoa performs, on a yearly basis, an analysis of materiality that allows to identify and go in depth in the aspects that are the most relevant for its stakeholders, serving as a base to design and develop its corporate responsibility strategy.

This process allows the company to comply, once again this year, with the principles of inclusiveness, relevance and responsiveness set out under the AA1000 standard. Likewise, it complies with the principle of materiality of the Global Reporting Initiative (GRI) Sustainability Reporting Standards, as the report reflects significant economic, environmental and social impacts, as well as those matters that substantively influence the assessments and decisions of stakeholders.

The analysis of materiality has been developed in three phases:

Phase I: Identification of relevant matters. Based on the analysis of materiality from the preceding year, including the matters defined in the Strategic Plan of Corporate Social Responsibility (SPCSR), the requirements of Law 11/2018 on Non-Financial and Diversity Information, the indicators defined by the SASB[1], and those obtained in phase II of the analysis.

- Financial restructuring
- Attracting and retaining talent
- Status with the Company's key suppliers
- Company's risk management
- Transparency and good governance

Phase II: External assessment of relevant issues. In this phase, the different communication channels that the Company has made available to its stakeholders, in addition to the news from the period, have been examined with the aim of analyzing the volume of queries, visits, topics, as well as the feedback from directors in charge of said channels.

- Communication Department // Communication Mailbox
- Investors Relations Department // IR Mailbox
- Company's website (Spanish and English)
- Analysis of press articles where the Company is mentioned (analysis of press clipping, key subjects of the day and press monitoring)

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

Phase III: Internal prioritization of relevant issues. This phase consists of the identification of those matters that the directors of the Company's main areas have considered as relevant, both for the Company and for its stakeholders.

In 2018 the potential impact that the global megatrends might have on Abengoa's business in the short, medium and long term has been analyzed along with each of the Board of Directors' members, in order to identify the possible risks and opportunities along with the most important aspects in terms of sustainability, main challenges and expectations as pertains the CSR strategy, etc.

As a result, we have obtained the following relevant aspects, which show similarities with respect to the 2017 results due to the restructuring process duration.

2018 Relevant Aspects	Why is it considered material?
Financial restructuring	The financial restructuring process is one of the critical aspects for all stakeholders. This process has continued in 2018 with new agreements with creditors to obtain liquidity, gain the markets' trust back and ensure the financial sustainability and viability in the short and medium term.
Attracting and retaining talent	Abengoa is aware that the future of the company and the international reputation of its projects are based on the daily work and commitment of its team. Human capital is one of the main levers to meet the growth expectations and new business opportunities, which are in need of committed and educated professionals oriented towards market demands.
Equal Opportunity/ Diversity/ Coresponsibility	It is fundamental for the Company to count with the best talent among its staff, regardless of the different capabilities. Thus, during the period, following the guidelines of the main indexes, standards and codes on this matter, the Company has implemented new mechanisms that allow it to continue progressing towards total inclusion and non-discrimination of any type, specially that concerning gender.
Company's risk management	The Company considers that counting with a robust integrated risk management system in business, as well as the compliance with the quality standards required by the clients, minimizing the emerging risks which may arise, is a competitive advantage that works as a key tool in the achievement of goals.
Transparency and good governance	Abengoa considers it essential to transmit rigorous and truthful information in an ongoing dialogue flow with our stakeholders, responding to the needs of our environment. The compliance policies and programs lay down the guidelines of our business strategy, and guarantee compliance with the law and respect for business ethics.

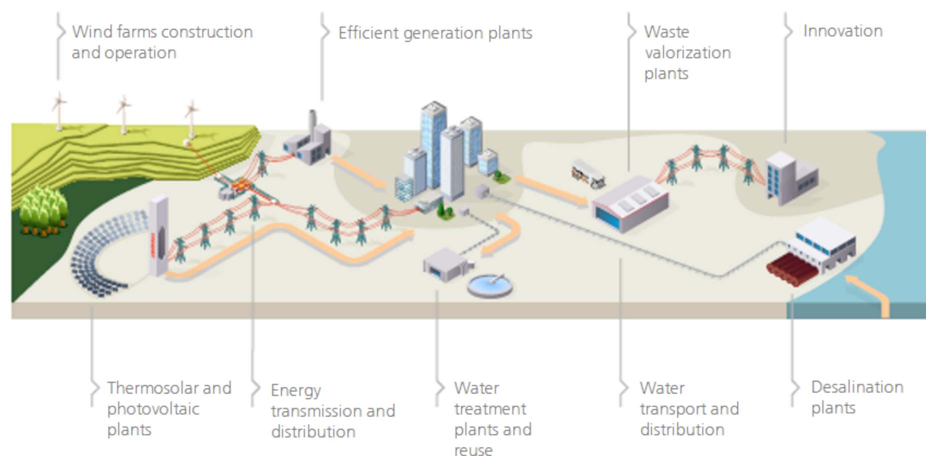
Pursuant to current commercial legislation, this Non-Financial Information Statement has been subject to verification by KPMG Asesores, S.L. The Independent Verification report has been attached to this Non-Financial Information Statement, in section 04 of this Volume.

B) Business Model

Abengoa is an international company with more than 75 years of history that applies innovative technology solutions for sustainability in the infrastructure, energy and water sectors[2].

With the performance of these activities, Abengoa provides long-term value to its stakeholders through a management characterized by the promotion of the business spirit, the corporate social responsibility, transparency and rigor in management.

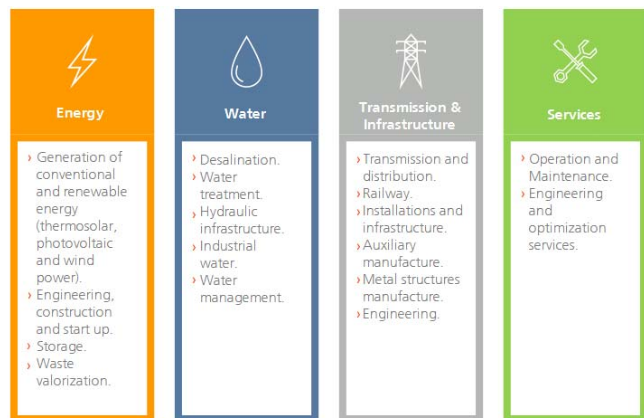
The Company is a key model in the industrial engineering and construction sectors; in the power transmission and distribution, railway electrification, unique building installation and infrastructure sectors, and in all types of industrial and power generation plants, as well as in the fabrication of metal structures and in the electrical and electronic manufacturing.



The increasing international demand for energy hence requires new solutions in the renewable energy fields, prioritizing those that use clean, inexhaustible, environmental and socially-friendly sources. For this reason, Abengoa promotes facilities that transform energy from renewable and conventional energy resources into electricity, as well as the construction of transmission lines that support the electrical systems.

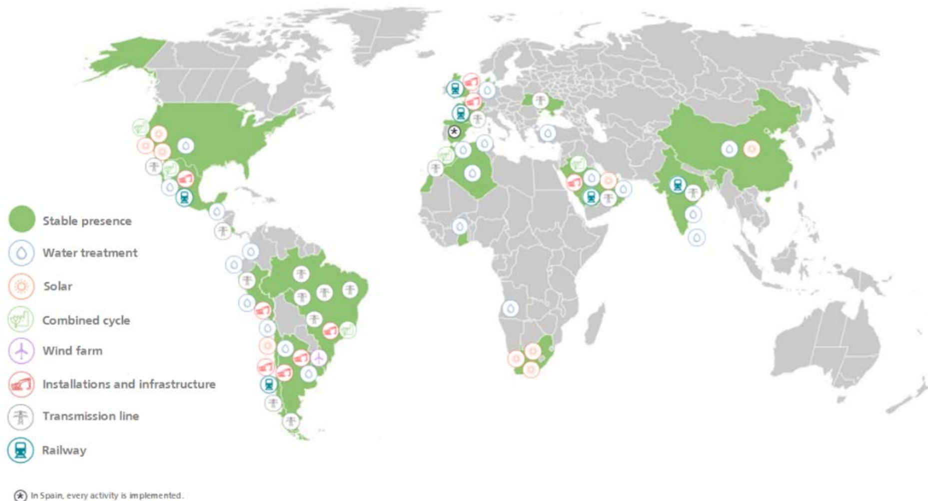
[2] More information on the business model is available in Note 1 of the Management Report.

In addition, the Company provides comprehensive solutions for industrial clients and public institutions in the following areas:



Abengoa will remain committed, in the development of its business, to technology and innovation as a competitive advantage, since the work performed throughout these years has allowed it to have and develop leading products at an international level. An example of this are the 342 accumulated patents granted since 2008 which position the Company as a technology leader in different sectors such as the solar thermal technology.

Abengoa's presence in the World, broken down by activities, is as shown below:



C) Global Non-Financial Information Policies and Risks

Abengoa counts with a **CSR policy** that establishes the guidelines in the social, economic and environmental area to be followed by the entire Company and the way in which CSR integrates across all Company areas, acting as a lever to meet its business goals. Compliance with this policy is supervised by the Audit Committee which reports directly to the Board of Directors pursuant to the Good Governance Code recommendations.

Throughout 2018 we have worked on updating the **Strategic Plan of Corporate Social Responsibility (SPCSR)** which defines the Company framework and guidelines by means of actions that allow to integrate the stakeholders' expectations within the Company's strategy, identifying specific goals and designing specific actions that contribute to the evolution of a responsible business world towards a global and sustainable development.

For the update, we have taken the prior strategic plan as a base, adapting it to the commitments established in the CSR policy and in the Sustainable Development Goals (SDGs).

This Plan will allow the Company to develop its distinctive capabilities in an environment of innovation and sustainable development, so that it foresees the new business challenges related to sustainability and mitigates the risks that are inherent to its activity. Likewise, it will allow to extend the CSR strategy in every vertical and geography, with specific actions adapted to the social reality of the different communities where Abengoa is present.

Abengoa's risk management policy is materialized in a global risk management system characterized by having a global, integral and dynamic approach that allows to identify and control risks, to create a common culture that facilitates the attainment of objectives in this area and to have performance and adaptation capacity.

This system is supported by three pillars: the **Common Management Systems**, specifically designed to anticipate and manage business risks; the **internal control procedures** and the **risk map**, which allow to measure, based on impact and probability indicators, the level of the main risks affecting Abengoa in each one of the categories (strategic, financial, operational, legal and regulatory). The tool generates risk maps in real time, enabling us to design efficient responses that are aligned with business objectives.

The main objective of Abengoa's **Risk Management Policy** is for risk management to be fully integrated into the Company's strategic planning, in the definition of business objectives and in day-to-day operations to achieve these objectives, adapting all the solutions to the business conditions and the economic environment.

The managed risks include the following:

- Lack or deficiency in the identification of the greenhouse gas emissions.
- Errors in the environmental operational control.
- Deficiencies in the hiring and retention policy.
- Deficiencies in the tax strategy management.
- Noncompliance with tax regulations.
- Lack of, or inadequate management of socially-responsible activities.
- Excessive use of resources.
- Natural disasters.
- Inadequate personnel development / performance.
- Inadequate culture / policy in terms of Health and Safety.
- Loss due to fraud.
- Noncompliance with internal norms.
- Noncompliance with labor laws.

Concurrently, for the purposes of intensifying the analysis of the risks associated to Corporate Social Responsibility, Abengoa created a system that allows it to identify, supervise and control the potential CSR-related risks that affect the Company's facilities and projects.

CSR risks in facilities are periodically evaluated for the purposes of getting to know the specific risks affecting each of the facilities considered as material in order to design specific actions for their mitigation, supervision and prevention, and to develop a framework that allows for the Company's dialog with the main opinion leaders on the identified risk matters.

To conduct this risk analysis, a committee integrated by different managers holding positions of responsibility in the facility uses a questionnaire to evaluate 27 aspects related to relevant aspects of responsible business management: work internships, occupational health and safety, supply chain, social commitment and local impact, environmental management and ethics, integrity and compliance.

The analysis that allows to get to know the managers' perspective on the existing risk level in their facilities is conducted from a three-way perspective:

1. Responsible management areas that affect the facility due to their nature, location, technology, etc.

2. Areas or matters where there is an objective risk of noncompliance.

3. External perception of the noncompliance.

I. Information on environmental matters

The sustainable management of natural resources and the environmental protection are essential conditions to ensure economic growth and the society's well-being. When conducting a responsible management action, the environment may be established as the base for an inclusive and sustainable economic growth, ensuring the availability of resources and promoting the alleviation of poverty.

A good environmental management does not only reinforce the integrity of the environment, but also the business' own viability, as it constitutes business management aspects as important as the economic and the social aspects. Environmental matters have a direct effect on the production results, the management of resources, energy savings, the control of emissions or the generation of waste, among other aspects.

Hence, Abengoa is committed to a sustainable development model that, in addition to providing innovative solutions to fight against climate change, it does so responsibly, guaranteeing in all its activities, projects and work centers the commitment with the environmental protection as stated in its CSR and Quality and Environmental policies.

Based on what has been established in said policies, Abengoa prevents pollution with the correct management of waste, focusing on reducing such waste at its origin, as well as on its reevaluation, promoting the efficient use of resources, and the purchase and use of recycled or certified materials whenever possible[3]. Likewise, Abengoa is committed to set its growth apart from the greenhouse effect emissions, specially as pertains to the main emission sources: combustion, use of electricity and the emissions derived from supplied goods and services.

Since 2018 has been a year in which the activity has been relaunched and the systems reconfigured, the year has been considered as a base and there has not been associated environmental goals or measures at a corporate level, except for certain initiatives that have been conducted at some locations. Nonetheless, as a result of its commitment with the environment and the environmental sustainability, the Company has defined a course of action in its 2019-2023 Strategic Plan of Corporate Social Responsibility that establishes specific goals in the medium term, as well as actions and KPIs that allow to establish guidelines for the compliance therewith.

The goals included in this Plan for the 2019-2023 period are the following:

- To have 0 especially-severe environmental accidents.
- To encourage the efficient use of resources and promote the purchase of recycled or certified materials.
- To encourage the correct management of waste, affecting its reduction at source and promoting its recovery and reuse at maximum.
- To reduce the ratio of emissions in tons/thousands of euros in permanent centers by 5%, with regard to 2015.
- To develop a database that categorizes high added-value projects based on their environmental footprint, so that it can be easily added to the presentation of bids in tenders and helps to obtain better competitive ratings.

Likewise, the SPCSR is intended to establish a line of study for the assessment of biodiversity and the preservation actions performed by Abengoa, so that they can be applied in the rest of activities provided that the conditions allow so.

In relation to said matter, the most significant impacts on biodiversity are analyzed in the respective Environmental Impact Statements or equivalent documents of the activities requiring so, based on the legal framework of each country. In addition, compensation actions are conducted in those cases where required pursuant to the provisions of said statements or equivalent documents.

As a significant impact, it is worth mentioning that concerning the repercussion of the desalination plant construction process on the marine flora. The construction process increases the turbidity and prevents the introduction of light, hindering the photosynthesis of marine flora. To act on the impact, a compensation plan is conducted which suggests transferring part of the affected flora to an area non-affected by the construction.

As pertains the negative effect in protected areas, Abengoa has a construction project in Agadir (Morocco) that is located in the Parc National Du Souss Massa park, as well as 17.4 hectares of nature reserves in the São Joao y São Luiz bioethanol plants in Brazil.

Centralized Environmental Management System

Senior Management has conducted a thorough revision of the environmental management systems, the procedures and resources that have been used, with the aim of optimizing the processes and maximizing their performance, starting by defining a centralized management system adjusted to the aspects required for the environmental control and the establishment of common goals.

With the above, the Company has arranged the mechanisms required to establish a global and homogeneous diagnostic of its environmental behavior in any activity or geographical location, guaranteeing that all legal and contractual requirements, and those of good management practice, are correctly identified and controlled and oriented towards minimizing impacts in the entire lifecycle and promoting the fight against climate change.

The environmental management system, based on the ISO 14001:2015 norm, is externally evaluated. Abengoa counts with a certification of its management systems categorized according to its three main branches: engineering, construction and operation and maintenance. 79.4% of its activity is ISO 14001 certified. This labor has been conducted thanks to the work and experience of a team composed of more than 60 professionals specialized in environmental management.

[3] Abengoa considers the management of food as a non-material aspect of the Company's operations.

This new management system has the main goal of serving as a living tool integrated within the Company's management and own reality, oriented towards the fight against climate change and the need to change towards a circular economy.

Risks and Opportunities

Abengoa's risk management system features a comprehensive approach, encompassing all the business areas and risk types. Governed by the principle of caution, Abengoa manages the environmental and climate change risks of its activities under the scope of said global system.

There are no environmental guarantees or provisions. The insurance policies contracted by the Company count with civil liability policies which cover, among others, the environmental risks of the activities.

The most significant environmental risks include, among others, the geographical scattering of the Company's projects and locations, which are controlled by means of a unified process management pursuant to the ISO 14001:2015 norm.

There are procedures to identify and control said risks whose main purpose is to create a common culture of management, mitigation and control at any level across the Company.

The environmental risks of greatest impact for the company are:

› Uncertainty in the face of new environmental regulations.

› Changes in the conditions of the physical environment.

› Vulnerability to natural catastrophes.

› Use of crops as raw material in the bioethanol production process, competing against food supply.

In addition, the Company manages the risks associated to climate change taking the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations under consideration. Abengoa considers that the alignment with international standards and awareness of financial risks and opportunities associated with climate change are an essential step towards improving transparency.

The follow-up and monitoring of these risks, among others, as well as the mitigating measures applied, allow for the development of lessons learned, transforming the management of risks in a mature process that allows for the feedback and the application of measures based on the experience in other new or existing projects.

Likewise, the assessment of risks allows the Company to identify new business opportunities associated to climate change: for example, an increase of the business volume in the event of stiffened regulations on fossil fuel; an increase of water demand caused by the potential rise in temperatures or greater number of sunlight hours through decreased rainfall; or an increase of lobbying from stakeholders to introduce measures against climate change, through consolidated collective awareness in environmental terms.

II. Information on social and personnel-related matters

Despite the demanding and complex financial challenges that Abengoa has faced during 2018, the Company continues evolving in the recovery and transformation process to become a more efficient and flexible organization capable of competing in the market with success.

Abengoa counts with 13,450 employees[4], which entails an increment of 7.9% from the previous year (12,468 employees). As concerns the Company's personnel, a very significant and symptomatic datum on the recovery of Abengoa and its business should be pointed out: for the first time since the Company's restructuring phase started, new jobs are being created.

[4] At December 31, 2018. Total number of employees, including interns.

Abengoa seeks to promote employment in the communities where it is present through its project portfolio, as well as through recruitment and the support to local communities. As reflected in the map, 20.6% of the Company employees are in Spain while the remaining 79.4% are abroad.

The generation of growth, employment and opportunities from the project's viability and sustainability is a clear goal for this team of managers and for Senior Management.

The number and distribution of employees per gender and professional category is shown below:

Professional Category (including interns)	Female	Male	%
Executives	25	192	1.61
Mid-Level Managers	145	691	6.21
Engineers & Degree Holders	455	1,056	11.33
Assistants & Professionals	351	624	7.24
Workers	553	9,284	73.13
Interns	27	47	0.55
Total	1,556	11,894	100

In 2018 Abengoa has relaunched its Internship Program, which aims to help complete the training of future professionals through the implementation of training practices in different subsidiaries and geographical locations. To this end, the program proposes a model of training that allows the intern, duly supervised and monitored, to develop and expand knowledge and skills during their internship period, integrated within the professional team.

At December 31, 2018, Abengoa had 7,388 employees with a permanent employment contract and 6,062 employees with a fixed-term contract. Based on the contract type average per gender, age and professional category:

Contract Type	Male	Female	Total
Fixed-Term	5,612	450	6,062
Permanent	6,282	1,106	7,388
Total	11,894	1,556	13,450

Type of Contract	>60	20-30	31-40	41-50	51-60	Total
Fixed-Term	151	1,721	2,218	1,375	597	6,062
Permanent	538	860	2,719	2,158	1,113	7,388
Total	689	2,581	4,937	3,533	1,710	13,450

Type of Contract	Assistants & Professionals	Interns	Executives	Engineers & Degree Holders	Managers	Workers	Total
Fixed-Term	279	74	16	446	178	5,069	6,062
Permanent	696	-	201	1,065	658	4,768	7,388
Total	975	74	217	1,511	836	9,837	13,450

In Abengoa, we believe that the true competitive advantage relies in its team of professionals and in their knowledge, commitment and know-how.

Although the Company ended 2018 with an increased personnel, the restructuring process unfortunately brought along involuntary terminations due to economic, organizational and production-related criteria, etc.

Involuntary terminations classified per gender, age and professional category are as follows:

Age Range	Male	Female	Total
20-30	14	10	24
31-40	70	69	139
41-50	47	26	73
51-60	36	13	49
>60	7	1	8
Total	174	119	293

Gender	Executives	Managers	Engineers & Degree Holders	Assistants & Professionals	Total
Male	13	38	79	44	174
Female	0	13	47	59	119
Total	13	51	126	103	293

Abengoa promotes equality and rejects all types of gender discrimination. For said reason, it applies this principle in all its human resources management policies (recruitment, selection, training, performance measurement, promotion, remuneration, working conditions, balance of family and working life, reporting and prevention of harassment, etc.). This commitment is expressed in the Company's internal norms, which are ultimately approved by the President.

The Appointments and Remunerations Committee expressly establishes that there is no implicit bias of any type in the selection of female members to the Board of Directors. This Committee's mission is, among others, to inform the Board on gender diversity matters, as well as to verify compliance with the director selection policy. The president of this Committee is Pilar Cavero.

The director selection policy has established among its principles, also, that the composition of the Board is diverse and balanced.

The Remuneration Report[5] includes information on the average remuneration of board members and directors, including variable compensation, per diem, fixed remuneration, variable compensation in the short and medium term, remuneration for serving in the Board of Directors' committees, compensation and "others". Further information is available in the Corporate Governance Report and in the Annual Remuneration Report.

The average remuneration details[6] per age, gender and professional category[7] have been included below.

Global average remuneration (in thousands of euros):

Professional Category	Male	Female	Variation (%) (*)
Executives	90.3	86.5	4
Managers	50.4	50.1	1
Engineers & Degree Holders	34.1	34.5	(1)
Assistants & Professionals	21.9	20.7	5
Workers	15.7	15.4	2

(*) Calculation of %: (average remuneration of male employees - average remuneration of female employees) / average remuneration of male employees

Average salary per ages (in thousands of euros):

Age Range	Salary
20-30	14,9
31-40	22,4
41-50	27,1
51-60	26,5
>60	29,8

[5] Included in Note 33.3 Employee remuneration and other benefits.
[6] Include fixed and variable remuneration, and remuneration in kind.

[7] These data correspond to 94% of the personnel (employees and workers) at December 31, 2018, excluding those which correspond to the Brazilian company Abengoa Bioenergía Brasil as it is currently under judicial rehabilitation and no reliable information is available, as well as those of the Executive Committee and Management Committee members.

Male/female average salary (in thousands of euros):

Taking Abengoa's total number of male and female employees as reference and not considering the distribution per role, responsibilities or geographical locations, the average salary of females is 29.1 thousand of euros whereas that of males is 22 thousand of euros. Considering white-collar employees only (hence excluding workers) the average salary of Abengoa employees is 38.2 thousand of euros.

Age Range	Male	Female	Variation (%)
Abengoa's Global	22	29.1	(25)

Senior management average remuneration (thousands of euros):

Abengoa's management bodies include the Executive Committee (Senior Management), and the Management Committee (composed of the directors from the main business units, countries and corporate roles).

	Average Salary 2018
Management	244.3

	Male	Female
Management Committee	179	174

- Management: Executive Committee/Management Committee: fixed remuneration, variable compensation, remuneration in kind.
- No male/female breakdown has been included for the Executive Committee as it is composed of 100% men.

The Company's strong commitment to the **balance between the personal and the professional life** has resulted in the implementation by the Company of a series of measures to disconnect from work in order to maximize the efficiency of the occupational and personal time. This way, the Company headquarters in Seville, Spain, have an established "lights-off" and closing schedule.

The Company's management model includes the convenience to reduce the presence of managers and directors with significant responsibility beyond the established working hours to the minimum required.

In addition, new measures were implemented in 2018 that allow to make time-off periods more flexible, aiming to optimize the use of the days off available to a maximum.

Both the balance between the personal and the professional life and the fostering of social inclusion are key aspects in Abengoa's management strategy. The number of employees with a degree of disability of 33% or higher in Spain at the end of 2018 was of 37.

For the purposes of complying with the Spanish Social integration of persons with disabilities act (*Ley de Integración Social del Minusválido* or LISMI), the company has implemented alternative procedures such as the request for exceptionality to cover legal requirements by resorting to recognized centers of special employment, such as for the cleaning service, or reception staff.

With respect to the organization of the work, Abengoa meets the legal requirements in force in each country where it performs its activity as concerns the distribution of working hours. As for production processes requiring performance during the entire day, a shift work system or irregular work schedules may be established, complying with the regulations and the rest periods established by Law in each country.

Given the low absenteeism indexes in the last years (the rate of sickness absenteeism reported for the last three years was of 1.19%) and the exceptional situation that the Company has gone through, the information systems available to report absenteeism data have not been available. Nonetheless, the supervision of hours worked has been delegated to area managers, with the aim of reducing the cost that it may entail to the company.

On the other hand, the time lost due to accidents was of 23,536 hours.

Achieving a pleasant and work-life-balance working environment is key for Abengoa so that it achieves a relationship of trust and mutual benefit with its employees.

For said reason, the Company has made available to employees different social benefits that promote the achievement of a work-life balance:

- Food services at the Company headquarters (Seville).
- A gym provided with the equipment needed for physical exercise and with spaces for group fitness classes at the Company headquarters (Seville).
- Flexible retribution (health insurance, transportation card, meal vouchers, kindergarten vouchers and education) for all employees in Spain.
- Kindergarten and breastfeeding room services (Seville and Madrid, Spain).
- Health Center to improve the health coverage of employees (Seville).

- Parking lot with priority parking spots for pregnant women, persons with reduced mobility and parents whose children attend the kindergarten located in the Company's headquarters (Seville).
- Life and accident insurance policies.

Health and Safety

Abengoa is firmly committed to the prevention and improvement of occupational health and safety, both in its own premises and in the areas where subcontracted activity takes place. For said reason, all Executive Committee and Management Committee meetings start with Health and Safety.

In addition, to ensure the correct mitigation of the potential risks in this area, the Company has developed a Health and Safety policy that is based on five fundamental foundations and is applicable to all Company employees:

1. **Integration** of Health and Safety at all company levels as a corporate strategy.
2. **Leadership** driven from **senior management** on Health and Safety matters for the purposes of having a proactive influence on the increase of a preventive OHS culture within the Company.
3. Strong commitment to continuous **education** on Health and Safety as the basic foundation to emphasize the employees' change of conduct, and hence as a boosting element of the preventive OHS culture within the company.
4. Implementation of a Health and Safety management system focused on the **continuous improvement** of its production processes through the periodic evaluation and assessment of all the activities inherent thereto.
5. Assurance that all the activities performed within the Company are conducted in strict **compliance with** the Occupation Health and Safety **regulations**.

In 2018 this area was focused on reducing the work at height accidents, preparing specific plans and campaigns for such purpose. In addition, the Company was committed to drive a Health Plan in order to promote healthy habits among its employees and contractors.

The Health and Safety goal is to have "zero fatal accidents" in all sites, projects and facilities. This goal was successfully attained during 2018.

Employees	2018	2017	2016
Direct (Own Emp.)	-	-	1 (Male)
Subcontracted	-	-	-

A summary of accidents of own employees broken down per gender has been included below:

Type of accident	Male	Female
LTA	120	6
NLTA	146	7
Total	266	13

Abengoa also pays special attention to reduce the accident rate:

Year	General frequency rate (1)	LTA frequency rate	Severity rate (2)	Number of LTA
2018	7.5	3.2	0.07	150
2017	9.3	4.6	0.08	200
2016	12.0	7.6	0.18	372

* The accident information provided correspond to own and subcontracted personnel.
(1) Total number of accidents (NLTA + LTA) / number of workhours*1,000,000
(2) Number of lost workdays/ number of workhours*1.000

The accident rate of the Company's own personnel, broken down by gender, is as shown below:

Gender	General frequency rate	Severity Rate	Number of LTA and NLTA
Male	11.73	0.12	266
Female	4.38	0.05	13

Abengoa 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 Health and Safety 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.

It is worth mentioning that Abengoa's subsidiaries count with Health and Safety committees, led by Senior Management, that meet on a monthly basis to control the monitoring of the activities, as well as the attainment of the goals defined for this subject, warning at said meetings on those aspects which may entail risks for the employees' occupational safety, and creating the appropriate action plans to correctly manage said risks.

In relation to the applicable collective agreements it should be noted that, as concerns the obligation to consult and participate and besides the formally-established quarterly Health and Safety meetings, the following communication and consultation means are available:

1. A specific Health and Safety website accessible to all Company employees, that shares key information on Health and Safety, such as policies, goals, safety alerts, health plans, news, etc. This website counts with a Contact section for consultation and participation (https://abengoaprl.abg.corp/web/en/contacto/index.html).

2. Monthly communications to the entire Company via e-mail (newsletters, safety alerts, etc.).

3. In subsidiaries that do not count with a Health and Safety committee, the consultation and participation of obligatory documents that have been created/revised, such as prevention plans or risk assessments is materialized via e-mail.

4. Abengoa Easy Management (AEM) has been established as a communication and participation instrument for all employees to resolve OHS issues, as well as to provide initiatives or suggestions on improvement actions for the implemented OHS system. This management tool is available to all company employees.

The Company celebrated last year its 2nd Health and Safety Event, at an international level, in all the countries where Abengoa performs its activity, coinciding with the celebration of the European Week for Safety and Health at Work. The goal of this event, which was led by Abengoa's Executive Chairman, Gonzalo Urquijo, was to promote the OHS culture while recognizing its most relevant employees, clients and suppliers for their good Health and Safety practice in the performance of their work.

For the purposes of maintaining the occupational health and wellbeing of its employees, the Company implemented its Health Plan whose ultimate goal is to implement initiatives to promote and communicate topics related to the health of its employees, as well as to make tools available to measure, evaluate and revise the work centers so that they become more and more healthy.

The Company's main priority in the performance of all its activities is to ensure that the conditions of the workplaces are optimal from an occupation health and safety perspective. For said reason, it is strongly committed to the implementation of efficient Occupational Health and Safety management systems that are periodically audited by an independent third party and that ensure their correct implementation in accordance with the regulations of reference. In addition to the audits required by Spanish Law, additional audits are conducted in Abengoa pursuant to the OHSAS 18000 standard, based on three certifications according to the company's main activities: engineering, construction and operation and maintenance.

Corporate Relations

Abengoa is aware that, in order to conduct an effective management of the activity, and to be able to perform the projects with success and to meet the establish goals, it needs to have a bidirectional, fluid and transparent communication with its stakeholders, specially with its employees.

For said reason the Company counts with diverse communication channels adapted to all its stakeholders as the promotion of the participation and dialog are key factors. The Company has made available to the employees different channels and IT tools that allow to take the initiative in the improvement of the business processes, the working conditions and the environment as well as in the resolution of problems. These include Abengoa Easy Management, the internal and the external web, the external whistleblowing disclosure channel, mail, mailboxes and climate and satisfaction surveys.

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. Likewise, an internal regulation exists that protects and guarantees the rights of employees.

In 2018 93.4% of its employees were subject to collective bargaining agreements, as detailed below:

Country	Total	Collective bargaining agreements
Saudi Arabia	87	-
Algeria	197	197
Argentina	819	819
Belgium	7	7
Brazil	2,908	2,908
Chile	1,347	1,347
China	1	-
Colombia	3	-
Denmark	24	24
United Arab Emirates.	24	-
Spain	2,768	2,762
France	112	112
Ghana	25	-
India	63	63
Israel	6	6
Kenia	3	-
Morocco	147	147
Mexico	572	-
Oman	31	-
Peru	1,732	1,732
Poland	5	5
United Kingdom	46	46
Sri Lanka	1	-
South Africa	299	299
Turkey	4	-
Ucrania	46	-
Uruguay	1,890	1,890
USA	283	198
Total	13,450	12,562
	93.40%	

All employees have the basic labor right established by Law to be informed of any organizational change that occurs in the Company, prior to their occurrence, through their supervisors or representatives, as applicable, and in accordance with the applicable collective agreements.

Education

Abengoa considers education as its base to reach excellence in its activities, and it is one of the main foundations of its human resources policy to motivate, retain and promote talent in the organization.

Education polities ensure that the entire team has the knowledge and the abilities required for the development of their roles in a competitive manner, hence maintaining a team of highly-qualified and trained professionals.

Abengoa counts with a tool named Campus to manage the training provided. Although this tool is not available for some Group subsidiaries abroad, the lack thereof has been covered with alternative management systems that meet the internal requirements on education.

In 2018, the education procedures and policies were updated to adapt to the new reality. The limitation of resources this year has brought the Company to adapt itself and to promote internal training both online and in-person to ensure that our professionals are up to date in terms of education.

As in previous years, education on Health and Safety remains the main priority of the Company.

Education[8], broken down per professional category, is as follows:

Category	Hours
Executives	226
Managers	2,482
Engineers & Undergrad. Degree Holders	14,502
Assistants & Professionals	1,484
Workers	461,324
Total	480,018

[8] Information obtained from Campus Abengoa, the Company's main education management tool, and from the different management applications of the Company subsidiaries.

Accessibility

The Company deems essential to ensure adequate working conditions to all its employees, without exception, both in the facilities and at the workplaces, and having special sensitivity towards the people with disabilities.

Hence, with regards to new hires, the Company analyzes, prior to the *on boarding* process, the possible adaptations that the new employee may need in his workstation to ensure accessibility as well as a specific action plan in case of emergency, by which the employee will always be accompanied by a specific person in charge responsible for protecting his safety.

Equality

Likewise, the Company maintains an explicit and real commitment to equal treatment and opportunities, and the non-discrimination on grounds of sex, race, color, religion, opinion, nationality, economic position or any other circumstance, as well as to the promotion of diversity in the workplace. This commitment is explicitly included in the Company's Common Management System, which are applicable to 100% of the Company without exception.

Ensuring tits compliance with measures and actions that promote and advocate real equality at all organizational levels has always been a priority of the Company. For said reason, Abengoa created more than ten years ago its Equality Framework Plan, included within the Equal Treatment and Opportunities Office (ETOO), based on the principles of the United Nations Global Compact (which Abengoa endorsed in 2002) and included within its Policy on Labor-Related Social Responsibility (2016).

This plan aims, on one hand, to guarantee equal treatment and opportunities at all levels within the Company and, on the other, to avoid any situation that may imply or entail direct or indirect discrimination at work. Likewise, the organization has a protocol for reporting harassment at work in order to address any situation that may be considered discriminatory in terms of gender.

In addition, it counts with an Equal Treatment and Opportunities Committee whose ultimate goal is to engage in global monitoring of the matters related to gender equality within the Company. Due to the exceptional situation of the Company there have been no meetings of this Commission but restructuring and analysis work has been conducted so they can be resumed in 2019 with a yearly periodicity.

On the other hand, Abengoa has defined equality procedures within the 2019-2023 SCR Strategic Plan which establishes specific goals and actions to be performed in the medium term, along with a series of indicators which will allow to monitor them and to establish guidelines for the compliance therewith.

Some of the goals established in these strategic procedures are to increase the presence of women in the board of directors and in all personnel categories, conduct salary audits, prepare a plan to promote the presence of female employees in responsibility positions, include diversity, equality and balance sections in the Climate Survey to monitor and measure the situation in said area or retake the Equal Treatment and Opportunities Committee meetings.

In 2018 the Company endorsed the Spanish diversity charter (*Chárter de la Diversidad en España*) through the GRUPO OTP Foundation, a project launched at the initiative of the European Commission and the Spanish Ministry of Equal Opportunity. This way, the Company has taken on a commitment to promote a socially-respectful, economically-sustainable and legally-rigorous environment.

III) Information on the respect of human rights

Abengoa is firmly committed to the respect of human rights. For said reason, it has integrated in its policy and in the Common Management Systems the principles that govern the United Nations' Universal Declaration of Human Rights (UDHR), the Global Compact, the SA8000 standard and the OCDE guidelines, thus making them obligatory to all Company members, throughout its entire value chain and in its area of influence.

Abengoa signed, in 2002, the United Nations' Global Compact and maintains its commitment with the International Labour Organisation (ILO) concerning the fundamental principles and rights at work to respect and promote principles and rights, the freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or obligatory labor, the abolition of child labor and the elimination of discrimination in terms of employment and occupation.

As a multinational company Abengoa develops systems for controlling and preventing human rights violations.

In this regard, in addition to the risk model, specific risk analyses are conducted on certain projects which evaluate the relevance of the violation of human rights, among other matters.

The so-called Common Management Systems, applicable to 100% of the Company, were developed to ensure that the company upholds these commitments. These systems establish norms of obligatory compliance for all company employees regardless of where activities are conducted. The Regulatory Compliance and Internal Audit directors apply due diligence to ensure that the Company complies with all regulatory and legal requirements applicable thereto.

In addition, it also counts with other mechanisms designed to protect Human Rights, such as:

- Code of Conduct: it applies to all Company employees, without exception. It guides the employees' relationships with the remaining stakeholders, establishing guidelines of conducts and prohibitions based on the Company values.
- Good Practices Committee to ensure compliance with the Code of Conduct.
- CSR Policy: it contains the Company's CSR principles, as well as their scope of activity.
- Internal and External Whistleblower Channel: accessible to all Company stakeholders.
- CSR Code for suppliers, who commit, by signing the code, not to violate Human Rights throughout the chain of value.
- Assessments of suppliers in terms of Environmental, Social & Governance.
- Internal non-financial audits.
- Steering committees (Human Resources, Regulatory Compliance, Internal Audit, Risks, Corporate Social Responsibility).

No complaints on human rights violations have been received during 2018 in any of the channels set up for said purpose.

IV) Information on the fight against corruption and bribery

Abengoa has a longstanding trajectory in the fight and in the commitment towards the prevention and mitigation of the corruption and bribery. Thus, the Company has defined, through its common management systems, consolidated mechanisms and procedures applicable to the entire company and whose ultimate goal is to mitigate the risks inherent to any business activity.

These systems allow the Company to ensure and watch over the compliance with the anti-corruption mechanisms by company employees, as well as to detect and penalize potential conducts that might result in the Company or the employee himself being liable.

Abengoa is subject to local and international anti-corruption regulations, particularly to the US Foreign Corrupt Practice Act (FCPA) which prohibits the payment of bribes and commissions to foreign government officials, as well as any action aimed at influencing on any action or decision that secures an improper advantage not only in the United States, but in any country of the World.

In addition, to reinforce the area of compliance and fight against corruption, the Company counts with two whistleblowing channels (internal and external) pursuant to the specific requirements of the Sarbanes–Oxley Act to facilitate all Company stakeholders to communicate in a totally anonymous and confidential way any wrongful or potentially wrongful action.

On the other hand, Abengoa counts with a Corporate Compliance Program (CCP) managed by the Chief Compliance Officer who reports directly to the Company's President, through which specific compliance programs are conducted, these programs being integrated in the Company's management model through:

- Standards of good corporate governance.
- Specific risk assessment.
- Implementation through education and supervision thereof in a continuous improvement process.

These programs are ultimately intended to prevent, detect and punish any conduct that could result in liability for the company and / or the employee himself.

In relation to the Anti-Money Laundering Program, Abengoa has voluntarily undertaken the principles and obligations established under applicable regulations concerning the prevention of money laundering and funding of terrorist activities.

The two programs are of mandatory compliance for all company employees. Both oversight and control of their due application falls, without any exceptions, to management and directors.

The Compliance Area, in coordination with the Risk, the Internal Audit and the CSR Areas, are responsible for applying due diligence in order to guarantee that the Company meets all the legal and regulatory requirements applicable in the Country where it operates.

In 2018, the Company made contributions to professional associations, mainly chambers of commerce or industry or construction-related associations, for an amount of €123 thousand.

V) Information on the Company:

Abengoa´s commitment to sustainable development

Abengoa is aware that the activities that it performs at an international level have a high impact on society and vice versa. For said reason, it bases its business model on sustainable development and counts with procedures that allow to manage any potential negative impact that may derive from its projects, designing preventive and corrective measures adequate for each specific situation.

As pertains Abengoa's positive impacts on society, as well as on the communities in which it develops its activity, the following should be mentioned:

› Possibility to have access to drinking water, thanks to the desalination process, the reutilization and the construction of channels in regions where it could not be supplied.

› Generation of electrical power from renewable energy sources.

› Guaranteed access to electricity in isolated areas thanks to its transmission lines.

Likewise, the Company promotes the local employment and procurement, which allows to improve the capacity to adapt to the challenges that arise in every country and to contribute to the wellbeing of the communities where it is present.

Abengoa, in addition to providing value to the communities where it is present and to exercise its activity, meets with the following legal requirements: For example, in South Africa it is required to invest 1.1% of its revenue in socioeconomic programs and justify its investment to the Department of Energy by means of quarterly reports that summarize both the projects executed in the quarter and the expense associated to each of them. The socioeconomic program establishes the investment on education and the promotion of entrepreneurship as the mainstay for the consolidation of changes in the present generations, that will certainly bring a positive impact in the economic regeneration of its environment.

The Company counts, as part of its strategic CSR Plan, with a specific area to analyze matters concerning the local development of the communities where it is present. For said reason, and thanks to a constant, transparent and bidirectional dialogue with all its stakeholders (local communities, employees, society, suppliers, etc.) the Company detects the needs and opportunities to promote the socio-cultural development in the communities where it develops its activity.

The actions performed within the social development area aim at improving the living conditions of the most underprivileged through social development, education, local engagement, scientific and cultural research and information.

In 2018, the Focus Foundation made a contribution of €24,000 to the Princess of Asturias Foundation.

The communication channels available to the Company to communicate with its stakeholders within the social area are the following, among others:

- Focus Foundation.
- Abengoa's CSR Department.
- Gatherings with NGOs and academic institutions.
- CSR/ volunteering / social action/ social innovation forums, conferences and meetings.
- Corporate blog.
- CSR mailbox.
- Evaluation / interviews to beneficiaries of social action programs.
- Internal / external Whistleblower Channel.
- Social networks (LinkedIn, Twitter, Facebook, Instagram, YouTube and SlideShare).

Subcontracting and suppliers

Abengoa, as a global company, is committed to all social actors with whom it participates and is aware of, and responsible for its impact on its entire value chain. Therefore, it finds it necessary to implement and promote high standards of social control, quality and responsibility across all of the company’s lines of activity, extending the company values and principles to the entire chain of supply.

Abengoa requires all the organizations with which it collaborates to adhere to the Social Responsibility Code (SRC) for suppliers and subcontractors, that aims to promote compliance with social, environmental and good governance regulations, as well as the best international practices of business ethics, which covers the company’s entire production process and ensures greater reliability in its own operations and in those of its stakeholders. The Code was updated in 2016, strengthening it in the transparency, corporate integrity and equality, and good governance areas.

The execution of this Code goes beyond mere Commitment, as the provider must have full availability to undergo an audit or other inspection by Abengoa to verify compliance with the principles.

A responsible management action serves not only to prevent and mitigate own risks but also those that occur throughout the entire Company process. For said reason, Abengoa resumed, in 2018, the performance of the risk supplier analysis to evaluate the supply chain, monitoring the involvement and acceptance by suppliers of corporate policies, determining risk level and establishing mitigation measures.

The evaluation of suppliers is conducted through an analysis that, besides taking the materiality and the amount of the contract award into account, identifies different factors that might be considered as risky such as, for example, the provider's country of origin, activity, materials that it supplies, and other more subjective criteria which might bring reputational risks to the Company.

To evaluate the level of risk, the Company is based, among others, in international indexes that consider aspects such as human rights, labor practices, corruption, policital and civil rights, and political and environmental risks. This entails more than 20 analyzed aspects.

Risk Level Analysis	
Human rights and labor practices	› Human Rights. › Child labor. › Discrimination. › Freedom of association. › Occupational vulnerability.
Corruption	› Corruption perception index. › Bribe payers index.
Civil and political rights	› Freedom status. › Remarks.
Political risks	› Exchange rate risk. › Government non-payment. › Political interference. › Supply chain disruption. › Legal and regulatory risks › Political violence. › Business risk. › Banking vulnerability.
Environmental Risks	› Energy-derived CO2 emissions rate. › Access to improved water source. › Particulate matter concentration.

Upon analyzing the risk level and assessing the criticality of the suppliers, an evaluation of suppliers is conducted for the purposes of determining the degree of compliance with the principles included in the CSR Code.

To conduct these evaluations, an auditing procedure has been 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.

Due to the current status of the Company, during 2018 the work was performed remotely by submitting a self-assessment questionnaire to suppliers for the purposes of obtaining additional information, although at the date of publication of this report only the response of five suppliers has been obtained.

- Total suppliers assessed: 7,563
- No. of detected high-risk suppliers: 671
- Detected high-risk suppliers (%): 8.87
- Critical suppliers: 63
- Self-assessment questionnaires received: 5

As part of the 2019-2023 CSR Strategic Plan, it has been determined to continue progressing to conduct audits to 15% of the suppliers detected as critical.

Consumers

Abengoa has incorporated, as part of its design, engineering and construction processes, all the enforceable health and safety requirements that guarantee both the safe use and operation of the resources, plants, products and installations.

The Company has strengthened its communication channels to support the dialogue with its clients, as well as its remaining stakeholders.

Any claim or suggestion is internally managed through the Abengoa Easy Management tool. This application allows to register and analyze claims, assigning a responsible person and a work team if required to each of them, as well as analysts and viewers of the management thereof.

This tool allows incidents to be closed to the satisfaction of both parties, as well as to obtain a final evaluation of the applied solution and the corrective actions derived therefrom.

44 claims or complaints were received in 2018, of which 23 had been resolved at December 31, which entails almost 52% of satisfactory resolution.

Tax information

The Group is committed to compliance with fiscal regulations and with its tax obligations. The company's fiscal strategy, approved by its Board of Directors, includes basic principles of action in tax matters, such as the following:

› Decision-making led by the principles of honesty, integrity and good judgement.

› Transparency and integrity as the basis for the relationship with the Tax Administrations of the different jurisdictions.

› To avoid the use of structures of an opaque nature for tax purposes.

› Tax-specific internal control system in Abengoa audited by an external auditor, etc.

Ebitda at the end of 2018 has been of €188 million, whose distribution per country is as shown below.

Consolidated Ebitda (*) per country at 12.31.18 (thousands of €)

Country	Ebitda	Country	Ebitda	Country	Ebitda
Saudi Arabia	(17,139.0)	United States	4,566.9	Peru	2,852.1
Algeria	59,031.9	Spain	(36,258.1)	Puerto Rico	(1,643.7)
Argentina	(575.9)	France	789.3	United Kingdom	130.6
Brazil	18,577.9	Ghana	12,226.5	South Africa	28,556.7
Chile	33,228.4	India	(148.6)	Switzerland	(151.4)
China	2,893.4	Israel	(3,916.5)	Tunisia	142.6
Colombia	(87.5)	Morocco	12,454.6	Uruguay	19,566.3
Dubai	(15.6)	Mexico	50,613.7		
UAE	2,288.2	Oman	489.4		

(*) Ebitda (Earnings before interest, tax, depreciation and amortization). Ebitda is used as an indicator of profit, as it is the one used at a Senior Management level in Abengoa to evaluate income as well as to allocate resources, as explained in Abengoa's Consolidated Annual Accounts (see Note 5.1).

During 2018, €7,607 thousand were paid as income tax expense, broken down per country as follows.

Country	Income tax expense (€)	Country	Income tax expense (€)
Saudi Arabia	-	France	167,382
Algeria	1,617,405	India	(8,643)
Argentina	546,988	Israel	-
Belgium	-	Kenia	-
Brazil	1,477,014	Morocco	259,312
Chile	115,554	Mexico	214,958
China	-	The Netherlands	57,252
Colombia	-	Peru	283,492
Costa Rica	144,843	United Kingdom	795,657
Denmark	-	South Africa	129,502
Spain	918,218	Ucrania	101,137
United States	-	Uruguay	787,034

The average exchange rate of 2018 has been applied.
(-) No taxes have been paid.

D) KPIs

Responsible Management Balance Sheet

Financial Capital	2018	2017	2016	(1)
Revenue (M€)	1,303	1,480	1,510	√
Payment to Public Administrations (€k)	138,223	153,187	NA	√
Significant financial support received from governments (€k)	-	4,882	12,031	√
Natural Capital	**2018**	**2017**	**2016**	**(1)**
Material				
Steel (Kg)	1,033,499	NA	NA	√
Wood (Kg)	23,266,223	NA	NA	√
Cement (Kg)	2,565,775	NA	NA	√
Concrete (Kg)	1,889,046,331	NA	NA	√
Energy				
Energy consumption (GJ) (primary, electrical, thermal) (2)	24,579,329	24,853,762	33,692,874	√
Energy consumption intensity (GJ) / Sales (€k	18.9	16.8	22.3	√
Emissions				
Direct emissions (t CO2eq)	738,458	652,332	1,044,098	√
Direct emissions from biomass (t CO2eq)	1,331,008	1,103,015	2,025,292	√
Indirect emissions (tCO2eq)	313,746	315,286	2,725,577	√
GHG emissions intensity (tCO2eq) / Sales (€k)	1.8	1.4	3.8	√
Other atmospheric emissions:				
CO (t)	1,471	1,479	NA	√
NOx (t)	1,871	1,882	NA	√
SOx (t)	224	223	NA	√
PM (t)	1,909	1,923	NA	√
VOC (t)	114	114	NA	√
Water withdrawal				
Desalinated water produced (m^3)	133,079,325	146,444,617	154,690,622	√
Seawater withdrawal (m^3)	324,125,592	356,538,188	336,653,375	√
Water withdrawn from other sources (m^3)	7,687,386	6,351,911	8,648,659	√
Waste				
Waste (t) (3)	93,462	45,474	41,645	√
Human capital	**2018**	**2017**	**2016**	**(1)**
Job creation (%)	7.88	(21.97)	(31.10)	√
Total voluntary turnover (%) (4)	7.69	8.69	18.22	√
Female staff members				
In senior management positions (%)	11.52	10.04	10.38	√
In middle management positions (%)	17.34	18.24	21.97	√
Work-Related Accident Rate				
Frequency rate (5)	10.88	13.31	14.22	√
Severity Rate (5)	0.11	0.12	0.23	√
No. of fatal accidents	-	-	1.00	√
Occupational illnesses, per gender	-	-	-	√
Training				
No. of hours of training, per employee	35.69	20.60	6.21	√

Responsible Management Balance Sheet				
Social and Relationship Capital	2018	2017	2016	(1)
Suppliers				
Purchases to local suppliers (%)	77.4	87.3	NA	√
Compliance	2018	2016	2016	(1)
Analyses conducted to meet FCPA compliance	446	539	1,412	√

(1) KPIs audited by an independent external auditor.
(2) 5.7% of the electricity used comes from renewable energy sources.
(3) From the total generated waste, 2.05% is hazardous waste.
(4) Calculation of turnover excludes interns and workers.
(5). Indexes refer to own personnel. LTA and NLTA have been considered.

E) Non-Financial Information Statement Index

Section	Content required by Spanish Law 11/2018	Page	GRI
To	General		
	National, European or international reporting framework used to select key performance indicators of non-financial results included in each of the sections.	30	102-54
	If the Company complies with the non-financial reporting directive by submitting a separate report, the express manner in which said information is part of the management report must be expressly indicated.	30	N/A
	Analysis of Materiality	30-31	102-47
B	Business Model Information		
	Location of headquarters	31	102-3
	Location of operations	31	102-4
	Markets served	31	102-6
	Scale of the organization	31	102-7
	Key impacts, risks, and opportunities	31	102-15
C	Global Non-Financial Information Policies and Risks		
	The management approach and its components	32	103-2
	Evaluation of the management approach	32	103-3
	Key impacts, risks, and opportunities	33	102-15
	I. Information on environmental matters		
	Current and foreseeable impacts of the company's operations on the environment, and, as appropriate, on health and safety	33	102-15
	Environmental certifications	34	Reporting criterium included in page 34
	Resources allocated to the prevention of environmental risks	34	Reporting criterium included in page 34
	Precautionary Principle or approach	35	102-11
	Amount of provisions and guarantees for environmental risks	35	Reporting criterium included in page 35
	Emissions		
	Measures to prevent, reduce or repair the carbon emissions that severely affect the environment. Any type of atmospheric emissions specific to an activity, including noise and light pollution.	34, 47	305-7
	Circular economy and waste management and prevention		
	Prevention, recycling, reutilization measures, other waste recovery and disposal methods. Actions against food waste.	34, 47	306-2
	Sustainable use of resources		
	Use of water and water supply pursuant to local restraints	47	303-1
	Use of raw materials and measures adopted to improve the efficiency of its use	47	301-1
	Direct and indirect use of power	47	302-1
	Measures taken to improve the energy efficiency	34	302-4
	Use of renewable energies	47	302-1
	Climate change:		
	Important elements of the greenhouse gas emissions generated as a result of the company activities, including the use of the goods and services that it produces;	35, 47	305-1 305-2 305-3
	Measures adopted to adapt to the consequences of climate change	35	201-2
	Voluntarily-established reduction goals in the medium and long term to reduce the greenhouse gas emissions. Means implemented for this goal.	34	305-5
	Protection of biodiversity		
	Measures taken to preserve or restore biodiversity.	34	304-3
	Impacts caused by the activities. Operations in protected areas.	34	304-1 304-2 304-3

Section	Content required by Spanish Law 11/2018	Page	GRI
	II. Information on social and personnel-related matters:		
	Employment:		
	Total number and distribution of employees per gender, age, country and professional category;	35-36	102-8
	Total number and distribution of employment contract types, annual average of permanent, fixed-term and part-time employment contracts per gender, age and professional category.	36	102-8
	Number of layoffs per gender, age and professional category;	37	401-1
	Average remunerations and their evolution per gender, age and professional category or equal value;	37	Reporting criterium included in page 37
	Salary gap, remuneration of equal positions or society average,	38	405-2 Base salary and remuneration ratio of females against males and "Reporting criterium included in page 38
	Average remuneration of board members and executives, including variable retribution, per diem, compensation, payment to long-term savings prevision systems and any other payment, broken down per gender.	38	102-35 Remuneration policy and "Reporting criterium included in page 38
	Work disconnection policies	38	Reporting criterium included in page 38
	Diversity in governance bodies and employees	38	
	Organization of the work		
	Organization of the working time	38	Reporting criterium included in page 38
	Number of absenteeism hours	38	403-2
	Measures aimed at facilitating a work-life balance and promoting the co-responsible exercise thereof by both progenitors.	38	Reporting criterium included in page 38
	Health and Safety		
	Types of accidents and accident frequency rate, occupational illnesses, lost time off (days), absenteeism and number of deaths due to occupational accident or illness.	39	403-2
	Occupational accidents, particularly their frequency and severity. Occupational illnesses, broken down per gender.	39-40	403-2
	Social Relations		
	Organization of the social dialog, including procedures to inform and inquire personnel and to negotiate with them;	41	102-43 403-1
	Percentage of collective bargaining-covered employees per country.	41	102-41
	Balance of collective bargaining agreements, particularly in the occupational health and safety field.	41	403-4
	Training		
	Policies implemented in the education field;	42	404-2
	Total number of training hours per professional category.	42	404-1
	Universal Accessibility		
	Universal accessibility of persons with disabilities	42	Reporting criterium included in page 42
	Equality		
	Measures adopted to promote equal treatment and opportunities between women and men.	42	Reporting criterium included in page 42

Section	Content required by Spanish Law 11/2018	Page	GRI
	Equality plans (Chapter III of Spanish Organic Law 3/2007, of 22 March, for Effective Equality between Women and Men), measures adopted to promote employment, protocols against sexual harassment and harassment on grounds of sex, the integrity and universal accessibility of the persons with disability.	42	Reporting criterium included in page 42
	Policy against all types of discrimination and, if applicable, of management of diversity	42	Reporting criterium included in page 42
	III. Information on the respect of human rights		
	Application of due diligence procedures on human resources; prevention of the human rights vulnerability risks and, if applicable, measures to mitigate, manage and repair possible abuse.	43	102-16 102-17 412-1
	Complaints for violations of human rights.	43	419-1
	Promotion and compliance with the provisions of the International Work Organization's fundamental conventions related to the respect for the freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the abolition of forced labor; the effective abolition of child labor.	43	Reporting criterium included in page 43
	IV. Information on the fight against corruption and bribery		
	Measures adopted to prevent corruption and bribery	43	205-2
	Measures to fight against money laundering	43-44	102-16
	Contributions to non-profit foundations and entities.	44	102-13
	V. Information on the Company:		
	Abengoa´s commitment to sustainable development		
	Impact of the Company's activity on local employment and development.	44	204-1
	Impact of the Company's activity in local populations and in the territory	44	413-1 413-2
	Relationships held with the actors of local communities and types of dialogue therewith.	44	102-43
	Association or sponsoring actions.	45	102-13
	Subcontracting and Suppliers		
	Inclusion of social, gender-equality and environmental aspects in the procurement policy.	45	Reporting criterium included in page 45
	Consideration in the relationships with suppliers and subcontractors of their social and environmental responsibility.	45	Include 102-12
	Supervision and audit systems and their results.	46	308-1 414-1
	Consumers		
	Measures for the consumers' health and safety.	46	416-1 Not material as Abengoa's services are not address to the end consumer.
	Claiming systems, claims received and resolution thereof.	46	102-43 102-44 418-1 Not material as Abengoa's services are not address to the end consumer.
	Tax information		
	Profit obtained per country.	47	Reporting criterium included in page 47
	Income tax expense paid per country.	47	Reporting criterium included in page 47
	Public grants received.	47	Reporting criterium included in page 47
T	Verification Report	Section 04	

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 , which is typically used to aimed to finance any investment on project asset (see Notes 2.7 and 19 of the Consolidated financial statements).
- Corporate Financing, used to finance the activities of the remaining companies which are not financed under the aforementioned financing model, this is, financing associated to entities "with recourse". 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 2.2.1.1, this management process is now conducted by Abengoa Abenewco 1, S.A.U.

At the end of the 2018 period, the Group's main financing, which represents approximately 80% of the total corporate financing of the Statement of Financial Position at the end of the period, corresponds to the financing named New Money 1, New Money 2 and Old Money financing, as well as to the syndicated guarantee facilities (see Note 20).

As Note 2.2.2. explains, at the date of preparation of these Consolidated financial statements, the Group has announced the conclusion of a financial restructuring process with the New Money 2 and Old Money creditors at the date of preparation of these Consolidated financial statements, that allows the former to ensure the viability of the Group in the short and medium term and which, along with the attainment of the new approved 10-year Viability Plan, associated to the capacity of the Group to generate resources from its operations, allows them, at the same time, to maintain Abengoa, S.A.'s, (the parent company) balance in the equity accounts and to provide sufficient liquidity as required to recover the market confidence, which are essential for the company to continue its activity in a competitive and sustainable manner in the future.

Said restructuring agreement contemplates the provision of additional liquidity to the Group up to €97 million, as well as of a new guarantee facility, which are essential for the award of new projects which allow the Group to generate additional liquidity as well as to regain the market's confidence.

The aforementioned viability plan includes the main payment commitments that the Company needs to undertake in the short and medium term, counting with the contractual instruments agreed-upon with the main financial creditors, which contain the required mechanisms, within specific limits, so that the parent company receives part of the funds generated by the Group.

On the other hand, the Group is thoroughly monitoring the short-term liquidity plan as well as the divestment plan, taking the appropriate measures to ensure compliance with its obligations. In this regard, significant divestments have been carried out during the 2018 period that have allowed it to amortize a significant portion of its debt, as well as to reduce the related financial expenses.

In addition, the Group is conducting an active policy in the management of providers, with special focus on the oldest balances, aiming to reach trade, financing or restructuring agreements for its debt that allow to accommodate the repayment of its obligations to the generation of future cash flow.

The Group will continue with this process in the future as part of its liquidity strategy.

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 adopting the required measures established in the corresponding regulatory framework such as, for example, capital reduction or merging operations, among others, that allow it to continue with its operations in a more efficient manner and, if applicable, generating synergies.

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 goal is to maintain reasonable leverage, while considering the restrictions established in the main financing contracts at all times as pertains to the assumption of new corporate financial debt.

As indicated in the previous section, the Group has concluded a financial restructuring process as to allow it to ensure its viability in the short and medium term, as well as to mitigate both the aforementioned liquidity risk and the capital risk.

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, 2018 and 2017 (in thousands of euros):

2018	Total	Up to one year	Between one and three years	Between three and five years	Subsequent
Loans with credit institutions	1,839,268	1,777,016	29,555	27,058	5,639
Notes and bonds	1,908,344	1,907,228	-	-	1,116
Liabilities due to financial leases	13,991	7,127	2,071	1,367	3,426
Other loans and borrowings	645,546	516,128	35,242	30,824	63,352
Obligations under operating Leases	923	195	282	189	257
Purchase commitments	254,070	253,676	394	-	-
Accrued interest estimate during the useful life of loans	293,507	98,420	150,652	40,377	4,058

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

(*) Liabilities accounted for in the short term due to the transitional status of technical non-compliance described in Note 2.2.3 At the end of December 2018, its contractual maturity is as follows: 2022/2023 for Old Money and 2021 for NM2.

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
Agadir – SEDA	Water	275.000 m3/day	Morocco
Agadir – Aman El Baraka	Water	13.600 ha	Morocco

4.- Principal risks and uncertainties

4.1. Operational risks

4.1.1. Risks related to Abengoa´s financial situation

Risks related to a delayed implementation of the 10-year viability plan and the divestment plan

The five-year viability plan presented to the market in August 2016 considered the end of the Restructuring Process in December 2016 and the company's resumption of its business activity at the beginning of 2017. The delay in the completion of said Restructuring Process and in the reactivation of Abengoa's normal business activity has had a negative effect on the Group's financial position in these last periods. Thus, to ensure the Group's viability in the short and medium term and for it to be able to continue with its activity in a competitive and sustainable manner in the future, the following is required:

› To have a stable platform that allows access to capital markets to finance its working capital.

› To access new bonding facilities in order to ensure the growth of its Engineering and Construction business.

› To maintain a financial structure that is adequate for the business model planned to be developed in the future.

As Note 2.2.2. of the Consolidated Annual Accounts states, for the purpose of meeting these goals the Company has been working on additional actions, and more specifically on a new 10-year Viability Plan, as well as on a financial restructuring process.

The main hypotheses in said Viability Plan include:

- Completion of the financial restructuring proposal in order to reestablish the liquidity and bonding position required by the Group, reducing the financial risk of the business.

- Reduction of the overhead up to a goal of 3% over sales as of 2020.

- A business plan based on EPC projects for third parties with a significant contribution derived from the strategic alliance with AAGEs.

- Improvement in the Group's competitive position and in the markets and geographical locations that are key for the business.

- Execution of the divestment plan with no significant deviations in terms of deadlines and amounts.
- Execution of the provider payment plan with no significant deviations from the estimated forecast.

As it has been remarked in the main hypotheses of the aforesaid Viability Plan, a key element for its attainment is the implementation of the asset divestment plan with no significant deviations.

Abengoa's capacity to obtain funds through the implementation of the aforementioned divestment plan in the following periods is subject to a series of risks and uncertainties which include, among others:

› Adverse macroeconomic and market conditions that may negatively affect the investor's interest in the purchase of said assets;

› The lack of purchasers interested in acquiring the assets at the price and under the terms that Abengoa considers appropriate to achieve the expected profitability and meet its liquidity needs;

› Failure by the interested purchasers to receive financing under conditions that are favorable to them, or to have financing at all, to acquire Abengoa's assets;

› Refusal by the government authorities that have granted the concessions or other counterparties of the relevant contracts to provide their consent to the transmission of the energy concession or long-term sales contract in time or under terms that are acceptable to Abengoa or to the purchaser of the asset;

› Lack of consent given by the suppliers of the project financing associated to the asset in sale to sell the asset in time or under terms that are acceptable to Abengoa;

› Lack of consent given by Abengoa's partners that have invested in the project companies associated to the assets in sale to sell said assets in time or under terms that are acceptable to Abengoa.

In the event that Abengoa fails to execute the asset rotation plan expected in its approved 10-year viability plan, it might not be capable of repaying the corporate financing and the financing of projects and might have to restructure or refinance said obligations again. Abengoa might be incapable of stabilizing its operations and its relations with commercial partners and might be forced to reject business opportunities. In addition, Abengoa's inability to conduct a divestment plan might result in the financing cost to increase or affect its capacity to develop the corporate strategy. Likewise, the inability to complete the sale of assets identified as held-for-sale assets considered by the Group, nonetheless, to be highly probable, would prevent classifying any related asset or liability that has not been sold as held-for-sale and might entail the reclassification of said related asset or liability, including debt, in the Consolidated Annual Accounts which would cause corporate and project financing levels to increase.

Risks related to a delay in the completion of the Financial Restructuring

As mentioned in Note 2.2.2. of the Consolidated Annual Accounts, as part of the aforesaid financial restructuring process, on December 31, 2018 Abengoa entered into a Lock-Up Agreement with a group of financial entities and investors holding the majority of New Money 2, the syndicated guarantee facilities and the Senior Old Money, as well as with the new liquidity bookrunners.

Upon execution of the Lock-Up contract, the remaining New Money 2 creditors, Old Money bonding providers and creditors, as well as challengers were requested to accede to the Lock-Up agreement pursuant to the procedures established and communicated in the Relevant Fact published in that regard on December 31, 2018.

The majority required for the Lock-Up Agreement to be effective was reached on January 28, 2019, while its end date (Long Stop Date) was postponed on consecutive occasions up to April 26, 2019.

On February 22, 2019, the Company requested consent from New Money 2, Senior Old Money and Junior Old Money bondholders to amend certain terms to the bond and to sign an agreement named "Amendment and Restructuring Implementation Deed" (the "Restructuring Contract"), pursuant to the provisions set forth in the two documents named "Amendment and Restructuring Consent Requests" concerning each of the issuances (the "Novation and Restructuring Consent Documents").

Subsequently, the Company announced, on February 27, 2019, that the General Shareholders' Meeting (hereinafter, the "GSM") had been called to be held presumably on March 28, 2019 on second call to approve certain subjects related to the aforesaid Restructuring Operation, among other matters.

The GSM was held on said date and all the proposals contained in the agenda were approved.

On March 11, 2019, the Company signed, along with some of the Group subsidiaries and a group of financial creditors participating in the existing financial debt, the Amendment and Restructuring Implementation Deed (the "Restructuring Agreement") for the purpose of amending the terms of the existing financing and of restructuring the Group's financial debt (the "Restructuring").

The Restructuring Agreement's accession period ended on March 29, 2019. On that date, the number of financial creditors required to adhere to the agreement for the restructuring operation to be implemented was reached.

On April 25, 2019, the Company informed that the Restructuring Effective Date occurred Likewise, all the restructuring documents have been signed and the operation has concluded on April 26, 2019 with the issuance of new instruments.

For further information on the Company's restructuring operation please see Note 2.2.2. of the Consolidated Annual Accounts.

Failure to implement the Restructuring Agreement with the main creditors might generate liquidity risk and capital risk in the company and hinder the fulfillment of the viability plan and of its future business.

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, a portion of which were restructured in the financial restructuring closed in March 2017 (see Note 2.2.1.2. of the Consolidated Annual Accounts).

This way, the Group's financial debt at the end of the 2018 period reached €4,727 million, once the value of the Old Money and New Money 2 debt had been adjusted to be presented at its redemption value, due to the technical default event that arose as a consequence of the signature of the Lock-Up Agreement (see Note 2.2.3. of the Consolidated Annual Accounts). At this high level of debt, there is a risk that, if market or business operating conditions do not recover or they further deteriorate, or if 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.

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 2017 Restructuring Agreement

On December 31, 2018 Abengoa has met the financial rations of the different financing contracts established after the restructuring agreement. Nonetheless, and as explained in paragraph 2.1.d), New Money 2, syndicated guarantee and Old Money facilities were in non-compliance ("Event of Default") at the end of the 2018 period as a consequence of the execution of the Lock-Up Agreement on December 31, 2018, as this entails the commencement of a negotiation process with a substantial part of its creditors to restructure its obligations therewith.

Additionally, the above mentioned agreements entered into in the context of the financial restructuring closed in 2017 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.

Risk of a shortfall of the Viability Plan developed by the Company and eventual deficit of its cash flows

The new 10-year viability plan explained above 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 2017 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 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. Hence, the Company does not expect to distribute dividends until the amounts owed under the pre-existing debt are repaid, pursuant to the agreements reached with financial creditors.

The prohibition to distribute dividends affect, likewise, to "Abengoa Abenewco 1, S.A.U" ("Abenewco 1") and "Abengoa Abenewco 2, S.A.U." ("Abenewco 2"), the holding investment companies established by the Company within the Group's corporate restructuring framework. This way, while the distribution of dividends to companies integrated within Abenewco 1's consolidated perimeter is permitted in general, the distribution of dividends to the Company, to Abenewco 2 or to any of these companies' shareholders is prohibited, except when related to distributions required to meet payments scheduled within the debt service framework and, up to a specific threshold, distributions required to meet general corporate expenses of the Company.

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.

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

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.

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.

Portfolio projects in Engineering and Construction

It should be noted that the definition of portfolio generally refers to the projects, operations and services for which the Company undertakes a liability. A large part 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.

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 as compared to own concession projects (or more capital-intensive projects).

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, 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. 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

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 Management Report, 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

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), as well as Abengoa’s current financial position, 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 and/or their financial capacity 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 temporary joint operations (UTE) or joint venture agreements are subject to the risk that the Company’s partner may block decisions that may be crucial to the success of the project or investment in the project, and it runs the risk that these third parties may in some way implement strategies that are contrary to Abengoa's economic interests, resulting in a lower return. Furthermore, the success of these partnerships depends on the satisfactory compliance by partners with their obligations. If third parties cannot satisfactorily meet their obligations due to financial or other difficulties, the said partnership may fail to perform or comply with its obligations towards a customer. In these circumstances, Abengoa could be required to make additional investments or provide additional services to ensure the provision of services, or take responsibility for breaches vis-à-vis the customer, or assume additional financial or operational obligations that could eventually lead to lower profits or losses.

Despite its low supplier concentration, Abengoa's reliance on suppliers to secure industrial materials, parts, components and subsystems used in its activity may expose Abengoa to volatility in the prices and availability of these materials. A disruption in deliveries from Abengoa's suppliers, supplier capacity constraints, supplier production disruptions, closing or bankruptcy of Abengoa's suppliers, price increases or decreased availability of raw materials or commodities could have a material adverse effect on Abengoa's ability to meet its customer commitments or result in an increase in Abengoa's operating costs if Abengoa is not able to transfer the increased costs on to the customer.

Abengoa's business depends to a low degree on long-standing relationships with certain key customers.

Risks relating to changes in technology, prices, industry standards, and other factors

The markets in which Abengoa's activities operate change quickly owing to technological innovations and to changes in the prices, industry standards, client requirements, and the economic environment. New technology or changes in the industry and in clients' requirements might mean that existing products and services become obsolete, excessively expensive, or not easily marketable. Consequently, Abengoa must improve the efficiency and reliability of existing technologies and pursue the development of new technologies to remain at the forefront of industry standards and the requirements of clients. Some of Abengoa's competitors might have substantially greater financial resources than Abengoa. If the Company is unable to introduce and integrate new technologies into its products and services in a timely and cost effective manner or does not obtain the necessary financing to carry out appropriate R&D&i activities, Abengoa's competitive position and growth prospects might deteriorate, resulting in an adverse material impact on Abengoa's business, financial situation, and operating results.

Insurance policies taken out by Abengoa may be insufficient to cover the risks arising from projects and the cost of insurance premiums may rise.

Abengoa's projects are exposed to various types of risk that require appropriate coverage in order to mitigate their potential effects. Despite Abengoa's attempts to obtain the correct coverage for the main risks associated with each project, it is impossible to guarantee that it is sufficient for every type of potential loss.

Abengoa's projects are insured with policies that comply with sector standards in relation to various types of risk, such as risks caused by nature; incidents during assembly, construction or transport; and loss of earnings associated with such events. All of the insurance policies taken out by Abengoa comply with the requirements demanded by the institutions that finance the Company’s projects and the coverage is verified by independent experts for each project.

Furthermore the insurance policies taken out are reviewed by the insurance companies. If insurance premiums increase in the future and cannot be passed on to the client, these additional costs could have a negative impact for Abengoa.

Risks arising from the difficult conditions in the global economy and in global capital markets and their impact on reducing the demand for goods and services and difficulties in achieving the funding levels necessary for the development of existing and future projects and debt refinancing

The evolution of Abengoa's business has been traditionally affected not only by factors intrinsic to the Company but also by external factors such as economic cycles and their impact on the regions and areas where the Company operates. Typically, in situations of economic growth, the demand for the services offered by the Company increases and, conversely, in situations of economic instability or recession, demand suffers.

Since early 2008, the impact of the global financial crisis, which has particularly affected the global capital and credit markets, has been very notable. Concerns over geopolitical issues, inflation, energy costs, lack of credit fluidity, the high cost of debt, the sovereign debt crisis and the instability of the euro, among other factors, have led to a significant drop in expectations for the economy in general and, more strongly, in the capital markets. These factors –combined with the volatility of oil prices, the loss of consumer and business confidence and rising unemployment– have contributed to worsening the economic situation of many regions where Abengoa operates.

The crisis has had a global impact, and has affected both the emerging and developed economies in which Abengoa conducts a significant part of its operations . 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.

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.

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.

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.

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 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, that are generally prepared on a yearly basis 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 deferred 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. Client Concentration

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 addition, and given the Group's current financial position, the first option considered in newly-awarded projects is to arrange a natural hedge between payments and collections in the same currency.

  In the event that the US dollar exchange rate had increased by 5% against the Euro at December 31, 2018, with the remaining variables remaining constant, the effect on the Consolidated Income Statement would have been a loss of €66,947 thousand (€22,095 thousand in 2017) mainly due to the Group's net liability position in said currency in companies with a different functional currency.

  At December 31, 2018 and 2017, no derivatives relating to amounts receivable and payable in foreign currencies have been contracted (see Note 14).

› Interest rate risk: arises mainly from financial liabilities at variable interest rates.

  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.

  As a general rule, hedges were carried out for 80% the amount and a variable interest rate financing period using caps and/or swaps contracts.

  Nonetheless, due to the Group's current financial position, which has resulted in a lower level of new financing or in the already-acquired financing to be at a fixed interest rate (mainly New Money/Old Money), contracting additional hedging for the interest rate risk has not been necessary.

  In the event that Euribor had risen by 25 basic points as of December 31, 2018, with the rest of the variables remaining constant, the effect in the Consolidated income statement would have been a loss of €188 thousand (€184 thousand in 2017) mainly due to the variation in time value of hedge interest rate options (caps and collars) and an decrease of €11 thousand (€85 thousand in 2017) in other reserves mainly due to the increase in value of hedging interest derivatives caps mainly.

  A breakdown of the interest rate derivatives as of December 31, 2018 and 2017 is provided in Note 14 of these 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, 2018 and 2017 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:

a) Clients and other receivables (see Note 15).

b) Current financial investments and cash (see Notes 13, 14, 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, the Group uses different measures, which include an analysis of the client's credit risk prior to any commercial contract or business agreement, the establishment by contract of a payment schedule beforehand from the beginning of the construction contract, a reduction of the payment collection period for invoices though a prompt payment discount as well as, and to the extent possible within the context of the current financial position, and 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 IFRS 9 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 this respect, and if it is concluded, from the individual assessment made of each contract, that the relevant risk associated to these contracts has been transferred to the financial entity, said receivables are derecognized from the Consolidated Statement of Financial Position at the moment that they are transferred to the financial entity pursuant to IFRS 9.

  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.

  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, 2018 and 2017.

- 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.

  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 2018, 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 on Group of the new IFRS 9, "Financial Instruments" from January 1, 2018, the effect of the accuracy by impairment required by the implementation of the new "expected loss" model included by this regulation, no have arisen material impacts in the Consolidated financial statements.

4.2.3. Liquidity and central risk

See Section 3 "Liquidity and capital resources".

4.3. Risk management and internal control

Abengoa is aware of the importance of managing its risks in order to carry out appropriate strategic planning and attain the defined business objectives. To do this, it applies a philosophy formed by a set of shared beliefs and attitudes, which define how risk is considered, starting with the development and implementation of the strategy and ending with the day-to-day activities.

The process of risk management in Abengoa is a continuous cycle based on five key phases:

- Identify
- Evaluate
- Respond
- Monitor
- Report

In each phase, regular and consistent communication is necessary in order to achieve good results. Since it is a continuous cycle, permanent feedback is necessary in order to achieve a constant improvement in the risk management system. These processes are addressed to all the company's risks.

Abengoa's risk management model comprises three core elements.

Those elements are combined to form an integrated system that enables the company to manage risks and controls suitably throughout all levels of the organization.

a) Common management systems

The common management systems are the internal rules for Abengoa and its business groups and are used to assess and control risk. They represent a common culture for managing Abengoa's businesses, sharing the accumulated knowledge while defining specific criteria and guidelines.

The common management systems include specific procedures for any type of action that could give rise to a risk for the organization, whether financial or non-financial. Furthermore, they are available to all employees in electronic format regardless of their geographical location or role.

The functional heads of each division must verify and certify compliance with these procedures. This annual certification is issued by the Audit Commission in January of the following year.

The systems cover the whole organization at three levels:

- All the business lines and areas of activity;
- All levels of responsibility;
- All kinds of operations.

Common management systems represent a common culture for Abengoa's different businesses and are composed of eleven rules defining how each of the potential risks included in Abengoa's risk model should be managed. Through these systems, the risks and the appropriate way of hedging against them are identified and the control mechanisms defined.

Over recent years, the common management systems have evolved to adapt to the new situations and environments in which Abengoa operates, with the overriding aim of reinforcing risk identification, covering risks and establishing control activities.

b) Compulsory procedures (COSO)

The compulsory procedures are used to mitigate risks relating to the reliability of the financial information, employing a combined system of procedures and control activities in key areas of the company.

The internal control system of the Group is compulsory assessed annually since 2014, to an independent process performed by external auditors according to the document issued by the CNMV "Internal control over financial information in listed companies" (SCIIF).

The company has implemented an appropriate internal control system that relies on three tools:

› A description of the company's relevant processes that could impact the financial information to be prepared. In this regard, 55 management processes have been defined and grouped into corporate cycles and common cycles used throughout all the business groups.

› A series of flow charts that provide a visual description of the processes.

› An inventory of the control activities in each process to ensure attainment of the control objectives.

At Abengoa, we have viewed the internal control as an opportunity for improvement and, far from being satisfied with the rules included in the Act, we have tried to develop and improve our own internal control structures, control procedures and the evaluation procedures in place.

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 evaluated 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

As explained throughout these Consolidated financial statements, the Company has been working on a new 10-year Viability Plan that, along with the aforementioned Restructuring Agreement, will allow it to lay the foundations to ensure its viability in the short and medium term.

Likewise, the Extraordinary General Shareholders' Meeting approved, in March 28, 2019, all the items included in the Agenda which referred to the financial restructuring of the Group and, more specifically, to the approval of the new issuances of Senior Old Money and Junior Old Money, as well as the granting and ratification of certain guarantees to be provided by certain Group companies within said restructuring framework.

All of the above entails a significant milestone for the implementation and completion of the Company's restructuring process - fundamental for the stabilization of its business -, in order to ensure its viability in the short and medium term.

This context will facilitate the execution of its portfolio, which at the end of 2018 reached €1,775 million, as well the achievement of new contracts.

In this regard, the aforesaid approved 10-year Viability Plan anticipates a portfolio of €1,752 million for 2019 (similar to the one reached in 2018) and of €2,075 million for 2020.

Likewise, Project Execution in the Engineering and Construction segment, which has been projected in €1,151 million for 2019 (similar to that achieved in 2018 which amounted to €1,112 million) and in €1,781 million for 2020, is noteworthy. Said execution counts with associated Ebitda levels which go from 5.1% in 2019 to 6.9% in 2020, ranging from 6.6% to 6.9% throughout the period considered in the Viability Plan.

6.- Information on research and development (R&D) activities

The investment in technology research and development during the 2018 period reached €287 thousand (€430 thousand at December 31, 2017), an amount that is significantly lower than in previous years mainly due to the situation of the Company during the period.

7.- Information on the purchase of treasury shares

Abengoa, S.A. and its subsidiaries have complied with all legal requirements regarding companies and treasury stock.

The parent company has not pledged its shares in any type of mercantile transaction or legal business, nor are any of Abengoa, S.A. shares held by third parties which could act on its behalf or on behalf of group companies.

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.

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 December 19. 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 December 19. This liquidity agreement for Class B shares was effective on April 21, 2015. On September 28, 2015, has been temporarily suspended the operations 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 January 10, 2013. On June 5, 2017 the Liquidity Agreement that in respect of its Class A shares has been terminated with because the Company does not have the intention to continue to operate with treasury shares.

As of December 31, 2018, treasury stock amounted to 5,519,106 Class A shares in full.

No operations for the acquisition or disposal of the Company's Class A and/or B Shares have been performed during the 2018 period.

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, 2018 totals €35.865.862,17 represented by 18.836.119.300 shares fully subscribed and paid up, with two separate classes:

- 1.621.143.349 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”).
- 17.214.975.951 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, 2018 and 2017 are as follows:

	2018 Significant shares	
Shareholders	Direct Share %	Indirect Share %
Banco Santander, S.A.	3.45	-
Secretary of State for Trade - Ministry of industry, trade and tourism	3.15	-

	2017 Significant shares	
Shareholders	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 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 (€0.02 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 24th conversion period dated December 31, 2017, the Company carried out on January 12, 2018, 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. As a consequence of this operation, the capital stock was set as shown at the beginning of this Note.

The proposed distribution of 2017 of the parent company approved by the General Shareholders' Meeting on June 25, 2018 has been charged to compensate the losses 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 business contract of the Executive Chairman, in the event of its termination (except if said termination is due to voluntary resignation - excluding from said consideration the termination caused by the Executive Chairman himself with regards to a change of control over the group -, death or incapacity, or the non-performance of his obligations), entitles him to compensation equivalent to two years of his fixed and variable annual salary, one of the annual payments being in fulfilment of a non-competition clause.

On the other hand, senior management contracts for members of the Executive Committee (with the exception of Executive Chairman, whose compensation is set out in the previous paragraph) 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.

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 o 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.

During 2018 there were no transactions with treasury stock. There were no liquidity contracts in force at the end of the period

Details of the latest Shareholders' Meetings

Abengoa's Ordinary General Shareholders' Meeting was held at second call on June 25, 2018, with a total of 3.601.298.245 shares present or represented, 26,763,564,710 votes (once included votes corresponding to treasury stock in accordance with what is stated in article 148 "Ley de Sociedades de Capital") and 14.924% of the company's share capital (15.232% 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 2017 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 2017 of its consolidated group.

1.2 Examination and approval, as the case may be, of the proposal to apply the 2017 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 2017.

Resolution Two.- Ratification and appointment of directors

Resolution Three.- Submission of the Annual Report on the Remuneration of Abengoa's Directors for approval, on a consultation basis.

Resolution Four.- Remuneration of the Board of Directors.

Seven.- Delegation of powers to the Board of Directors to interpret, correct, execute, cause to be recorded as documents of public record and register the resolutions adopted.

The fifth items of the agenda relating to the 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 sixth item on the agenda was informative. Regarding the votes of the aforementioned agreements:

› In the Resolution 1.1, a total of 26,763,564,710 valid votes were cast, corresponding to 1,908,611,741 shares, which represent 14.924% of the share capital, with a total of 21,677,222,738 votes in favor, 37,619,452 against and 5,048,722,520 abstaining

› In the Resolution 1.2, a total of 26,763,564,710 valid votes were cast, corresponding to 1,908,611,741 shares, which represent 14.924% of the share capital, with a total of 21,677,112,538 votes in favor, 38,734,452 against and 5,047,717,720 abstaining

› In the Resolution 1.3, a total of 26,763,564,710 valid votes were cast, corresponding to 1,908,611,741 shares, which represent 14.924% of the share capital, with a total of 21,678,588,855 votes in favor, 38,739,252 against and 5,046,236,603 abstaining

› In the Resolution 2, a total 26,763,564,710 valid votes were cast, corresponding to 1,908,611,741 shares, which represent 14.924% of the share capital, with a total of 20,964,965,312 votes in favor, 399,719,320 against and 5,398,880,078 abstaining

› In the Resolution 3, a total 26,763,564,710 valid votes were cast, corresponding to 1,908,611,741 shares, which represent 14.924% of the share capital, with a total of 13,638,655,104 votes in favor, 8,386,982,408 against and 4,737,927,198 abstaining

› In the Resolution 4, a total 26,763,564,710 valid votes were cast, corresponding to 1,908,611,741 shares, which represent 14.924% of the share capital, with a total of 13,834,417,275 votes in favor, 7,775,711,031 against and 5,153,436,404 abstaining

› In the Resolution 7, a total 26,763,564,710 valid votes were cast, corresponding to 1,908,611,741 shares, which represent 14.924% of the share capital, with a total of 21,621,077,957 votes in favor, 26,619,138 against and 5,115,867,615 abstaining

On the other hand, the Board of Directors, at their meeting held on August 24, 2018, following the request from Inversión Corporativa, I.C., S.A., Finarpisa, S.A. and Blanca de Porres Guardiola, shareholders owning 3.0001% of the Company's share capital, pursuant to the provisions set forth in articles 168 and 495 of the Spanish Capital Companies Law and article 24 of the Company Bylaws, resolved to call an Extraordinary General Shareholders' Meeting to be held at its registered office, Campus Palmas Altas, in Seville, on October 1, 2018 at 12:00h, on first call and, in the event that the required quorum is not met, on second call on October 2, 2018 at the same time, in accordance with the following agenda:

› One. - Approval of a share-split of Class A and B Shares that form part of Abengoa S.A.'s share capital, with a ratio of ten (10) new shares for every one (1) old share, followed by the corresponding adjustment in the face value of said shares, in order to avoid possible prejudice caused by the new minimum share price implemented by Bolsas y Mercados. Modification, if applicable, of Article 6 of the Company Bylaws in order to reflect the new number of shares and their nominal value, without further changes.

› Two. - To urge the Board of Directors to request Bolsas y Mercados to temporarily suspend the trading of both share classes of the Company until the share-split referred to in item 1 above is implemented, in the event that said item is approved.

› Three.- Delegation of powers to the Board of Directors to interpret, correct, execute, cause to be recorded as documents of public record and register the resolutions adopted.

Items number One and Two of the Agenda were drafted in accordance with the request received from Inversión Corporativa IC, S.A., Finarpisa S.A. and Blanca de Porres Guardiola; hence, they cannot be considered as proposals made by the Board of Directors.

Following the call of the aforesaid General Extraordinary Meeting, the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) sent a requirement to the Company on August 29, 2018 which indicated, among other matters, that the measures proposed could not only be a practical obstacle to the free transferability of shares but also be considered a price manipulation practice, and urged to adopt the measures required to avoid the execution of the adopted resolutions.

In view of said requirement, the Company sent to the Spanish National Securities Market Commission on September 12, 2018 a relevant fact informing on their recommendation to vote against the proposals made by the shareholders that required to call the General Extraordinary Meeting and indicating that, in the event that said proposals were approved, it would be forced to evaluate the adoption of legal measures within its reach in defense of the corporate interest.

The aforesaid Extraordinary General Meeting of Shareholders could not be held due to a lack of quorum, as a total of 33,395,068,309 votes were present, either in person or by proxy, who represent 18.622% of the Company's capital stock.

After the end of the period, the Board of Directors unanimously agreed, at their meeting held on February 25, 2019, to call an Extraordinary General Shareholders' Meeting to be held on March 27 and 28, on first and second call respectively, with the following agenda:

One.- Approval, within the framework of Abengoa Group's debt restructuring operation, of several issuances of Convertible Notes by certain Group companies other than Abengoa, S.A. pursuant to article 160(f) of the Spanish Capital Companies Law (LSC) and the provision and ratification of guarantees.

Two. - Approval of amendments to the remuneration policy applicable to the 2019-2020 periods.

Three.- Delegation of powers to the Board of Directors to interpret, correct, execute, cause to be recorded as documents of public record and register the resolutions adopted.

The Extraordinary General Shareholders' Meeting held in March 28, 2019 on second call approved all the resolutions submitted to their vote and included in the agenda. Said resolutions were approved under the terms provided in the documents made available to the shareholders.

At December 31, 2018, the only board members who were members of another publicly listed company's board of directors were Gonzalo Urquijo Fernández de Araoz, who was member of Vocento, S.A. and Getamp Automoción, S.A.'s boards of directors; José Luis del Valle Doblado, who was president of Lar España Real Estate SOCIMI, S.A., Pilar Cavero Mestre, who was member of Merlin Properties's board of directors; and Josep Piqué Camps who was member of Aena, S.A.'s board of directors.

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, none of the directors hold any share in the capital of the company as at December 31, 2018, neither directly nor through financial instruments.

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, 2018 was the following:

Gonzalo Urquijo Fernández de Araoz	Executive President
Manuel Castro Aladro	- Independent - Coordinating Director - Member of the Audit Committee
José Wahnon Levy	- Independent - Chairman of the Audit Committee
Pilar Cavero Mestre	- Independent - Chairwoman of the Appointments and Remuneration Committee
José Luis del Valle Doblado	- Independent - Member of the Audit Committee
Josep Piqué Camps *	- Independent - Member of the Appointments and Remuneration Committee
Ramón Sotomayor Jáuregui	- Independent - Member of the Appointments and Remuneration Committee

* Mr. Piqué was ratified and appointed as independent board member, for the statutory 4-year term, in the General Ordinary Meeting held on June 25, 2018.

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 April 16, 2018.

› 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, 2018 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 2018, the Board met a total of 18 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: Inform and properly prepare each work session

Attend and actively participate in meetings and decision making.

Carry out any specific task entrusted by the board of directors.

Encourage people with the authority to call meetings, to call extraordinary meetings of the board or include the issues that they deem relevant on the agenda of the next meeting to be held.

Avoid conflicts of interest from arising and, if appropriate, report their existence to the board via its secretary.

Do not hold positions in competing companies.

Do not use company information for personal ends.

Do not use company assets inappropriately.

Do not use company business opportunities for personal ends.

Keep all information that results from your position confidential.

Abstain from voting on budget issues that affect them.

Disclose any direct or indirect interests in the company's securities or derivatives.

Actively participate and be committed to the issues being discussed by the board, as well as following up these issues and obtaining the necessary information.

Do not support resolutions that break the law, the company's bylaws or go against the company's interests. Request the corresponding legal and technical reports, as appropriate.

Notify the company of any significant changes in your professional circumstances which could affect the characteristics or conditions under which you were appointed as a director, or which may give rise to a conflict of interest.

Notify the company of all legal or administrative claims, or any other type of claim, which could seriously impact the company's reputation due to their significance.

› The Chairman:

The Chairman, has the company bylaws and legal requirements. The Chairman 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 February 24, 2003 the Board of Directors agreed to appoint the Audit Commission and the Appointments and Remuneration Commission.

These commissions have the powers, which may not be delegated, as per the Law, the company bylaws and internal regulations, acting as regulatory body and supervisory body associate with the matters over which they chair.

Both are chaired by a non-executive independent director and are comprised exclusively of non-executive directors.

› The Secretary:

The Secretary to the Board of Directors undertakes those responsibilities as required by law.

The Secretary, as a specialized role, guarantees the legality in law and in substance of the actions of the Board, with the full support of the board to perform their duties with independent judgment and substance. He or she is also responsible for safeguarding the internal rules of corporate governance.

› Resolutions:

Decisions are made by a simple majority of those directors present at the meeting (present of represented) in each meeting, with the exception of legal matters as previously set out.

› Remuneration and other benefits

› Remuneration:

Directors are remunerated as established in article 39 of the Bylaws. The remuneration of Directors is made up of a fixed amount as agreed upon at the General Shareholders' Meeting, and is not necessarily equal for all directors. Travel expenses related to work undertaken by the board are reimbursed to Directors.

Salary (both fixed and variable) and allowances accrued to the members of the Board of Abengoa S.A. in 2018 were €2,055 thousand (€1,645 thousand in 2017).

Detail of individual remuneration and benefits accrued during the 2018 period by 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 2018
Gonzalo Urquijo Fernández de Araoz	1,000	-	80	366	-	-	39	1,485
Manuel Castro Aladro	-	-	90	-	10	-	-	100
José Wahnon Levy	-	-	80	-	20	-	-	100
Pilar Cavero Mestre	-	-	80	-	20	-	-	100
José Luis del Valle Doblado	-	-	80	-	10	-	-	90
Ramón Sotomayor Jáuregui	-	-	80	-	10	-	-	90
Josep Piqué Camps	-	-	80	-	10	-	-	90
Total	1,000	-	570	366	80	-	39	2,055

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 2018 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.

Additionally, in 2018 overall remuneration for key management of the Group (Senior Management which are not executive directors), including both fixed and variable components, amounted to €2,718 thousand (€3.240 thousand in 2017). As in previous periods, this amount is established based on the Company's latest estimate and considering that the remuneration to be received by Senior Management is uniformly accrued throughout the year.

Abengoa counts with a civil liability insurance policy that covers the members of the Board of Directors, executives and people whose duties are similar to those of executives. This policy's premium reaches a total amount of €531 thousand.

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 2018:

- 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. Antoñanzas on May 19, 2017.

Notwithstanding the above, following the period end, the Secretary to the Committee submitted his resignation for personal reasons. The Board of Directors' meeting held on February 25, 2019 has accepted the resignation of Juan Miguel Goenechea Dominguez as Secretary of the Appointments and Remunerations Committee due to personal reasons and has unanimously approved to appoint Miguel Temboury as new Secretary to such Committee.

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.

11. Supervise compliance matters led by the Compliance Officer. The Committee will have full access to the Compliance Officer who will regularly assist to the meetings of the Committee to report compliance matter.

12. Review, through the Compliance Department, the policies, compliance programs and internal proceedings aimed at preventing inappropriate conducts and identify eventual proceedings that could more effective in the implementing the highest standards.

13. Review and validate the activities of the Compliance Department ensuring that such department has enough resources to comply with its functions.

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 2018 the Committee met eight times. Important issues discussed at these meetings are the following:

- Evaluation of the performance of the Board of Directors in 2017.
- Determination of the (non) accrual of variable remuneration in 2017.
- Definition of variable remuneration for 2018 with two components.
- Annual remuneration report and report to the General Meeting on the performance of the Committee.
- Review of the management position succession plan.
- Acceptance of the responsibility to supervise Regulatory Compliance and Risks.
- Proposal on the ratification of Mr. Piqué as member of the board.
- Preliminary assessment of the accrual and payment of the 2018 variable retribution and of other variable remuneration (2019, MIP 2019-2021 and second restructuring of the Group's financial debt).

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 2018 the main resolutions of the Appointment and Remuneration Committee has been the following:

› Evaluation of the performance of the Board of Directors in 2017.

› Determination of the (non) accrual of variable remuneration in 2017.

› Definition of variable remuneration for 2018 with two components.

› Annual remuneration report and report to the General Meeting on the performance of the Committee.

› Review of the management position succession plan.

› Acceptance of the responsibility to supervise Regulatory Compliance and Risks.

› Proposal on the ratification of Mr. Piqué as member of the board.

› Preliminary assessment of the accrual and payment of the 2018 variable retribution and of other variable remuneration (2019, MIP 2019-2021 and second restructuring of the Group's financial debt).

10.- Other relevant information

10.1. Stock exchange information

According to data provided by Bolsas y Mercados Españoles (BME), in 2018 a total of 5.084.628.221 Class A shares and 26.742.924.526 Class B shares in the company were traded, equivalent to an average daily trading volume of 19.939.719 Class A shares and 104.874.214 Class B shares. The average daily traded cash volume was €0.5 million for Class A shares and €0.9 million for Class B shares.

Share evolution	A Shares		B Shares	
	Total	Daily	Total	Daily
Volume (thousands of shares)	5,084,628	19,940	26,742,925	104,874
Volume (M€)	129.5	0.5	236.3	0.9

Quotes	A Shares	Data	B Shares	Data
Last	0.0145	31-Dec	0.0034	31-Dec
Maximum	0.0365	21-June	0.0151	17-Jan
Minimum	0.00100	23-Oct	0.0021	16-Nov

The last price of Abengoa's shares in 2018 was €0.0145 for Class A shares, some -48,2% lower than at the end of 2017; and €0.0034 per Class B share, -66% lower than the close of 2017.

Since its IPO in the Spanish stock exchange in November 29, 1996, the value of the Company has decreased by 60% with respect to the initial value. The selective IBEX-35 index has risen by 83% during the same period.

10.2 Dividend policy

The terms and conditions established in the financing agreements entered into within the Restructuring Agreement framework include the prohibition to distribute dividends until the new financing and the financing of the preexisting debt have been repaid in their entirety. Hence, the Company does not expect to distribute dividends until the amounts owed under the preexisting debt are met, in accordance with the refinancing process that is currently ongoing (see Note 2.2.2.). The prohibition to distribute dividends affect, likewise, to "Abengoa Abenewco 1, S.A.U." ("Abenewco 1") and "Abengoa Abenewco 2, S.A.U." ("Abenewco 2"), the holding investment companies established by the Company within the Group's corporate restructuring framework. This way, while the distribution of dividends to companies integrated within Abenewco 1's consolidated perimeter is permitted in general, the distribution of dividends to the Company, to Abenewco 2 or to any of these companies' shareholders is prohibited, except when related to distributions required to meet payments scheduled within the debt service framework and, up to a specific threshold, distributions required to meet general corporate expenses of the Company.

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 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 554 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

Item	Days	
	2018	2017
Average period of payment	554	463
Paid transactions ratio	455	245
Outstanding payment transactions ratio	626	712

Item	Amount	
	2018	2017
Total payments	253,947	601,732
Total outstanding payments	346,557	526,436

As explained in Note 4, the Group is conducting an active policy in the management of suppliers, with special focus on the oldest balances, aiming to reach trade, financing or restructuring agreements for its debt that allow to accommodate the repayment of its obligations to the generation of future cash flow.

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 2018. 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 2018 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, 2018

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 item 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 item 2 of this 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 item 2 of this 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 item 2 of this 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 item 2 of this 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 item 2 of this 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 32 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 item 2 of this 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 item 2 of this 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.

- Contracting;
  - Definition: value of the construction contracts awarded and signed during the period.
  - Reconciliation: the Company has presented the calculation of the portfolio in section 2 of this Consolidated Management Report.
  - Explanation of use: Contracting is a financial indicator that measures the Company's capacity to generate future income.
  - Comparative: the Company has presented a comparison with the previous period.
  - Consistency: the criteria followed to calculate the portfolio is the same as the one used in the Company's management systems.

11.- Subsequent events

Since December 31, 2018, no additional events have occurred that might significantly influence the financial information reflected in this report, nor has there been any event of significance to the Group as a whole

03. Consolidated management report

Appendices

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
16-1-2018	35,865,862.17	18,836,119,300	179,329,310,851

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

Yes

Class	Number of Shares	Nominal unit	Unit number of voting rights	Rights and obligations conferred thereof
A	1,621,143,349	0.02	100	Without different rights
B	17,214,975,951	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	% of voting rights attributed to the shares		% of voting rights through financial instruments		% total of voting rights
	Direct	Indirect	Direct	Indirect	
Banco Santander, S.A.	3.45	–	–	–	3.45 %
Department of Trade - Ministry of Industry	3.152	–	–	–	3.152 %

Observations

List of indirect shareholding:

Personal or corporate name of indirect owner	Personal or corporate name of direct owner	% of voting rights attributed to the shares	% of voting rights through financial instruments	% total of voting rights

Observations

State the most significant movements that occurred in the share structure 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 thousandth (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.

In addition, as a result of said capital increase, a group of financial entities, which included the entities owned by or that depended on the Department of Trade - Ministry of Industry, became shareholders of the Company. In the case of the Department of Trade - Ministry of Industry, notice was issued for said acquisition of shares in the 2018 financial year, after the actual transfer of the shares by the financial entities that they insured.

In addition, on 28th September 2018, following the merger by acquisition of the Banco Popular Español, S.A. by Banco Santander, S.A., the latter became the direct owner of the Company shares previously indirectly owned through Banco Popular Español, S.A.

Personal or corporate name of the shareholder	Date of the transaction	Description of the transaction
Department of Trade - Ministry of Industry	22-12-2017	Acquisition of significant shares as a consequence of capital increase through capital offsetting
Banco Santander, S.A.	28-09-2018	Acquisition of significant shares directly owned as a consequence of merger by acquisition
Banco Popular Español, S.A.	28-09-2018	Loss of significant shares as a consequence of merger by acquisition

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	% of voting rights attributed to the shares		% of voting rights through financial instruments		% total of voting rights	% of voting rights that may be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Gonzalo Urquijo Fernández de Araoz	0	0	0	0	0	0	0
Manuel Castro Aladro	0	0	0	0	0	0	0
Pilar Cavero Mestre	0	0	0	0	0	0	0
José Wahnon Levy	0	0	0	0	0	0	0
José Luis del Valle Doblado	0	0	0	0	0	0	0
Ramón Sotomayor Jáuregui	0	0	0	0	0	0	0
Josep Piqué Camps	0	0	0	0	0	0	0

% total of voting rights held by the board of directors	0.000

Observations

List of Indirect shareholding:

Personal or corporate name of the director	Personal or corporate name of direct owner	% of voting rights attributed to the shares	% of voting rights through financial instruments	% total of voting rights	% of voting rights that may be transferred through financial instruments

Observations

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 except what is reported in section A.6:

Name or related corporate name	Type of relation	Brief description

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	Type of relation	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
Department of Trade - Ministry of Industry /Abengoa, S.A.	Business	Some entities controlled by the Ministry render business support to the group of companies headed by Abengoa, S.A. (by granting financial concessions or the underwriting of guarantees)

A.6. Describe the relations, except if scarcely relevant for both parties, existing between significant shareholders or shares represented on the board and the directors, or their representatives, if legal entity administrators.

Explain, where possible, how significant shareholders are represented. Specifically, identify directors who may have been appointed to represent significant shareholders, those whose appointments may have been sponsored by significant shareholders, or who may be linked to significant shareholders and/or companies within its group, particularly indicating the nature of such link relation. Particularly, indicate, as the case may be, the existence, identity and posts held by members of the board of directors, or representatives of directors, of the company listed on the stock market, who may, where possible, be members of the administrative organ, or their representatives, in companies holding significant shares in the listed company or in entities within the group of said significant shareholders.

Name and corporate name of director or its representative, link	Personal or corporate name of the significant shareholder linked	Corporate name of company within the group of significant shareholder	Relation / post description

Observations

A.7. 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. In such a case, briefly describe them and list the shareholders bound by the agreement:

No

Signatories to the paracorporate agreement	% of share capital affected	Brief description of the agreement	Agreement maturity date, if any

Observations

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

No

Signatories to concerted action	% of share capital affected	Brief description of the concerted	Concerted maturity date, if any

Observations

In the event that said agreements or concerted actions underwent a modification during the financial year, indicate them specifically:

On 23rd December 2016 the Company informed the National Securities Commission, by virtue of relevant event registered with number 246416, of the termination of the agreement of the investment agreement signed with First Reserve Corporation (FRC) on 3rd October 2011, considering that, on said date, the FRC was not a holder of any Class B shares of the Company or of any other securities exchangeable for or convertible to Class B shares and, therefore, was not a holder of any shares in the capital of the Company. As a result of said termination, the paracorporate agreements between the FRC and other shareholders referred to herein, which were reasons for the investment agreement with the FRC, became void.

Equally so, on 30th March 2017, Inversión Corporativa IC, S.A., Finarpisa, S.A. and First Reserve Fund XII L.P. deemed the shareholders' agreement signed on 10th October 2011 as terminated, such as had been modified on 27th August 2012, since First Reserve no longer held any shares in Abengoa's share capital. This event was reported to the CNMV on 5th March 2018.

A.8 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, indicate:

No

Personal or corporate name
Observations

A.9. Complete the following tables on the company's treasury stock:

On the financial year closing date:

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 %

Observations

(*) Through:

Personal or corporate name of direct owner of shares	Number of direct shares
Total:	

Observations

Explain the significant variations occurring during the financial year:

Not applicable

A.10. 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 2018 financial year there were no transactions in relation to treasury stock. At year end there were no contracts of liquidity in vigour.

A.11. Estimated floating capital:

	%
Estimated floating capital	93.1

Observations

A.12. State whether there are any restrictions (bylaw, legislative or whatsoever) on the transferability of shares and/or any restrictions on voting rights. Specifically report on the existence of any restrictions that may impede the takeover of the company through the acquisition of its shares on the market, including the systems of authorization or prior reporting that may be applicable by sector laws on the acquisition or transfer of the company's financial instruments

There are no bylaw restrictions on the transferability of securities or on voting rights.

Description of the restrictions

A.13. 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 so, explain the measures approved and the terms under which the restrictions may be deemed inefficient:

Explain the measures approved and the terms under which the inefficiency may occur

A.14. 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.

Indicate the different classes 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
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 in what it differs from the system envisaged in the LSC.

	Enhanced majority other than set forth in Article 201.2 LSC for the cases of 194.1 LSC	Others cases of enhanced majority
% established by the entity for entering into agreements		

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. On second call the attendance of twenty-five percent of said capital will be sufficient. 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 corporate bylaws establishes specific regulations for the purpose of protecting the minority in cases of bylaw modification:

"[...] (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. Including but not limited in any manner whatsoever, this provision shall entail: the elimination or modification of the provision contained in these bylaws on the principle 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 shares of the company in the issuance of new shares or securities or instruments that that may give rise to the conversion, exchange, acquisition or any other aspect that may be entailed in the right to receive shares of the company; the partial or total exclusion in an unequal manner for Class A shares, those of Class B and of Class C (as the case may be) from the pre-emptive and other analogous rights that may be applicable pursuant to the Law and to these bylaws; the repurchase or acquisition of the company's own shares that may not affect Class A shares, Class B shares and Class C shares (as the case may be) in like manner, in their terms, price, or in any other manner therein, and that may exceed those produced within the framework of the ordinary treasury transaction or that may give rise to the redemption of shares or the reduction of capital in a manner not identical for Class A shares, those of Class B and Class C (as the case may be); the approval of a structural modification of the company that may not ensure similarity in treatment in all their aspects for Class A shares and Class B shares; the exclusion from trading of any of the Company's shares at any stock market or any secondary market except if for the purpose of tender for acquisition for the exclusion from the trading which contemplates the same considerations for Class A shares, those of Class B and Class C (as the case may be); the issuance of Class C shares or of any other preferential or privileged class of 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. Including but not limited in any manner whatsoever, this provision shall entail: the elimination or modification of the provision contained in these bylaws on the principle 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 shares of the company in the issuance of new shares or securities or instruments that that may give rise to the conversion, exchange, acquisition or any other aspect that may be entailed in the right to receive shares of the company; the partial or total exclusion in an unequal manner for Class A shares and / or those of Class B and Class C from the pre-emptive and other analogous rights that may be applicable pursuant to the Law and to these bylaws; the repurchase or acquisition of the company's own shares that may not affect Class A shares and / or Class B shares with regards to Class C shares, in like manner, in their terms, price, or in any other manner therein, and that may exceed those produced within the framework of the ordinary treasury transaction or that may give rise to the redemption of shares or the reduction of capital in a manner not identical for Class A shares, those of Class B (as the case may be) and Class C; the approval of a structural modification of the company that may not ensure similarity in treatment in all their aspects for Class A shares, Class B shares (as the case may be) with regards to Class C; the exclusion from trading of any of the Company's shares at any stock market or any secondary market except if for the purpose of tender for acquisition for the exclusion from the trading which contemplates

the same considerations for Class A shares, (those of Class B as the case may be) and Class C; the issuance of any other preferential or privileged class of 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 those in the two previous financial years:

Information on Attendance					
	% of those physically present	% of those present by representation	% of remote voting		
Date of General Meeting			Electronic voting	Others	Total
2-10-2018	0.382	17.397	0.427	0.416	18.62
Those of Floating Capital:	0.382	10.992	0.427	0.416	12.22
25-06-2018	0.492	13.566	0.624	0.550	15.23
Those of Floating Capital:	0.492	10.117	0.624	0.550	11.78
30-06-2017	0.70	15.24	1.54	3.02	20.50
Those of Floating Capital:	0.70	8.56	1.54	3.02	13.82
22-11-2016	6.86	51.29	0.080	0.06	58.29
Those of Floating Capital:	6.86	0.65	0.080	0.06	7.65
30-06-2016	6.58	52.51	0.01	0.64	59.74
Those of Floating Capital:	6.58	1.87	0.01	0.64	9.1

B.5. State whether at General Meetings held during the financial year there was any item on the agenda that, for any reason, was not approved by the shareholders.

Yes

Items that were not approved on the agenda	% of votes against (*)
Ordinary General Meeting 2018. Fifth Item. Granting the Board of Directors the power to increase the equity capital by issuing new shares of any of the classes of shares of Class A and/ or B and/or C, pursuant to the stipulations in Article 297.1 b) of the Corporate Enterprise Act (Ley de Sociedades de Capital), within the limits of the Law, with the specific power to order the exclusion of the right of pre-emptive subscription in conformity with Article 506 of the Corporate Enterprises Act, revoking and nullifying the pending amount resulting from previous authorizations granted by the General Meeting. Granting powers to the Board of Directors, including the specific powers of replacement, to set up the conditions for increasing the capital. Seeking permission from the competent national and international authorities for the admission of the new shares to trade on any stock market whatsoever. Due to lack of the necessary quorum on the second call, no voting was cast for the approval of the bylaw modifications.	Not applicable
Extraordinary General Meeting 2018. First, Second and Third Items. The Meeting was not validly convened due to the lack of quorum necessary on the second call for the approval of bylaw modifications, with the rest being accessory agreements for the approval of the proposals contained in the first item on the agenda.	Not applicable

(*) If the non-approval of items is for reasons other than the votes against, it should be explained in the text area, but the column of "% of votes against" should show "not applicable".

B.6. State whether there are any bylaw restrictions requiring a minimum number of shares to attend the general meeting of shareholders, or for remote voting:

Yes

Number of shares necessary to attend the general meeting	375
Number of shares necessary for remote voting	

Observations

See Section H "Other Information of Interest".

B.7. Explain whether it is established that certain decisions, except those set forth by Law, involving the acquisition, transfer and contribution of essential assets or the execution of similar corporate transactions to other companies require the approval of the general meeting of shareholders.

No

Explain the decisions that must be submitted to the general meeting, except for those set forth by Law

B.8. 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 webpage address of Abengoa, S.A. is www.abengoa.com/.es and the shareholders and investors section contains all the necessary and updated information on matters of meetings.

The complete gateway 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
Number of directors set up by the Meeting	

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

Personal or corporate name of the director	Representative	Category of director	Post held on the Board	Date of first appointment	Date of latest appointment	Selection procedure
Gonzalo Urquijo Fernández de Araoz	Not Applicable	Executive Director	Chairman	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
Manuel Castro Aladro	Not Applicable	Independent	Coordinating Director and Member	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
José Luis del Valle Doblado	Not Applicable	Independent	Director	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
José Wahnon Levy	Not Applicable	Independent	Director	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
Ramón Sotomayor Jáuregui	Not Applicable	Independent	Director	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders
Josep Piqué Camps	Not Applicable	Independent	Director	13/07/2017	25/06/2018	Co-optation and subsequent ratification and appointment in Shareholders' Meeting
Dña. Pilar Cavero Mestre	Not Applicable	Independent	Director	22/11/2016	22/11/2016	Voting Rights in Meeting of Shareholders

Total number of directors	7

Give detail of vacancies that, due to resignation, dismissal or because of any other reason, may have arisen on the board of directors during the financial year being reported:

Not applicable

Personal or corporate name of the director	Category of the director at the time of termination	Date of latest appointment	Date of vacancy	Specialized committees on which director served	State whether the vacancy occurred before the end of the mandate

Reason for vacancy and other observations

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

Executive director

Personal or corporate name of director	Post held in the company	Profile
Gonzalo Urquijo Fernández de Araoz	Chairman	Degree in Economics from Yale and he started his professional career in the banking sector, first with Citigroup and then with Credit Agricole. In 1992 he joined Aristrain (now Arcelor), a company in the metalwork sector, as financial director and in 2005 he was appointed member of the executive committee and as such he took part in the takeover bid lunched by Mittal Steel in 2006. In 2010 he was appointed Chairman of ArcelorMittal España and in 2015 advisor of the Chairman of the Arcelor Group worldwide In 2016 he was appointed Executive Chairman of Abengoa, after joining the company in August 2016 as independent Advisor of the Board, without executive duties, on issues relating to the Viability Plan and the fulfilment of the conditions set forth in the restructuring agreement that the Company signed in September 2016.

Total number of executive directors	1
% over the total of directors	14.29 %

Observations

External proprietary directors

Not applicable

Personal or corporate name of director	Personal or corporate name of significant shareholder he represents or who proposed his appointment	Profile
0	Not applicable	

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

Observations

Independent external directors

Personal or corporate name of the director	Profile
Manuel Castro Aladro	He has a Business Administration and Management degree from the Universidad Pontifica de Comillas (ICADE), and an International Executive MBA from the University of Chicago. He began his career at Arthur Andersen and later, in 1992, moved to the banking sector. In 1998 he joined BBVA where he served in various posts relating to business development until 2009, the year he was appointed Risks Management Director of the Group, a post he held until 2015. From 2015 onwards he has been independently advising banks and investment funds on issues relating to risks and investment management.

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 started his professional career in the banking sector where he has accumulated more than 35 years of experience. Likewise, he has held various posts in the energy sector, where he has performed diverse relevant jobs in companies like Iberdrola or Gamesa Corporación Tecnológica. He is presently the non-Executive Chairman of Wizink Bank and Chairman of Lar España, as well as an independent board member of Ocaso Seguros.
José Wahnon Levy	He has a Business Administration and Management degree from the Universidad de Barcelona, and a Law degree from the Universidad Complutense de Madrid as well as a Masters in PMD89 (Program for Management Development). He started his career at Pricewaterhouse Coopers, a firm of which he became a partner in 1987, responsible for the financial institutions division between 1975 and 2003 and for the auditing division from 2003 until he left in 2007. He has also served as director of various entities tied to the Deposit Guarantee Fund.
Ramón Sotomayor Jáuregui	He has an in Industrial Engineering degree from the University of Portsmouth and an MBA from Rutgers University. He started his professional career at Ercross España and subsequently joined the Thyssenkrupp Group where he served in various posts, including that of CEO for the south of Europe, Africa and the Middle East, from 2011 to 2015. He also served as independent director of various companies including 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 Catalonian Parliament. In the private sector, he has held various responsibilities in companies like Ercross (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 director of the Airbus Group (EADS). He is currently vice-chairman of Alantra and BCG, among others. 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. He started his professional career at the Asociación de Cajas de Ahorros en España and later, in 1986, he joined the sector of the Law Chambers. In 1990 he joined Cuatrecasas where he has since been developing his professional career before becoming partner in 1993. He is currently honorary member of the Chamber, without executive duties, and is independent director of Merlin Properties.

Total number of external directors	6
Total % of the board	85.71 %

Observations

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 perform the duties thereof as an independent director.

Not applicable

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

Other external directors

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

Not applicable

Personal or corporate name of the director	Reasons	Company, director or shareholder with which or with whom the tie exists	Profile

Total number of external directors	
Total % of the board	

Observations

State the changes, if any, that may have occurred in the category of each director during the financial year:

Personal or corporate name of the director	Date of change	Previous category	Category Current

Observations

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 directors				% over the total of directors in each category			
	Financial year 2018	Financial year 2017	Financial year 2016	Financial year 2015	Financial year 2018	Financial year 2017	Financial year 2016	Financial year 2015
Executive Director	0	0	0	0	0	0	0	0
Proprietary	0	0	0	0	0	0	0	0
Independent	1	1	1	2	14.29	14.29	14.29	33.33
Other External	0	0	0	0	0	0	0	0
Total:	1	1	1	2	14.29	14.29	14.29	15.38

C.1.5. Indicate whether the company has any diversity policy in place regarding the company's board of directors to ensure compliance with issues of, for example, age, gender, disability or professional training and experience. Small and medium companies, pursuant to the definition set forth in the Accounts Auditing Act, are bound to report, as minimum, on the policy in place regarding aspects of gender diversity.

Yes

In the affirmative, give a description of such diversity policies, their objectives, measures and how they were applied and the results thereof during the financial year. Also explain the specific measures put in place by the board of directors and the appointments and remunerations committee to ensure a balanced and diverse presence of directors. If the company does not apply a diversity policy, explain the reasons why not.

Describe the policies, objectives, measures and how they are applied, including the results obtained
The company implements a series of measures to include a number of women on the Board of Directors to ensure a balanced presence between men and women. The regulations of the Appointments and Remunerations Committee, in its Article 1, establishes as follows: "The Appointments and Remuneration Committee shall establish procedures and ensure compliance with the following conditions when new vacancies arise: › 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."

Describe the policies, objectives, measures and how they are applied, including the results obtained

It is therefore 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 currently presided over by a female director.

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: that the appointments must favour diversity of expertise, experience and gender on the Board of Directors; and that by 2020 the number of female directors must represent at least 30 % of all members of the Board of Directors.

External consultants may be engaged to assist in the selection of board members.

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, regardless of gender, seeking to ensure that the composition of the Board of Directors is diverse and balanced.

On the other hand, in November 2018 the company signed a Diversity Charter, a voluntary code composed of companies and institutions within the same country, regardless of its size, to encourage their commitment to:

- The Fundamental Principles of Equality
- The commitment with regards to the right of inclusion of all persons regardless of their profiles, in the work and company environment
- The recognition of the benefits entailed in the inclusion of the cultural, demographic and social diversity in your organization
- The implementation of specific policies that encourages a work environment void of prejudices in matters of employment, training and promotion
- The promotion of programs of non-discrimination towards disadvantaged groups

To work along these lines and to promote the visibility of diversity, Abengoa joined this initiative through the OTP Group Foundation by virtue of The Diversity Charter of Spain (El Charter de la Diversidad de España), a project fostered by the European Commission and the Equality Ministry (Ministerio de Igualdad), thus entering a commitment with the promotion of a socially respectful, economically sustainable and legally rigorous environment.

In addition, the main goal of the RSC Strategic Plan for the 2018-2020 financial years is to promote gender diversity and equal opportunities in the organization, promoting, among others, measures that contribute to the increase in females in leadership positions and as directors, including measures that guarantee non-discrimination and the inclusion of disabled persons into the workforce.

Describe the policies, objectives, measures and how they are applied, including the results obtained

We highlight the following amongst the actions to be taken in the plan:

- Define, develop and introduce a specific plan for diversity
- Reintroduce the annual and bi-annual employee satisfaction surveys that may include questions in relation to diversity
- Attain the goal of 30 % females on the board by 2020
- One of the Board Committees be presided over by a female in 2022
- Attain the goal of 15 % females on the COEJ by 2022
- Attain the goal of 25 % females on the Business Committee
- Attain the goal of 25 % females on the CODIR by 2022
- Attain the goal of 30 % females as intermediate managers/managers with regards to the total of such in employed by 2022
- Attain the goal of 35 % females employed with regards to the total of employed by 2022
- Introduce work conciliation measures that may allow for attaining the goals outlined in the PERSC of diversity and equal opportunities

Abengoa has an explicit commitment with equal opportunities and non-discrimination based on sex, race, colour, religion, opinion, nationality, financial position or any other circumstances.

Those principles shall be specifically reflected in the various policies of the organization (hiring, selecting, training, performance measurement, promotion, remuneration, work conditions, conciliation, and harassment prevention, among others).

With the aim of ensuring those values, in 2008 Abengoa created its Equality Framework Plan and the Equal Treatment and Opportunities Office, which is entrusted with advocating for gender equality in the entire organization, boosting, developing and managing said plan and other associated plans.

Within the framework of this plan, the organization has a protocol for reporting harassment at work for the purpose of examining any situation susceptible to be deemed discriminatory. In addition, an Equality Committee is set up with the duty of undertaking a worldwide follow-up on issues relating to gender equality.

Given the organization's situations over the last years, Abengoa was forced to suspend its Equality of Treatment and Opportunities Committees (CITO). Thus, the company expects to reintroduce is CITO in 2019, in order for the committees to be able to meet bi-annually.

Finally, the insertion of disabled personnel into the workforce, and therefore, equal opportunities for that group, is a firm commitment by Abengoa. The company works to ensure that the disabled may join the social and work life, promoting employment, integration and accessibility. Therefore, it promotes initiatives aimed at the integration into the labour framework of the disabled who for various reasons suffer exclusion and prioritizing persons above their limitations.

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, thus ensuring a balanced male and female presence.

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, 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. 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 appointment in 2017, 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 in spite of the measures implemented, where possible, there are still few or no females directors, explain the reasons that may justify the situation:

Explanation of reasons
The members of the Board of Directors of Abengoa were appointed by the General Meeting on 22nd November 2016 except for one who was appointed by co-optation on 13th July 2017 and re-selected by the General Meeting of Shareholders on 25th June 2018 and, in compliance with the commitments undertaken within the framework of the restructuring agreement signed on 24th September 2016, were proposed by the Appointments and Remunerations Committee based on the selection and proposal made by the Spencer Stuart Consultancy. In this regard, Spencer Stuart and the Appointments and Remunerations 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.1.7. Explain the conclusions of the appointments committee regarding the 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 consultants may be engaged to assist in the selection of board members.

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 the director whose appointment occurred during the 2018 financial year (Mr. Piqué, to cover the vacancy of Mr. Antoñanzas) was made taking into account the same criteria described above and also with the assistance of the Spencer Stuart consultancy, identifying the candidates.

Based on the considerations above, the Appointments and Remunerations Committee concludes that in 2018 the board member selection policy was applied satisfactorily.

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

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, explain the reasons why not yet answered:

Not applicable

Personal or corporate name of the shareholder	Explanation

C.1.9. Indicate, if there are, the powers and faculties conferred by the Board of Directors on directors or on board committees:

Personal or corporate name of the director	Brief description
Gonzalo Urquijo Fernández de Araoz	General powers jointly and severally exercised with other empowereds of the Company

C.1.10. Identify, where applicable, any members of the board who have administrative duties, represent administrators or directors in other companies within the listed company's group:

Personal or corporate name of the director	Corporate name of entity within group	Post	Does it entail executive functions?
Gonzalo Urquijo Fernández de Araoz	Abengoa Abenewco 1, S.A.U.	Chairman	Yes
Manuel Castro Aladro	Abengoa Abenewco 1, S.A.U.	Director	No
José Luis del Valle Doblado	Abengoa Abenewco 1, S.A.U.	Director	No
José Wahnon Levy	Abengoa Abenewco 1, S.A.U.	Director	No
Ramón Sotomayor Jáuregui	Abengoa Abenewco 1, S.A.U.	Director	No
Josep Piqué Camps	Abengoa Abenewco 1, S.A.U.	Director	No
Pilar Cavero Mestre	Abengoa Abenewco 1, S.A.U.	Director	No

C.1.11. Provide details, where applicable, of company directors or legal entity representatives who also sit or represent legal entities on the boards of other entities listed on official stock markets other than those of their group, of which the company is aware:

Personal or corporate name of the director	Corporate name of listed entity	Post
Gonzalo Urquijo Fernández de Araoz	Vocento, S.A.	Director
	Gestamp Automocion, S.A.	Director
José Luis del Valle Doblado	Lar España Real Estate SOCIMI, S.A.	Chairman
Pilar Cavero Mestre	Merlin Properties	Director
Josep Piqué Camps	Aena, S.A., SME, S.A.U.	Director

Observations
Mr. Piqué ceased to a Board member of Aena in 2019

C.1.12. State and, if applicable, explain whether the company has established rules regarding the maximum number of boards on which its directors may sit, identifying, if applicable, where it is regulated:

Yes

Explain the regulations and identify the document in which it is regulated
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 posts.* *Executive posts shall be understood as that in which management duties may be executed whatever the legal ties that may attribute those duties.* *The limitations above refer solely and exclusively to posts on boards of other listed companies even though, if a Board member were to participate on the board 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.1.13. State the amounts of the items relating to the overall remunerations of the board of directors as follows:

Remuneration accrued during the financial year for the board of directors (thousands of Euros)	2,055
Amounts of rights accumulated by the current directors with regards to pensions (thousands of Euros)	0
Amounts of rights accumulated by the previous directors with regards to pensions (thousands of Euros)	0

C.1.14. 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:

Personal or corporate name	Post
Joaquín Fernández de Piérola	CEO
Daniel Alaminos Echarri	General and Board Secretary
Víctor Manuel Pastor Fernández	Financial Director
David Jiménez-Blanco Carrillo de Albornoz	Director of Restructuring and Strategy
Álvaro Polo Guerrero	Director of Human Resources
Total remuneration to senior management (thousands of Euros)	**2,718 thousands of Euros**

C.1.15. State whether the regulations of the board have been amended during the financial year:

Yes

In the meeting held on 16th April 2018, the Abengoa Board of Directors unanimously agreed to modify Articles 4 and 28 of the Board of Directors Regulations for the purpose of adding regulatory compliance to the duties of the Appointments and Remunerations Committee. Specifically, point (a)(xi) was added to Article 4 and sections (r), (s) and (t) to Article 28:

Article 4. Functions and Faculties of the Board of Directors

"[…]

For that purpose, the Company's Board of Directors shall be authorised to enter agreements on all kinds of issues not attributed by law or by the Bylaws to the General Meeting of Shareholders. Particularly, the Company's Board of Directors shall be fully authorised to exercise the faculties of decision over matters that, not limited thereof, are indicated below:

(a) The Company's general policies and strategies and, in particular:

[…]

(xi) The Regulatory Compliance Policy

[…]"

Article 28. Appointments and Remuneration Committee

"[…]

Notwithstanding any other duties that may be entrusted to it at all times by the Board of Directors or its Chairman, and by virtue of the valid regulations, the Appointments and Remunerations Committee shall, at any rate, execute the following functions:

[…]

(r) Supervise the duty of compliance performed by the Director in charge of said department. The Committee shall have full access to the Compliance Director, who, shall regularly attend the meetings of the Committee to be abreast of the latest in matters of regulatory compliance.

(s) To review the policies, internal procedures and compliance programs of the Company, in the execution of the compliance functions, so as to prevent 31 inappropriate conducts and to identify possible policies or procedures that may be more effective in the promotion of the highest sustainable company standards.

(t) To review and validate the plan of activities for the function of compliance, ensuring that said function has the resources necessary for the performance of its duties.

[…]"

C.1.16. State the procedures for the selection, appointment, re-selection, evaluation, and removal of directors. Give detail of the competent organs, the steps to follow and the criteria to employ in each of the 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 said member, and then includes the information in the annual report on corporate governance. The Appointments Committee also ensures that, when covering new vacancies, the selection procedures do not undergo implicit bias that may impede the selection of female candidates and that the potential candidature includes females who meet the profile criteria sought. 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.1.17. 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:

There were no significant modifications as a result of the annual assessment of the board of directors for the 2018 financial year.

Description of modifications
Not applicable

Describe the process of self-assessment and the areas assessed by the board of directors, as the case may be, assisted by an external consultant, regarding the functioning and composition of the board and of its committees, and any other area or aspect that was assessed.

Description of the assessment process and the areas assessed
On the one hand, the assessment of the board of directors focused on analyzing the functions of the board and its committees. Information is requested from all who are directors at the closing of the 2018 financial year and from those who may have performed tasks sometime during the year. The information was sought 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 was studied by the Appointments and Remunerations Committee and by the Board of Directors.

C.1.18. For financial years in which external consultants were involved in the assessment, list any business relationships that exist between the consultant or any company of its group and the company or any company of its group.

Not applicable

C.1.19. 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 has no power to ask them to resign before the end of the statutory period of the appointment except (i) if a bid is tendered for the company takeover, a merger or other similar kind of corporate transaction that may mean a change in the Company's capital structure, and which may consequently require changes in the structure of the Board of Directors to ensure the proportionality between proprietary and non-executive board members; or (ii) if there is just cause appreciated by the Board of Directors following a report by the Appointments and Remunerations Committee.

(d) If, in the case of proprietary directors, the represented shareholder fully transfers its shares or reduces the shares down to a level that requires a reduction in the number of its proprietary directors, in that situation, in the required proportion.

(e) In cases in which their actions may harm the credit and reputation of the Company.

C.1.20. Are qualified majorities, other than statutory majorities, required to adopt any type of decision?

No

In that case, explain the differences.

Description of the differences

C.1.21. Explain whether there are specific requirements, other than the requirements relating to directors, for being appointed board of directors chairman.

No

Description of the requirements

C.1.22. State whether the by-laws or the board regulations stipulate any age limit for directors:

No

	Age limit
Chairman	
Chief Executive	
Director	

Observations

C.1.23. State whether the by-laws or the regulations of the Board establish any term limit or other stricter requirements for independent directors other than those established by regulatory provisions:

No

Additional requirements and/or maximum number of terms of mandate

C.1.24. State whether there are formal rules for proxy-voting for other directors 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, briefly explain such regulations.

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.1.25. 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	18
Number of board meetings without the chairman attending	0

Observations

State the number of meetings held by the coordinating director without the physical or proxy presence of any executive director:

Number of meetings	0

Observations

State the number of meetings held by the various 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	10
Number of meetings of the appointments and remuneration committee	8
Number of meetings of the appointments committee	Not applicable
Number of meetings of the remunerations committee	Not applicable
Number of meetings of the committee	Not applicable

Observations

C.1.26. State the number of meetings that the board of directors held during the financial year and give the attendance information on all its members:

Number of meetings with the attendance of at least 80 % of all directors	18
% of attendances of the total votes cast in the financial year	100 %
Number of meetings with the physical attendance, or proxy attendance with specific instructions given by all board members	17
% of votes cast during physical presence, and during proxy presence with specific instructions given, over the total of votes cast during the financial year	94.4 %

Observations

C.1.27. State whether the annual individual accounts and the annual consolidated accounts that are submitted to the board for approval are first certified:

No

If so, identify the person/s who issue the certification of the company's annual individual accounts and the annual consolidated accounts, for endorsement by the board:

Name	Post

Observations

C.1.28. 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 External Auditor regularly provides information to the Audits Committee on the Audit Plan and the results of its execution and ensures that the senior management takes their recommendations into account.

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.1.29. Is the secretary of the board a director?

No

If the board secretary is not a director complete the following chart:

Personal or corporate name of the board secretary	Representative
Daniel Alaminos Echarri	Not applicable

Observations

C.1.30. Outline the specific mechanisms set up by the company to preserve the independence of external auditors, and, where possible, the mechanisms in place to preserve the independence of financial analysts, investment banks and rating agencies, including how the legal provisions have been implemented.

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) orders the Audit Committee *"to strive 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 2018 year end the Company had not been rated by any agency.

C.1.31. State whether the Company has changed the external auditor during the financial year. If so, identify the incoming and the outgoing auditor:

If the change of accounts auditor was approved during the 2017 financial year for the 2018, 2019 and 2020 financial years.

Outgoing auditor	Incoming auditor
Deloitte	PWC

Observations

If there has been any disagreement with the outgoing auditor, provide an explanation thereof:

Not applicable

Explanation of the disagreements

C.1.32. 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	82	82
Fees for non-audit work/Total amount invoiced by the audit firm (in %)	0	8.3	4.8

Observations

C.1.33. 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

Explain the reasons
Not applicable

C.1.34. State the consecutive number of years for which the current audit firm has been auditing the individual and/or consolidated annual accounts of the company. 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:

	Individual	Consolidated
Number of consecutive financial years	1	1

	Individual	Consolidated
Number of years audited by the current audit firm / Number of years in which the company has been audited (%)	78.60 %	78.60 %

Observations

C.1.35. 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

Give detail of 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.1.36. 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 submit their resignation, if the board deems it convenient, in the following cases: (a)* *(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 that purpose, 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". 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.1.37. 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 Enterprises Act:

No

Name of director	Criminal Proceedings	Observations

State whether the board of directors has analyzed the case. If so, provide a duly substantiated explanation of the decision taken on whether or not the director should remain in office or, if applicable, describe the actions taken by the board of directors up to the date of this report or that it plans to take.

Not applicable

Decision taken / action taken	Reasonable explanation

C.1.38. 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 ordinary shares or any other type that, where applicable, hold voting rights. Said agreements may be concluded upon the request of creditors in the event of a change of control or takeover.

In addition, the financial instruments subscribed and/or issued or to be subscribed and/or to be issued within the framework of the restructuring transaction envisaged in the restructuring agreement signed on 11th March 2019 contains takeover clauses in the sense referred to in the paragraph above, including the possible voluntary conversion of bonds into shares in the events of both takeover as well as the acquisition on significant shares (35 % or more of the share capital of Abengoa Abenewco 1, S.A.) by a third party.

C.1.39. Identify on singular basis, in the case of directors, and on aggregate basis, in all order cases, and provide 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 -not considered as such that which may be brought about by the very Chairman in response to a change of control of the group- death or incapacity, or due to non-performance of his obligations), 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 agreement
Executive Chairman	See previous paragraph
CEO	
Secretary General	
Financial Director	
Director of Human Resources	
Director of Strategy	

State whether beyond the situations envisaged by law such agreements must be reported to and/or approved by the decision-making bodies of the company or its group. If so, specify the procedures, envisaged situations and the nature of the organs responsible for their approval or for reporting them:

	Board of directors	General Meeting
Body that authorizes the clauses	Yes	No

	Yes	NO
Is the general meeting informed of the clauses?	X	

Observations

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	Category

% of executive directors	
% of proprietary directors	
% of independent directors	
% of other external directors	

Observations

Explain the duties of or assigned to this committee other than as described in section C.1.10, and describe the procedures and rules of organization and operation thereof. For each of these duties, point out the most important actions during the financial year and how each of the duties assigned to it were actually performed, be it in the law, in the bylaws or in other company agreements.

Not applicable

Audit committee

Name	Post	Category
José Wahnon Levy	Chairman	Independent
José Luis del Valle Doblado	Member	Independent
Manuel Castro Aladro	Member	Independent

% of executive directors	0
% of proprietary directors	0
% of independent directors	100
% of other external directors	0

Observations

Explain the duties, including, if possible, the addition legally envisaged, that may be assigned to this committee, and describe the procedures and rules of organization and operation thereof. For each of these duties, point out the most important actions during the financial year and how each of the duties assigned to it were actually performed, be it in the law, in the bylaws or in other company agreements.

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 cast the deciding 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 any.

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 commitments to increase and reduce financial borrowing, monitoring of the financial deleveraging policy and the dividend distribution policy and the policy for distributing dividends and any amendments to these.

5. To inform the General Meeting of Shareholders about any matters or questions that arise 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 process of selection, dismissal, renewal, removal and remuneration of its director and on determining of its remuneration, and must also report on 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 revise 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.

    (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 taking the relevant decisions, about the following matters:

        (i) The financial information that all listed companies must periodically disclose. The Committee must ensure that interim financial statements are drawn up under the same accounting principles as the annual statements and, to this end, may ask the external auditor to conduct a limited review.

        (ii) The creation or acquisition of shares in special purpose entities or entities resident in countries or territories considered tax havens, and any other similar transactions or operations which, due to their complexity, might impair the transparency of the Group.

        (iii) Related-party transactions.

    (g) To supervise compliance with the Internal Code of Conduct in relation to the Securities Market and the Policy on the Use of Relevant Information and the rules of corporate governance.

16. With regards to the external auditor:

    (a) To propose the selection, appointment, re-selection and replacement of the external auditor, including the conditions of their hiring, to the Board of Directors to submit said proposal to the General Meeting of Shareholders for approval.

    (b) To be regularly informed by the external auditor on the audit plan and the results of its execution, and to ensure that senior management follows 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, accompanying such notice with a statement on possible disagreements, if any, arising with the outgoing auditor and the reasons for these.

        (ii) Ensure that the company and the auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, other requirements set forth to ensure auditor independence.

        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) Investigate the issues giving rise to the resignation of the external auditor, should this come about.

        (iv) Ensure that the remuneration of the external auditor does not compromise 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 companies therein.

    (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 during the 2018 financial year:

› Revision and analysis prior to the preparation of the individual accounts of Abengoa S.A and the consolidated accounts of its group for the 2017 financial year.
› Revision and analysis prior to the approval of the financial information for the intermediate periods of 2018 remitted to the CNMV.
› Revision and analysis prior to the financial restructuring proposal.
› Approval of the 2019 budget and revision of the cash-flow plans.
› Approval of divestitures including, in particular, the sale of 16.47 % of Atlantica Yield.
› Identification and monitoring of the Company's financial risks in light of preparing the 2018 financial statement.
› Approval of verification duties performed by the external auditor.
› Internal audit: approval of the work plan and supervision and assessment of the work.
› Supervision of whistle-blowing channels.
› Approval of external auditing tasks other than those of the auditor.

Identify the director of the audit committee who has been appointed in light of his/her knowledge and experience in accounting, auditing or both, and report on the date of the appointment and duration of the Chairman of this committee.

Name of director with experience	José Wahnon Levy
Date appointed as Chairman	22/11/2016

Appointments and remunerations committee

Name	Post	Category
Pilar Cavero Mestre	Chairlady	Independent
Josep Piqué Camps	Member	Independent
Ramón Sotomayor Jáuregui	Member	Independent

% of executive directors	0
% of proprietary directors	0
% of independent directors	100
% of other external directors	0

Observations

Explain the duties, including, if possible, the addition legally envisaged, that may be assigned to this committee, and describe the procedures and rules of organization and operation thereof. For each of these duties, point out the most important actions during the financial year and how each of the duties assigned to it were actually performed, be it in the law, in the bylaws or in other company agreements.

This Committee shall comprise at least three Directors, designated by the Board of Directors, at the Committee's proposal. The Committees shall exclusively comprise of non-executive board members, two of whom, at least, shall be independent members.

Pursuant to Articles 44 bis of the bylaw and 27 of the Board of Directors' regulations, the Remunerations 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 cast the deciding 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. The Committee shall specifically establish a representation goal for the gender least represented on the Company's Board of Directors and prepare orientations on how to reach such goal.

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.

18. Supervise the duty of compliance performed by the Director in charge of said department. The Committee shall have full access to the Compliance Director, who, shall regularly attend the meetings of the Committee to be abreast of the latest in matters of regulatory compliance.

19. To review the policies, internal procedures and compliance programs of the Company, in the execution of the compliance functions, so as to prevent inappropriate conducts and to identify possible policies or procedures that may be more effective in the promotion of the highest sustainable company standards.

20. To review and validate the plan of activities for the function of compliance, ensuring that said function has the resources necessary for the performance of its duties.

In 2018, the main interventions of the Appointments and Remunerations Committee were as follows:

› Evaluation of the functions of the Board in 2017
› Determination of the (non-) accrual of the variable remuneration in 2017
› Definition of the variable remuneration for 2018 with two components
› Annual report on the remunerations and annual report to the General Meeting on functions of the Committee
› Revision of the succession plan for senior management
› Assuming of the responsibility to supervise the Regulatory Compliance and Risks Management
› Proposal on the ratification of Mr. Piqué as director
› Preliminary assessment of the accrual and payment of the variable remuneration for 2018 and other variable remunerations (2019, MIP 2019-2021 and the second restructuring of the group's financial debts)

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 directors			
	Financial year 2018	Financial year 2017	Financial year 2016	Financial year 2015
	% Number	% Number	% Number	% 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. 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 indicate whether a report was voluntarily prepared on the activities of each committee.

Both the Audit Committee as well as the Appointments and Remunerations Committee have their own internal operations rules and regulations available on the company's webpage.

During the financial year, Article 3 of the Appointments and Remunerations Committee was modified to include the functions relating to regulatory compliance. The following functions were specifically added:

"(xviii) Supervise the duty of compliance performed by the Director in charge of said department. The Committee shall have full access to the Compliance Director, who, shall regularly attend the meetings of the Committee to be abreast of the latest in matters of regulatory compliance.

(xix) To review the policies, internal procedures and compliance programs of the Company, in the execution of the compliance functions, so as to prevent inappropriate conducts and to identify possible policies or procedures that may be more effective in the promotion of the highest sustainable company standards.

(xx) To review and validate the plan of activities for the function of compliance, ensuring that said function has the resources necessary for the performance of its duties."

These Committees prepare annual reports on activities. The reports on the activities undertaken in 2017 was made available to shareholders together with the call to convene the Ordinary General Meeting of Shareholders held on 25th June 2018. That of the Audit Committee was also made public, forming part of the annual report for the 2017 financial year.

D. Related-party transactions and intragroup transactions

D.1. Explain, if any, the procedures and competent organs for approving related-party and intragroup transactions.

Procedure for reporting 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 in question; and

(iii) their amount does not exceed 1% of the company's annual revenue.

Only in duly justified circumstances of urgency may decisions be taken 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 taking 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 the transactions deemed significant due to the amount or subject matter thereof between the company or entities of its group and the company's significant shareholders:

Personal or corporate name of the significant shareholder	Personal or corporate name of the company or entity of the group	Nature of the relationship	Type of transaction	Amount (Thousands of Euros)

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:

Not applicable

Personal or corporate name of the directors or executives	Personal or corporate name of the related party	Relation	Nature of the relationship	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:

Not applicable

Corporate name of entity within group	Brief description of the transaction	Amount (Thousands of Euros)

Observations

D.5. Outline the significant transactions entered into with the company or entities within the group and with other related parties, which are not reported in headings above.

Corporate name of related party	Brief description of the transaction	Amount (Thousands of Euros)
Atlantica Yield	Sale of 25 %	USD$ 514,670,123
Atlantica Yield	Algonquin Power & Utilities bought a total of 16,503,348 shares of AY (representing 16.47 of the share capital	To be established
AAGES	Abengoa Perú reached an agreement with AAGES to transfer ATN3.	To be established
Atlantica Yield	Second Omnibus de Solana.	To be established
Atlantica Yield	Sale of Solana and Mojave lands.	To be established
Atlantica Yield	Omnibus de Mojave.	To be established
Algonquin	Agreement in which Abengoa warrants and undertakes to compensate Algonquin in the event that there is reduction in the annual dividend shared by Atlantica Yield derived from the performance of the Solana and Kaxu plants.	To be established
Atlantica Yield	Sale of certain credit rights against solar plants owned by Atlantica Yield.	To be established.
Atlantica Yield	Estoppel Agreement	To be established

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 other companies listed in Spain and their relationship with the company:

Not applicable

Identity and relation with other listed companies of the group

State whether they have publicly and accurately defined their respective areas of activity and any possible business relationships among them, as well as those between the listed dependent company and the other companies within the group;

Not applicable

Describe the possible business relationships between the parent company and the listed subsidiary, and between the subsidiary and the other companies within the group
Not applicable

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 Control and Risks 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. Its purpose is to obtain an integral vision of these risks, 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 Control and Risks Management System, including the system for managing tax risks.

The determination of the control and risks 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, in the manner of significance, that may derive from corruption (the latter understood under the scope of Royal Decree Law 18/2017), 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.
- Risks derived from delays and cost overruns in Engineering and construction activities 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.
- 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.
- 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 Abengoa's short- and medium-term liquidity needs.
- Risks related to the impossibility of completing the divestiture plan.
- Risks related to the sale of the shares in 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 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 underwritten by Abengoa may be insufficient to cover the risks entailed in the projects, and the costs of the insurance premiums may rise.
- The activities of the company may be negatively affected by natural catastrophes, extreme climate conditions, unexpected geological conditions or other physical kinds of conditions, as well as by terrorist acts perpetrated in some of its locations.
- Abengoa's activities may be affected in the event of geopolitical conflicts, including terrorist acts perpetrated at some of its locations.

Abengoa's activities may be affected in the event of geopolitical conflicts, including terrorist acts perpetrated at 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 would have 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.

In addition, Abengoa has various insurance programs in place that would allow the adequate transfer of the greater part of such risks to the insurance market.

E.5. State what risks, including tax risks, have materialized during the financial year.

Abengoa endured certain risks during the 2018 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. Recent financial years have witnessed various amendments to regulations have taken place in the jurisdictions where Abengoa operates (mainly in the United States and Brazil), mainly in relation to activities 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. After said period of negotiations, the Company reached an agreement with its financial debtors that allowed it to complete the financial restructuring in March 2017. Nevertheless, said restructuring agreement, which was supported by 93.97 % of the financial debtors to whom it was addressed, was challenged by a series of financial debtors. 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 a result of the above, was excluded, amounts to approximately € 76 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.

In relation to the above, the Company started negotiations with the challenging entities for the purpose of reaching a satisfactory agreement.

After the culmination of the restructuring process in March 2017, to ensure the feasibility of the company and of the Abengoa Group and be able to competitively and sustainably continue with its activities in the future, if necessary:

- To have a stable platform that may grant access to new sources of liquidity financing like those of sureties.
- To access new bonding lines in order to ensure the growth of its Engineering and Construction business.
- To maintain an adequate financial structure for the business model to be developed in future.

In relation to the above, in the middle of 2018 the Company started negotiations with its main creditors as established in the following milestones:

1. The signing, on 30th September 2018, Abengoa of a term sheet consisting of terms and conditions, subject to the terms and conditions specified hereunder, including the signing of the final document for the purpose of establishing the bases of the aforementioned financial restructuring that includes, among other things, the granting of cash in the maximum amount of 97 million Euros, and new bonding facility in the amount of 140 million Euros, for financing the liquidity and bonding needs of the group (Financing Agreement).

The Financing Agreement implies modifications in the structure of the financial debt of the group, mainly as follows:

- The issuance of a convertible instrument that is convertible into shares at A3T level for a maximum amount of € 97 M, scheduled to mature in 2023 and with and annual turn out of 9 % ("Convertible A3T").
- The conditions of New Money 1 and 3 remain currently unaltered, and its payment is expected once a long-term financing deal is closed on A3T.
- 45 % of the nominal amount of the New Money 2 as well as the € 65 M cash-flow line acquired by the group in November 2017, and increased in May 2018, have become financings that have the sole resource as the A3T asset and improves the economic conditions of the debtor.
- The creditors who own the remaining 55 % of the New Money 2, which is held in Abenewco1, including the bonding entities, will consent to relinquishing the application for the payment of their debt from the funds obtained through the issuance of the convertible as well as from funds that may be obtained from a divestiture of the assets in a future and modify their economic conditions.
- Surrender an instrument that is compulsorily convertible into shares representing up to 22.5 % of Abenewco1 to creditors of the New Money 2 in Abenewco 1, to holders of the Convertible A3T and to members of the so-called Ad Hoc Committee.

The Financing Agreement is subject to the performance of certain conditions precedent as well as to the obtaining of the necessary consents by the creditors in accordance with the current financial instruments.

2. The agreement reached in December 2018 with a group of investors who hold significant shares in the Old Money instruments for the restructuring of the Old Money entailed allowing the optimization of the financial structure of the Group, thus facilitating the access of new financing in future. The terms and conditions of said restructuring, the describing of which is summarized below, have also been offered to the challengers.

- A new company, Abenewco 2 Bis, will be created and the shares held in Abenewco 1 will be invested in the ownership of Abenewco 2, which will assume the Senior Old Money debt.
- The instruments of the Senior Old Money, which will maintain its actual value while modifying its economic conditions, will be exchanged for convertible instrument issued by Abenewco 2 Bis. Upon maturity, payment shall be made using the Group's free cash-flow available above a minimum and anything not met in cash shall be compulsorily converted into shares of Abenewco 2 Bis representing up to a maximum of 100 % of its share capital.
- The instruments of the Junior Old Money, which will maintain its actual value while modifying its economic conditions, will be exchanged for two convertible instrument issued by Abenewco 2, the first in shares representing up to a maximum of 99.9 % of the share capital of Abenewco 2 and the second, to be converted only when the first has been converted, into shares representing 49 % of the share capital of Abenewco 2. Upon maturity, payment of the first instrument shall be made using the Group's free cash-flow available above a minimum to be specified and anything not met in cash shall be compulsorily converted into shares of Abenewco 2 Bis.
- The new instruments shall be respectively due on the date it five years or five years and six months from the date of issue with the possibility of extension for periods of one year up to a maximum of five additional years at the option of the creditors.
- The order of conversion of these instruments shall be based on the actual precedence of the instruments that may substitute them.

3. In the implementation of the aforementioned agreements, on 31st December 2018 the signing of a Lock up Agreement with a group of financial entities and investors holding the greater part of the New Money 2, the Syndicated Bonding Facilities and the Senior Old Money as well as the insuring entity of the new liquidity, by virtue of which, among other things, said creditors agreed as follows: (i) to leave the exercise of certain rights and actions that may be taken against the relevant companies in the Group in suspense until before the following dates: the date on which the Lock-up Agreement expires in conformity with its own terms and conditions or the so-called Long-stop Date which was initially 31st January 2019 but was later extended to 14th March 2019 and subsequently to 31st March 2019 (The Long-Stop Date); (ii) to take all the actions necessary to support, facilitate, implement, execute or, in any other manner, to render the financial restructuring proposal and, in particular, to initiate negotiations with the aim of agreeing on and signing a restructuring agreement not later than the Long Stop Date, and (iii) to agree not to sell or transfer the debt in any other manner until the Long-Stop Date or the date of the termination of the Lock-up Agreement, except under certain circumstances.

Upon the signing of the Lock-up Agreement, the rest of the creditors of the New Money 2, bonding entities and creditors of the Old Money, as well as the challengers were requested to adhere to the Lock-up Agreement in accordance with the procedures established and reported in the Relevant Event published thereof on 31st December 2018.

On 28th January 2019 the majority necessary for the Lock-up Agreement to be effective was attained. Subsequently, on 31st January 2019, Abengoa reported the extension of the Long Stop Date for the maturity of the Lock-up Agreement to 14th March 2019, which was later extended once again to 31st March 2019.

On 22nd February 2019 the Company asked for the consent of the holders of the bonds of the New Money 2, Senior Old Money and Junior Old Money to modify certain terms and conditions of the bonds and to sign the restructuring agreement.

Subsequently, on 27th February 2019, the Company announced the convening of the Extraordinary General Meeting of Shareholders (hereinafter, EGMS) to be possibly held on 28th March 2019 on second call, for the approval of certain agreements in relation to the restructuring

On 11th March 2019 the Company announced that it had, together with various companies of the group and a group of financial creditors with part in the existing financial debt, signed a restructuring agreement (Amendment and Restructuring Implementation Deed) (the Restructuring Agreement) for the purpose of modifying the terms and conditions of the existing financing and to restructure the group's financial debt (the Restructuring) under terms and conditions set forth above, thus commencing the period of commitment on that very date.

On 28th March 2019 the Extraordinary General Meeting, held on second call approved the proposed agreements relating to the restructuring and, on 29th March 2019, once the period of commitment to the restructuring agreement ended, the Company reported that it had obtained the supports necessary from the financial creditors for the implementation of the restructuring operation. Notwithstanding the above, it requested an extension of the date for rounding up the transaction to the 11th April 2019, a date that was also extended on two occasions until 26th April 2019. The restructuring operation was finally completed on 26th April 2019 with the application for the judicial endorsement of said agreement set to be submitted within the next few days. It is however important to point out that said judicial endorsement is not a condition for the effectiveness of the restructuring agreement which came into effect on the date set forth above.

In addition, on 11th April 2019, A3T, a subsidiary that is wholly owned by Abengoa, entered into a bridge-financing agreement with a group of financial entities for the purpose of refinancing the NM1/3. When the conditions for its reimbursement were met it was done on 25th April and the NM1/3 was fully repaid on 26th April 2019.

E.6. Explain the response and supervision plans for the main risks of the entity, including tax risks, as well as the procedures followed by the company to ensure that the board of directors respond to the new challenges that may surface.

Generally, Abengoa has some Common Management Systems in place that are compulsory for the company. They identify a series of risks in the various scopes of the company, and establish their operational standards and procedures, focusing on the mitigation of the risks, such that, in Abengoa, managing business is practically the same as managing risks.

In addition, in each of the processes and projects, Abengoa performs a risks analysis in which an action plan is established to mitigate the risks identified, passing through the mitigation of the probability and the potential impact that the risk may entail, the transfer to third parties, and self-insurance plans.

F. Internal risk control and management systems in connection with the process of issuing financial information (ICFRS)

Describe the mechanisms making up the risk control and management systems with respect to the process of issuing the entity's financial information (ICFRS).

F.1. Control environment at the entity

Indicate the following, at least specifying the main features:

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; and (iii) oversight.

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 of it, pursuant to the Regulations of Abengoa's Board of Directors, is the Board of Directors and, within it, the duty of supervision is conferred 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.

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.
- Requires the most complete, just, precise, timely and intelligible information 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.
- Tackles actual or possible conflicts of interests and provides guidance to ensure that employees, managers and directors report such conflicts to Abengoa.
- The interruption of the poor use or poor application of Abengoa's properties and business opportunities
- The maximum level of confidentiality and fair treatment in and outside Abengoa.
- The immediate internal reporting of any breach of said Code of Conduct and the appropriate reporting of all illegal behaviour.

All information made public and all media releases deemed to be affecting Abengoa must first be approved by the Board of Directors or by the Board Chairman or by whoever may have been previously entrusted with performing such duty.

Its appropriate monitoring is a source of profitability and security in the execution of the activities of Abengoa. These standards ensure the veracity and reliability of the financial information.

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.

Thus, 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 reporting channel is via 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 2018 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 risks 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, completeness, assessment, 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 with which assurance may be given that a specific act may give rise to an event with negative impact on Abengoa.
- Impact on the Company: Group 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 the following and, if possible, at least specifying the 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, if possible, 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 Committee.

The legal consultancy department holds regular committee meetings with the various 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 them, 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 the 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 the following, at least specifying the 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 revise the internal control and risks management system so that the main risks, including those of a fiscal nature, are identified, managed, and properly disclosed, including a discussion of the 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 determining of the salary scale of its Director; to obtain regular information on the activities and on the budget of the unit; and to verify that the senior management considers the conclusions and recommendations of their reports.

The Audit Committee's functions entail supervising the internal audit unit 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 unit is structured around seven functional areas:

- Internal Control
- Financial Audit
- Projects Audit
- Specific Risks Audit Monitoring
- Fraud Prevention Audit
- Non-Financial Audit
- Systems Audit

The internal audit team comprises of 14 professionals. The main characteristics of the team are as follows:

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.
- Analyzing 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 risks following 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).

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 submit an annual report to the economic-financial director and the Audit Committee detailing the weaknesses they detected regarding internal control while performing their work.

F.6. Other significant information

In 2018 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 the valid laws.
- 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, state the 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 PricewaterhouseCoopers Auditores, S.L., which is also the Group's main auditor.

G. Degree of compliance with 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 general nature are not 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 restrictions on the takeover of the company by means of share purchases on the market.

Compliant

See headings: A.12, B.1, B.2 and C.1.20

2. When a dominant and subsidiary company are both listed, they should provide detailed disclosure on:

a) Their respective areas of activity and any possible business relationships between them, as well as those between the listed subsidiary and other companies within the group;

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 and, in particular:

a) Changes that have taken place since the last ordinary 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 that exclude 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 that excludes 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 and 2018, the Board of Directors submitted the proposals 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 used the authorized delegation of capital.

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) Reports of the operation of the audit committee and the appointments 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 has, over the last years, passed through 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 the Company is currently engaged in, Abengoa's Board of Directors decided against a live web broadcast of its 2018 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. 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 that, in the exceptional situations in which there may be qualifications, both the chairman of the Audit Committee, and the auditors, must clearly explain the nature and scope of said limitations or qualifications, to the shareholders.

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 the 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 the company plans to pay bonus for attendance at the general meeting, it should first establish a general long-term policy on such bonus and said policy should be stable.

Not applicable.

No attendance bonus was paid during the 2018 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 based on the principles of good faith, ethics and respect for usage and commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and all other stakeholders who may be affected, 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 promote the goal that the number of female directors represents at least 30 % of all members of the board of directors by 2020.

The appointment 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 necessary, bearing in mind the complexity of the corporate group and the percentage of ownership interests they control in the company.

Compliant

See headings: C.1.2 and C.1.3

16. The percentage of proprietary directors out of all non-executive directors should not be 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 headings: 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. After verification by the appointments committee, the annual corporate governance report should provide explanation on why proprietary directors are appointed at the request of shareholders whose shareholding interest is less than 3 % of the capital; and should explain 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 for the appointment of proprietary directors were accepted.

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.1.19

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 shall be presumed to exist when directors take up new posts or responsibilities that prevent them from allocating sufficient time to the work of a board member, or are in breach of their fiduciary duties or deemed to have incurred in any of the circumstances that may nullify their classification as independent, in accordance with the stipulations of the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transactions alter the company's capital structure, when such changes in board membership structure ensue from the proportionality criterion set out in recommendation 16.

Compliant

See heading C.1.19

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, decide 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 headings: C.1.19 and C.1.36

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, independent and other directors not affected by potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the board takes significant or reiterated decisions about which a director expresses serious reservations, the director should draw the pertinent conclusions and, if he or she decides to resign, such director should set out the 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 relevant event, the reason for the resignation should be explained in the annual corporate governance report.

Compliant

25. The appointments committee should ensure that non-executive directors have sufficient time available to effectively discharge their responsibilities.

The board of directors' regulations should set forth the maximum number of company boards on which directors can serve.

Compliant

See heading C.1.12

26. The board should meet with the necessary frequency to properly perform its functions, eight times a year at least, following a calendar-based programme and agendas set up at the start of the year, to which each director may propose the addition of initially unscheduled items.

Compliant

See heading C.1.25

27. Director absences should be kept to a strict minimum and quantified in the annual corporate governance report. If such absence is inevitable, directors should delegate their powers of representation with the appropriate instructions.

Compliant

See headings: C.1.25 and C.1.26

28. When directors or the secretary express concerns about a specific proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the board 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 for the execution of their duties, including, if necessary, external consultancy at the company's expense.

Compliant

30. Regardless of the knowledge that directors must possess for the execution of 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 information they need for such decision.

If, for reasons of urgency, the chairman wishes to present decisions or resolutions to the board for approval, which are not included on the meeting agenda, such exceptional circumstances shall require the duly minuted prior and express consent of the majority of directors present.

Compliant

32. Directors should be regularly informed of movements in share ownership and of the views of significant 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 coordinating 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: preside over the board of directors in the absence of the chairman or vice chairmen, if possible, giving 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 entire board should conduct an annual assessment and, if necessary, prepare 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 assessment 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 appointments committee.

Every three years, the board of directors should engage an external facilitator to aid in the assessment process. This facilitator's independence should be verified by the appointments 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 assessed should be detailed in the annual corporate governance report.

Compliant

37. If an executive committee exists, its membership mix by director class should resemble that of the board and the secretary of the board should also act as secretary to the executive committee.

Not applicable

38. The board should always be kept fully informed of the businesses transacted and decisions made by the executive committee. To this end, all board members should receive a copy of said 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, directly reporting 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 regards 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 audits committee should summon any company employee or manager, and even order them to appear without the presence of any other 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 risks management and control 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 heading E.

46. The company 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. Members of the appointment and remunerations committee -or of the appointments committee and remunerations committee, if separately constituted- should have the right balance of knowledge, skills and experience for the functions they are called upon 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 appointments committee and remunerations committee.

Explain

Pursuant to Article 44 bis of the Bylaws of Abengoa, the Board of Directors shall create and maintain, compulsorily and permanently, an Appointment and Remunerations Committee.

On the referenced date of this report, the Board of Directors of Abengoa consisted of seven members, six of them external, and two consultative Committees –the Audit Committee and Appointments and Remunerations Committee– each of them consisting of three independent board members. The number of board members, though lower than normal in comparable listed companies, and its qualitative distribution is deemed appropriate for the Company's current needs. This composition is a result of the Restructuring Agreement signed by the

Company on 24 September 2016, which gave rise to the reformation of the internal regulations of Abengoa and to the reorganization of its governing body.

Thus, the dividing of the Appointments and Remunerations Committee and Good governance will generate inefficiencies, especially derived from the additional needs of funds, without clear justification in terms of improvement in the functioning of the governing body. For that reason, the Board of Directors has no intention of proposing the modification of Article 44 bis of the Bylaws to the Shareholders' General Meeting.

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 appointments committee to propose candidates that such director deems suitable.

Compliant

See heading C.2.1

50. The remunerations committee should operate independently and, in addition to those assigned by law, should perform the following functions:

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 remunerations committee should consult 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 board of directors' regulations should include the terms of reference of supervision and control committees and should be consistent with those governing legally mandatory board committees, as recommended above, including 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 include the principles or commitments the company voluntarily adheres to in its dealings with various groups of stakeholder and should at least identify the following:

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. Remunerations of executive directors should be based on variable remunerations depending on the company's and on director's performance, including the award of shares, options or any other rights over shares or instruments based on share price, and long-term savings schemes such as pension plans, retirement or other social welfare systems.

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, as the case may be, 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 was deemed that the board members 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 who may only have exercised their duties for part of the time, as long as for at least 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 through 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 and that said criteria takes into account the risk assumed in obtaining 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 risks management and control 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 sustainable 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 been effectively met.

Compliant

60. Remuneration linked to company earnings should bear in mind any possible qualifications that may be stated in the external auditor's report and that may reduce said earnings.

Compliant

61. A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments with the value linked to the share price.

Explain

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 of such although the inclusion of shares or options in the remunerations of executive directors would require the approval of the General Meeting on the proposal of the Board of Directors following a report from the Appointments and Remunerations Committee.

Notwithstanding the above, given the interest demonstrated by the shareholders of the Company and in meeting the commitments they assumed with their financial creditors within the framework of the Restructuring Agreement signed in March 2019, the Board of Directors' Meeting held on 25th February 2019 prepared a proposal for submission to the Extraordinary General Meeting of Shareholders convened for 27th and 28th March 2019 on the modification of the Remunerations Policy applicable for 2019 and 2020 entailing the implementation of a new incentives plan, of which the Executive Chairman shall be beneficiary, whose remuneration shall be paid in the shares of Abengoa and Abenewco 1, under the terms and conditions outlined in the 2018 Annual Remunerations Report. Said proposal was finally approved by the Extraordinary General Meeting.

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 fixed annual remuneration, and should not 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, as the case may be, to defray costs related to their acquisition.

Not applicable

63. Contractual arrangements should include provisions that permit the company to claim the reimbursement of variable components of remuneration in the event that the payment was out of step with the director's actual performance or based on data subsequently found to be misstated.

Compliant

64. Contract 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 the director 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. This section may also include any other information, clarification, or comment relating to the previous 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 20th July 2010.

A.1 - Rights inherent in Class A and Class 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 to 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 into 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.

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).

B.4 Attendance to the General Meeting

The Extraordinary General Meeting of Shareholders of Abengoa convened to be held on second call dated 2nd October 2018 could not be held for lack of quorum. Only a total of 33,395,068,309 votes were in attendance, present and represented, which represents 18.62 % of the share capital of the company.

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 to social responsibility through the implementation of ten principles based on human, labour and environmental rights and the fight against corruption.

And in 2007 the Company signed the Caring for Climate initiative, also of the United Nations. As a result, Abengoa has implemented a system of reporting emissions of greenhouse gases (GHGs), which allows it to calculate its emissions of greenhouse gases, trace all its supplies and certify the products and services it offers.

On 26 July 2010, the Company's Board of Directors agreed on the company's full and complete 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 29th April 2019.

State whether any directors voted against or abstained in connection with the approval of this Report.

No

Personal or company name of director that did not vote in favour of the approval of this report	Reasons (opposed, abstained, absent)	Explain the reasons

Observations

02. Annual report on remuneration of board members (ARR)

A. The company's remunerations policy for the on-going year

A.1. Explain the current directors remunerations policy applicable for the on-going financial year. If deemed relevant, include specific information as reference to the remunerations policy approved by the general meeting of shareholders, as long as the inclusion is clear, specific and concrete.

It should include a description of the specific conditions for the on-going year, both for the remunerations of the directors for their condition as such, for example, for holding executive director positions, that a director may have held in accordance with the stipulations in the contracts signed with the executive directors and with the remunerations policy approved by the general meeting.

Be what the case may, the following aspects should at least be reported:

› Provide a description of the procedures and organs of the company involved in the determination and approval of the remunerations policy and the conditions.

› Indicate and if possible, explain whether companies of similar nature were taken into account in establishing the company's remunerations policy.

› Give information on whether external consultants participated and, if so, identify such consultant.

At Abengoa, S.A. (hereinafter, "Abengoa" or the "Company" or the "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 re-launching 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 measureable performance indicators.

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 directors reflected in this report was approved by the Ordinary General Meeting of Shareholders held of 30 June 2017. The remunerations policy was prepared, discussed and signed in the meeting of the Appointments and Remunerations Committee. The proposal was submitted to the Board of Directors, approved thereby as proposal to the General Meeting and approved by the General Meeting on the date indicated. Notwithstanding the above, the Board of Directors' Meeting held on 25th February 2019 agreed to submit a proposal to the Extraordinary General Meeting scheduled for 27th and 28th March 2019 respectively, for the modification of the Remunerations Policy applicable for the 2019 and 2020 financial years under the terms and conditions set forth in Section A.2 following. Said modification proposal, which was approved by said Meeting, was studied by Mercer Consultants.

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.

Regarding the Appointments and Remunerations Committee, it is set forth in the bylaws and in Abengoa's Board of Directors regulations that 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 the 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.

In the 2018 financial year 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 served as secretary of the Appointments and Remunerations Committee during the 2018 financial year, but resigned from his post effective 1st January 2019.

The current criteria approved by the Ordinary General Meeting in 2017 used for establishing the remunerations policy for directors are in accordance with the stipulations of the Corporate Enterprises Act (Articles 217 to 219, 249 and 529 sexdecies to 529 novodecies), 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

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 through the award of shares or their options rights or their amounts referenced to 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; and

(f) the savings or forecast systems deemed appropriate.

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.

At present, from among the various possibilities contemplated in Abengoa's internal regulations, the remuneration of directors as such are concretized in (A) fixed annual salaries for each of the following situations: (a) membership of the Board of Directors, (b) membership of Board of Directors' Committees, (c) performance as coordinating director (when not presiding over any of the committees), (d) Chairmanship of the Board of Directors (except if held by an executive director with delegated powers) or of any of its committees and, in addition, (B) a variable remuneration that, when accrued, will not be payable until 2021. The specific amounts are listed in the next section of this report, taking into account the distribution of contents defined by the standard template.

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.

Besides the amounts associated with the performance of the post and duties, the Company (a) shall underwrite a civil liability insurance and (b) shall separately reimburse, without such being deemed a remuneration, the directors' 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.

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.

From 22nd November 2016, the date of the Extraordinary Shareholders' General Meeting to the end of the 2018 financial year, or from then up to the date of the approval of this Annual Remunerations Report by the Appointments and Remunerations Committee, no other director, all being independent as already indicated, has received any remunerations (order than that for being the Company's board member) for the performance of executive duties or for tasks or responsibilities entrusted then by the Company or entities of its group.

› State the relative importance of the variable remuneration items with regards to fixed (mix remuneration) and the criteria and objectives considered in determining them and guaranteeing an appropriate balance between the remuneration's fixed and variable components. Specifically, outline the actions taken by the company in relation to the remuneration system to reduce its exposure to excessive risks and to adjust them to the long-term goals, values and interests of the company, which will include, if possible, a reference to the measures put in place to ensure that in the remuneration policy the company's long-term results are met, the measures taken in relations to categories of personnel whose professional activities bear material repercussion on the profile of the risks of the entity and the measures envisaged to prevent conflicts of interests, as the case may be.

Also indicate whether the company established a date, for the accrual or consolidation of specific variable remuneration items like shares or other financial instruments, a period of deferment in the payment of amounts or in the award of financial instruments already accrued and consolidated, or whether the company agreed on a clause of reduction in the deferred remuneration or which forces the director to return remunerations received if such remunerations were paid based on information that is later found to be clearly and unquestionably incorrect.

A) The quantification of the variable items and their relative importance with regards to fixed amounts in the remuneration of the Company's directors, both independent and executive directors, are fixed with the aim of attaining a balance that is in line with the Company's financial situation and that, at the same time, constitutes a possible complement of the current fixed remuneration of the directors for the performance of their duties, on the condition that they meet the target and specific goals set for 2020, defined as the determining factors of their accrual.

The setting of said conditional variable remuneration was decided upon in 2017 bearing in mind that the established fixed remuneration may be considered reduced for (a) the dedication to and the complex nature of the duties that directors have to perform for the Company and (b) the specific qualification required for better serving the corporate

interests in the difficult context of financial tensions and uncertainty of the consolidation of its new business model, in comparison with the performance of the duty of director in other listed companies not in situations comparable to that of the difficult situations of Abengoa after its 2015 financial crisis.

The variable remuneration in question was postponed to 2021 and on the condition that by 2020 the Company of the group would have attained the specific goals and objectives to which the accrual of the Long-term Incentive package of the executive directors is also conditioned. The determinant goals and objectives are indicators deemed appropriate to justify that the situation of economic and financial uncertainty has been conquered and that the feasibility of the business model defined after the crisis that arouse in 2015 has been consolidated.

The amount of the variable remuneration was calculated, as detailed further below, into an amount equal to half of the fixed remunerations that each director, whether independent or executive, received strictly for the performance of their duties as members of the board of directors performing the collective tasks of the board itself from 22nd November 2016 to 31st December 2020 (therefore explicitly excluding remunerations received by the executive director for the performance of its duties as such). This means that if the conditions are met for the accrual, the variable remunerations of the directors will increase the total amount of their fixed remuneration, the only amounts received up until then, complementing such by 50 % of the accrued for each director until that date and reaching a total amount much befitting the remuneration deemed necessary to offer for attracting and retaining the professionals with the qualifications of those who should form part of the Board of Directors until the end of 2020.

The additional maximum that may be accrued, which will altogether not be more than € 2,320,000 in 2020, as variable remuneration for the performance of the duty of director during the period of more than 4 years, as well as the conditions to which they are pegged, which are the same as those set for the accrual of the Long-term Incentives of the team of directors (EBITDA, coefficient of conversion of this operational benefit in cash, degree of indebtedness associated with the new activity after the financial crisis, and the on-market evaluation of the senior debt derived from the financial crisis), does not amount to, but a reduction of, exposure to the assumption of excessive risks by decisions of the Board of Directors and an encouragement of the adjustment of management decisions incumbent upon the Board of Directors to the Company's long-term goals and objectives, values and interests.

The amounts of the variable remuneration and the determining goals and objectives of the accrual, being defined as such, it was not deemed necessary to take particular or specific measures with regards to any category of personnel or directors whose professional activities bear material repercussion on the profile of risks of the Company or its group, or for preventing conflicts of interests as a result of the variable remuneration scheme designed, that was not identified.

B) The accrual of the variable remuneration described above for non-executive independent directors (that is, all directors except for the Executive Chairman) will only take effect at the close of 2020. Nevertheless, no period of consolidation for deferred payment has been set up for after that time. Neither are there any rules on the obligation of non-executive directors to return remunerations received if the payment of such remunerations was based on information later discovered to be untrue and as demonstrated incorrect.

With regards to the variable remuneration of the Executive Chairman (both annual and pluri-annual) derived from his contract for performance of his duties as top executive of the Company, indeed there is the obligation to return remunerations received based on untrue information and demonstrated as incorrect. The Executive Chairman is, by virtue of his contract, under obligation to reimburse the variable components of his remuneration, both annual and pluri-annual, that may have been paid 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.

› Amount and nature of the fixed components expected to accrue during the year for the directors in their conditions as such.

The remunerations of Abengoa's directors as such consist of (A) fixed annual amounts that accrue depending on the attendance of Board of Directors sessions and, where possible, the Committee membership. These amounts vary based on membership and, as the case may be, the chairmanship that each director holds on the Board and on the Committees, and (B) a variable remuneration.

Regarding the fixed remuneration (A) the accrual of the relevant amounts depends on the director's attendance of the sessions of the relevant organ. Below is a list of the items.

- For board membership: As maximum, € 80,000 annually, at the rate of € 8,000 per session.
- For membership of any committee of the Board of Directors: € 10,000 per year for each session, 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 year, 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 amounts set forth above are 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.

› Amount and nature of the fixed components that will accrue for the top executive of the executive directors' performance of the duties during the year.

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 2019 financial year as € 1,000,000, similar to that of 2018. Should other executive directors 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 and that, in the case of Mr. Urquijo, the Company reimburses him upon justification of the costs.

Abengoa shall assume the expenses of security, displacement, communication media and others incurred in relation to the performance of duties, without such being a reward.

› Amount and nature of any component of the remuneration in kind that will accrue during the year, including, but not limited to, insurance premium paid for the director.

As remunerations in kind, the Executive Chairman receives a life and accidents insurance plus that of health (€ 26,417.93 and € 12,800 respectively).

Likewise, it be noted that all of Abengoa's board members are covered by a civil liability policy engaged by the Company under normal conditions of the market (€ 589,875.57).

› Amount and nature of variable components, separated between those set for short- and long-terms. Financial and non-financial parameters, the latter including social, environmental and climate change, selected for determining the variable remuneration in the ongoing financial year. Explanation of the scale to which such parameters bear relation with the performance, both of the director, as well as the entity and with its risk profile, and the methodology, period necessary and the techniques envisaged for determining, at year end, the degree of performance of the parameters used in the design of the variable remuneration.

Indicate the monetary range of the various variable components based on the degree of performance of the set goals and objectives and parameters, and whether a maximum monetary limit exists in absolute terms.

(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 [ ] in relation to the pluri-annual variable remuneration of the Executive Chairman as director with executive duties.

The maximum amount for said single payment, should it accrue, shall 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, should he appoint other directors with executive duties, these other executive directors) shall receive variable remunerations with double components – one annual and another pluri-annual - 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, 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 director 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 directors, the Board of Directors is entitled, following a report from the Appointments and Remunerations Committee, to 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 director 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 to other indicators relating to the business of the Group as already established. Based on such criteria a range of total variation of the variable remuneration of the executive director 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 2018 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. The variable remuneration of all the beneficiaries was defined, specifically, with two components and subject to the requirement set forth by the Company at the time of the liquidity necessary for the payment of the amount that, as the case may be, could have accrued:

(a) the first component of the variable remuneration was linked to the sale or to obtaining financing, partially or totally, for (i) residual interest of 16.5 % of the capital of Atlántica Yield held by Abengoa at the start of 2018 - object of an adjustment of 60 % in this component (a) - and (ii) the shares Abengoa holds in Project 3T in Mexico - object of the 40 % shares in this component (a) - and

(b) the second component will include a variable remuneration for each of the group of directors based on their level of responsibility (putting the executive director on equal footing with the other members of the Executive Committee for that purpose):

(x) an amount identified as "corporate ordinary variable" whose accrual remains linked to the achievement of seven general objectives of the business of the group in the 2018 financial year - (i) EBITDA from the activity defined as conventional for the future (excluding, therefore, concession incomes), (ii) liquidity (defined as cash income from the EBITDA of the same conventional activity), (iii) construction work (also from conventional activity), (iv) gross margin of the contract, (v) volume of the contract, (vi) reduction of general expenses and (vii) improvement of the safety and security index of workers -, each of them are attributed with a specific adjustment (of 25 % for the first two, 15 % for the second two, 10 % for the fifth and 5 % for the last two) and a minimum and maximum performance bracket of 80 % to 140 % (except the safety and security objective, which has a bracket of between 100 % and 120 % and as long as no accident occurs that result in death); each objective is attributed a proportional amount for being met within the bracket (with zero (0) value if met below the minimum bracket and 120 % if met above that percentage) and it is also required that the performance of the first two requirements be

met by at least the minimum of 80 % as condition precedent (trigger factor) for the accrual to the beneficiaries of any amount for that "corporate ordinary variable"; plus,

(y) another amount linked to the assessment of the beneficiary and the results from his/her business unit, with a different relative weight of (x) and (y) for each level of responsibility, variable remuneration is attributed to the executive director and other members of the Executive Committee only for the "corporate ordinary variable", while the weight of this "corporate ordinary variable" is less than 100 % for other groups of directors and a possible receipt of a part of the variable incentive is recognized for them for the individual assessment that the beneficiary deserves and for the results of his/her business unit.

On the proposal of the Appointments and Remunerations Committee, after the Board of Directors analyzed the performance or non-performance of the variable described in letter a) in its session held held on 21st January, it resolved that section i) was performed but that section ii) was not, thus recognizing the accrual of the 60 % of the variable set forth as Section B.

Regarding section b) of the variable, on the proposal of the Appointments and Remunerations Committee, in its session dated 21st January 2019, in light of the outcomes, the Board of Directors deemed 95.4 % of the goals and objectives of the "ordinary corporate variable" performed and thus gave instructions that the process of evaluating the specific objectives be completed in area or function subject to variable.

(b.2) Pluri-annual Variable Remuneration

Executive Board Members, as members of top management of Abengoa, can enter the system of the pluri-annual 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 withholding and incentives plan, 2017-2020 ("ILP") and whose conditions are listed below in this report, 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 and whose conditions are outlined further in this report.

Likewise, as already indicated, the Board of Directors' Meeting held on 25th February 2019 issued a proposal to the Extraordinary General Meeting of Shareholders convened for 27th and 28th March on the approval of a modification of the Remunerations Policy applicable for the 2019 and 2020 financial years with the aim of implementing a new long-term (2019-2024) incentives plan, compatible with the previous, for which the Executive Chairman will be beneficiary Said proposal was approved.

As regards the Executive Chairman (the sole executive director on the date of signing this report), the potential aim of said plan is the withholding and motivation, to incentivise dedication and commitment to the Company.

› **Main characteristics of the long-term savings systems. Amongst other information, indicate the contingencies covered by the system, whether defined contribution or benefit, the annual contribution that should be made to the defined contribution systems, the benefit to which the beneficiaries may be entitled in the case of defined benefit systems, the conditions of consolidation of economic rights of directors and its compatibility with any kind of payment or compensation for closure or early termination, or derived from expiration of contractual relationship between the company and the director, under the terms and conditions envisaged.**

It should be clarified if the accrual or consolidation of some of the long-term savings plans is linked to the achievement of specific goals and objectives relating to the short- and long-term performance of the director.

The remunerations package of Abengoa's board members does not include any long-term savings system.

› **Any kind of payment or compensation for closure or early termination or derived from expiration of contractual relationship between the company and the director, under the terms and conditions envisaged, whether the termination is voluntary by the company or the director, as well as any kind of agreements reached, such as exclusivity, post-contractual non-competition, lock-up and loyalty pledge, that may entitle to any kind of payment.**

There no plans to pay any compensations 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 reported in the section below.

› State the conditions that should be met in contracts of those holding top management posts as executive directors. Amongst others, report on the duration, limits on the amount of the compensation, the lock-up clauses, the prior notification period, as well as the payment in exchange for said prior notification period, and any other clauses relating to hiring bonus (retainer), and compensations or golden parachutes for early termination or expiration of contractual relationship between the company and the executive director. It should include the non-competition, exclusivity, lock-up or loyalty pledge, and post-contractual non-competition agreements, except if already explained in the section above.

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 Araoz, 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 of the issuance of the 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 annual fixed and 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 fixed annual and that received in the last years as variable remuneration. The compensation does not exclude the right to claim other damages that could 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 (termination instigated by the Executive Chairman because of a change in the control of the group shall not be considered voluntary), 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 owes 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 pluri-annual, 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.

› The nature and estimate of any other complementary remuneration that may accrue for directors during the ongoing financial year in consideration for services rendered other than those inherent in their duties.

On the date of this report, no complementary remuneration had accrued for any director as payment for services rendered other than those inherent in director duties or, in the case of the Executive Director, than those inherent in his duties as chief executive.

› **Other remuneration items like those derived, if possible, from the company's concession to the director as advance, credits and guarantees and other remunerations.**

On the date of this report, there are no advances, credits or guarantees granted to members of the Abengoa's Board of Directors.

› **The nature and estimate of any other envisaged complementary remuneration not included in the sections above, whether payable by the company or another entity of the group, which may be accrued by directors during the ongoing financial year.**

There are no other items payable other than those set forth in sections above.

A.2. Explain any relevant change in the remuneration policy applicable during the ongoing financial year derived in:

› **A new policy or a modification of the policy already approved by the Meeting.**

› **Relevant changes in the specific decisions taken by the board on the valid remunerations policy for the ongoing financial year with regards to that applied during the previous financial year.**

› **Proposal that the board may have decided to submit to the general meeting of shareholders to which this annual report will be submitted and which they propose to apply during the ongoing financial year.**

In its session held on 25th February 2019, and on the proposal of the Appointments and Remunerations Committee, the Board of Directors of Abengoa, S.A. prepared a proposal to be submitted to Extraordinary General Meeting of the Company's shareholders scheduled for 26th and 27th March, on first and second call respectively. It entails a modification of the Remunerations Policy applicable for the 2019 and 2020 financial years (both inclusive), such that said Policy will now include the amounts accrued under a new long-term incentives plan for 2019-2023 ("New MIP I"), as pluri-annual variable remuneration for directors performing executive duties and for the financial years in question. The aim is to bind the executive director (Executive Chairman) and the key team of directors of the Company (up to a maximum of 25 directors) with the creation of its value through the execution of its strategic plan for said financial year. The Meeting, held on second call, approved said modification

Said modification stems from the interests shown by the Company's shareholders and from the fulfilment of the commitments undertaken with its financial creditors within the framework of the restructuring Agreement signed on 11th March 2019 and is consistent with recommendation 61 of the Good Governance Code of Listed Companies.

The accrual of envisaged payments for this new plan is set up to be made in shares, thus dividing its entire amount in the following manner:

- Abengoa's Class A shares
- Abenewco1's shares

The New MIP I, which is compatible with the currently valid ILP, is determined by the value creation in both Abengoa and Abenewco1, such that, meeting the lock-up requirements set for 2019-2023 (with the exceptions made in the plan itself), the beneficiaries will only be entitled to collect the incentive if:

- in the part linked to the re-evaluation of Abengoa (20 % of the plan), the value of the Class A shares reach a minimum of 25 cents of a Euro (approximately 10 times its current value).
- in the part linked to the re-evaluation of Abenewco1 (80 %), its initial value, for the purpose of the plan, multiplies 1.7 times in the five years plan, less the amount of the very plan referring to Abenewco1.

With the following limits:

- In the case of the part referring to Abengoa, the limit value of Class A shares be stable at 50 cents of a Euro (approximately 20 times its actual value), with the amount of this part of the plan remaining static from that value.
- In the case of the part referring to Abenewco1, for the purpose of the plan, a maximum limit value of 58 million is set forth.

Both part, will be measured separately, independently valued and liquidated.

If the executive director (Executive Chairman) performs the requirements and conditions of the Plan, he will receive:

i) For the part affecting Abengoa, a maximum number of Class A shares of 1,630,000 (with the conditions and under the limits already stated above).

ii) For the part affecting Abenewco1, an approximate maximum amount of 20 % of the amount accrued for the entire plan.

The expiry date of the plan is 31st December 2024, nevertheless accruing in two tranches, the first being on 31st December 2023, when 2/3 will accrue, and the second on 31st December 2024, when the remaining 1/3 will accrue, except if there is an event of liquidity which will hasten the expiration.

For that purpose, the following three situations shall be deemed liquidity event:

(a) Takeover by a third party, whether singularly or in a concerted effort, through the direct or indirect acquisition of Abenewco1 shares, by virtue of which more than 50 % of the voting rights would be held in Abenewco1 or of a lower amount that may grant the right to appoint most of the members of the board of directors of Abenewco1.

(b) When Abenewco1 (IPO) is admitted to trading, regardless of the terms and conditions agreed upon in the event.

(c) When Abenewco2bis is admitted to trading after an event of conversion of the SOM upon its maturity.

If the plan ends with an amount not assigned to any beneficiary for any of the possible reasons, said excess amount shall be shared among the beneficiaries of the plan who meet the required conditions in the end, in the proportion set forth at the beginning of the plan.

When the plan ends for any of the reasons therein, Abengoa's Board of Directors would be responsible for determining whether or not the plan was performed and, if performed, the re-evaluation attained in each of the parts, establishing and reporting the final amount of the plan for each of the beneficiaries.

For information purposes, the Company will introduce another plan -New MIP II-, for the same period, for the Company's key management team, with 100 employees as maximum, not including the executive director (Executive Chairman), but which is equally necessary for ensuring the business goals and objectives.

The new MIP I is compatible with the 2017-2020 Long-term Incentive Plan referred to in section D) above.

The Extraordinary General Meeting held on 28th March 2019 approved the aforementioned modification.

A.3. Provide the direct link to the document that has the company's valid Remunerations Policy, which must be available on the company's website:

http://www.abengoa.es/export/sites/abengoa_corp/resources/pdf/gobierno_corporativo/juntas_generales_de_accionistas/2017/ordinaria/es/11-jgo2017-es.pdf

A.4. Considering the information provided in section B.4, explain how the shareholders' vote was taken into account when the annual report on remunerations of the previous year was brought to their attention, for the purpose of consultation:

Some shareholders think that the Remunerations Policy should bear in mind the progress of the share trade and therefore anticipate that one part of the variable remuneration be through the award of shares.

The Remunerations Policy for the 2018 to 2020 financial years approved by the Shareholders' General Meeting on 30 June 2017 envisaged the possibility that should it be applied through the inclusion of shares or options in the remunerations of executive directors it shall require the approval of the General Meeting if proposed by the Board of Directors following a report from the Appointments and Remunerations Committee. Given the extraordinary circumstances that the Company has been through over the past years, the trading volatility and its low and unstable correlation with basic information on capital value, up until now the Board of Directors had not thought it convenient to include the award of shares as part of the pluri-annual variable remuneration for the Executive Chairman (and for other executive directors if ever appointed).

Notwithstanding, as already stated in section A.3 above, given the interests shown by shareholders and in compliance with the obligations assumed by the Company in the Restructuring Agreement, the Board of Directors has suggested that the Extraordinary General Meeting approves a modification of the Remunerations Policy for its application during the 2019 and 2020 financial years. Said modification consists of recognizing additional pluri-annual variable remuneration payable in shares under the terms and conditions described in the section above. Said proposal was approved.

B. Overall summary of how the remuneration policy was applied during the closed financial year

B.1. Explain the process followed in applying the remunerations policy and in deciding on individual salaries as shown in section C of this report. This information must include the role played by the Remunerations Committee, the decisions taken by the board of directors and, if possible, the identity and role of the external consultants whose services were used in the process of applying the remunerations policy during the closed financial year.

The Appointments and Remunerations Committee performed an intense activity in 2018 to evaluate, initially, the concurrent circumstances surrounding the accrual of the variable remuneration of 2017; then, they defined the variable remuneration scheme for 2018; and finally, at the close of 2018, they evaluated the information relevant for recognizing the corresponding variable remuneration with regards to their components described above, including, among other considerations, the treasury status of the group, before arriving at the conclusion that was fair to recommend to the Board of Directors to only recognize the obligation to pay the component (i) of variable (a), linked to the sale of or to obtaining financing for the Company's investments in Atlantica Yield.

In addition, in 2018 the Appointments and Remunerations Committee started studying a long-term incentives scheme for the team of directors as complement of the actual amount set out for the four-year period (2017-2020) superimposing a new scheme for the subsequent financial years.

In defining this new long-term incentives plan, they engaged the services of Mercer, an external professional consultancy firm specialized in remuneration schemes like the one under consideration, and of Lazard.

The design of the new plan considered the various indications received from shareholders and creditors wishing to reinforce the alignment of the incentives of the team of directors with those of interested groups through the inclusion of the Company's shares, or of instruments indexed to the Company's shares as a part, at least, of the long-term payable variable remuneration.

B.2. Explain the various actions taken by the company in relation to the remunerations system and how it has contributed to reducing exposure to excessive risks and adjustment to the goals and objectives, long-term values and interests of the company, including a reference to the measures that have been put in place to ensure that the accrued remuneration met with the long-term results of the company and attained an appropriate balance between the fixed and variable components of the remuneration, what measures have been taken in relation to the category of personnel whose professional activities bear material repercussion on the entity's risks profile, and what measures are in place to prevent conflicts of interests, where possible.

No general actions have been taken with regards to the remunerations systems aimed at or for the purpose of reducing the exposure to excessive risks and adjustment to the goals and objectives, the long-term values and interests of the Company except for considering them (a) in designing the annual variable remunerations for each financial year, (b) in designing the Long-term Incentives plan for the 2017-2020 period as well as the MIP I, [with the latter approved by the Extraordinary General Meeting held on 28th March 2019, as far as the remuneration of the Executive Chairman is concern] and (c) in ensuring that the Executive Chairman's contract includes a clause that supports a claim for the amounts that may have been recognized and payment based on information later deemed and proven to be misleading.

B.3. Explain how the remuneration accrued in the financial year complies with the provisions in the valid remuneration policy.

Also report on the relation between the remuneration received by the directors and the results or other measures of performance, at short- and long-term, of the entity, explaining, if possible, how the variations in the company's performance was able to influence in the variation of the directors' remunerations, including the accruals that have been deferred in payment, and how these contribute to the company's short- and long-term results.

The remuneration of the directors in their condition as such for the financial year for the duties entailed in the post of Board of Director that accrued in the 2018 financial year (on the condition of the directors' attendance of Board meetings and, if possible, Committee meetings, such as set forth in the valid Remunerations Policy) is in compliance with the 2018 financial year Remunerations Policy. It did not exceed the maximum amount of € 1,160,000 set forth in the Remuneration Policy and was confirmed for the 2018 financial year by specific decision of the Ordinary General Meeting of Shareholders held on 25th June 2018.

The remuneration of the Executive Chairman, the only director who performed executive duties, has remained unchanged in its fixed component aspect since the approval of the valid Remunerations Policy by the Ordinary General Meeting of Shareholders held 30th June 2017.

Regarding the variable components of the 2018 annual remunerations for the Executive Chairman, the annual variable remuneration in 2018 was based on two components as described above, one was linked to the execution of two divestitures or on obtaining financing for the respective investments, and the other to various magnitudes of business, also already described in this Report. Both the structure and magnitude on which the accrual depended, like the decision to pay one of the components by instalment and not to recognize the obligation to pay for the other because of reasons already stated, it is in agreement with the Remunerations Policy as regards the Executive Chairman as one of the beneficiaries of the 2018 variable remunerations to which the decisions are applicable.

Lastly, the pluri-annual variable remunerations of the Executive Chairman also is in compliance with the Remunerations Policy approved by the Ordinary General Meeting of Shareholders held in 2017 when it set up the conditions for the accrual and quantification that are coherent with the forecasts of the valid Remunerations Policy. Up to date there has been no accrual of any amount for the Executive Chairman in the item of pluri-annual variable remuneration.

B.4. Report on the result of the consultative voting by the general meeting on the annual report on remunerations of the previous financial year, indicating the number of votes against, if any were cast:

	Number	% of total
Votes cast	26,763,564,710	14.924

	Number	% of those cast
Votes against	8,386,982,408	31.34
Votes in favour	13,638,655,104	50.96
Abstentions	4,737,927,198	17.70

Observations

B.5. Explain how the fixed components accrued were determined during the financial year by the directors in their condition as such, and how it has varied with regards to the previous years.

As pointed out above, the fixed components of the remunerations of directors in their condition as such for the performance in the collective action as member of the corporate bodies and the committees are specific maximum annual amounts that accrue depending on the actual attendance of the Board sessions and the relevant committees to which each director belongs.

The maximum fixed remunerations set up in the valid Remunerations Policy are as follows:

- For board membership: As maximum, € 80,000 annually, 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 per year for each session, at the rate of € 2,500 per session.

The maximum amount added for the entire directors shall be € 1,160,000 per year.

The fixed components of the remuneration for the directors for the performance of their duties inherent therein have not changed in comparison to that of last financial year.

B.6. Explain how the accrued salaries were determined, for the closed financial year, for each one of the executive directors for the performance of their management duties, and how it has changed in comparison to that of last year.

The salary accrued by the Chairman of the Board of Directors, the only executive director, remains unchanged in the sum of € 1,000,000 since it was set by decision of the Board of Directors on 22nd November 2016 on the proposal of the Appointments and Remunerations Committee.

The remuneration in the salary item was subsequently supported by the Remunerations Policy approved by the General Meeting of Shareholders on 30th June 2017.

In the determination by the Appointments and Remunerations Committee of that salary, as well as in the revisions performed, said Committee collected and considered market information provided by independent consultants, mainly Mercer and Spencer Stuart.

B.7. Explain the nature and main characteristics of the variable components of the remuneration systems accrued for the closed financial year.

Particularly:

- **Identify each one of the remuneration plans that determined the various variable remunerations accrued for each of the directors during the closed financial year, including information on the scope, the date of approval, the date of implementation, accrual and validity periods, the criteria used for evaluating the performance and how it impacted the setting of the accrued variable amount, as well as the criteria of measurement used and the period necessary to get to be in the conditions to appropriately measure all the stipulated criteria and conditions.**

In the case of options plans over shares or other financial instruments, the general characteristics of each plan should include information on the conditions to acquire there unconditional ownership (consolidation) so as to be able to exercise said options or financial instruments, including the price and the exercise period.

- **Each of the directors, and their category (executive directors, external proprietary directors, external independent directors or other external directors), who are the beneficiaries of the remuneration systems or plans that incorporate a variable remuneration.**

- **Where possible, provide information on the established accrual or payment deferment periods that were applied and /or shares or other financial instruments withholding or non-disposal periods, if there are.**

Explain the short-term variable components of the remuneration systems

The only variable remuneration accrued in 2018 is that which the Executive Chairman will be entitled to receive as variable annual remuneration for 2018 in accordance with his contract with the Company as Executive Chairman and with the attainment of the goals and objectives described as component (a) - linked to the sale of or obtaining of financing from the investments of the group in Atlantica Yield and in Project 3T in Mexico. Said remuneration shall be paid in the same instalments and proportion in each payment as those of other directors who are beneficiaries of the remuneration. The amount to be received by the Executive Chairman, in the event of liquidation of the entire amount of the variable remuneration, shall be € 366,342.

Explain the long-term variable components of the remuneration systems

Variable remuneration of directors in their condition 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 below in relation to the pluri-annual variable remuneration of the Executive Chairman as director with executive duties.

The maximum amount for said single payment, should it accrue, shall be € 2,320,000 in addition to what is set for the remuneration for the 2020 financial year.

The beneficiaries of this remuneration are the current directors of the Company (Ms. Cavero and Messrs. Urquijo, Wahnon, del Valle, Sotomayor, Castro and Piqué).

In 2018 the Company set aside an amount of € 1,081 thousands of Euros from its accounts as an estimate of 2018 for this item. Said amount will not be paid without the performance of the goals and objectives set forth and not before 31st December 2020.

Variable remuneration of board members for the performance of executive functions

As shown in paragraph (b.2) of section A.1, there is currently a four (4) years withholding and 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 condition precedent ("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 i 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 value attributed to the "Senior Old Money" debt inherited from the restructuring is equal to or above 25 %, in the operations of the secondary market, at the end of the ILP accrual period.

The ILP shall accrue if the metrics of performance of the objectives is, in each of them, 90 % or above. In this minimum threshold of 90 % compliance in both objectives, the beneficiaries of the ILP will be entitled to 50 % of the ILP figure of reference (including the Executive Chairman in his capacity as director and separate from what he may be entitled to in his capacity as executive member of the corporate body). 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 shall exclude the right receipt to any amounts 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 pluri-annual 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, in accordance with the Board of Directors' Remunerations Policy for the 2018-2020 period (specifically, the stipulations in sections 3.2 and 4.2.3D) which regulates the long-term variable remuneration of Directors and the Executive Director, respectively) the Company has made available the amount of 1,018 thousands of Euros as estimate for 2018. The provision of said amount does not mean that it should be paid, and so shall in no manner whatsoever until the goals set forth are met at the close of 2020, and whatever the case, the payment shall not be made before 31st December 2020.

B.8. Indicate whether the company cut down on or requested the reimbursement of any components of the variable remunerations if, in the first place, such payments were consolidated and deferred or, in the second, consolidated and paid, based on any information subsequently deemed and proven to be incorrect. Describe the amounts reduced or reimbursed as a result of the application of the reduction or reimbursement (clawback) clauses, giving reasons why they were executed and the financial years thereof.

Not applicable

B.9. Explain the main characteristics of the long-term savings systems whose equivalent annual amounts or costs appear in the tables in Section C, including retirement and any other survivor and safety net benefits, that may be partially or entirely financed by the company, whether internally or externally funded, indicating the kind of plan, whether the contribution is definite, the contingencies covered, the conditions of consolidation of economic rights of the directors and its compatibility with any kind of compensation for early termination or expiration of contractual relationship between the company and the director.

Not applicable

B.10. Explain, if possible, the compensations or any other kind of payment derived from early termination, whether such termination is voluntary by the company or the director, or the expiration of the contract, under the terms and conditions envisaged therein, accrued and/or received by the directors during the closed financial year.

During the financial year there was no accrual or payment of any compensations or any early termination payment to any director.

B.11. Indicate whether there were any significant modifications in the contracts of those performing top management duties as executive directors and, if possible explain them. Likewise, explain the main conditions of the new contracts signed with executive directors during the financial year, except if already explained in section A.1.

The Board of Directors' Meeting of Abengoa held on 25th February 2019, following a report from the Appointments and Remunerations Committee, unanimously approved the modification of the Contract of the Executive Chairman to include the remunerations in kind consisting of the payment of health insurance premiums.

B.12. Explain any complementary remuneration accrued for the directors in considerations for the services rendered other than those inherent in their duties.

There was no accrual of any remuneration for such item.

B.13. Explain any remuneration derived from the concession of advances, credits and guarantees, indicating the interest rates, their essential characteristics and the amounts eventually returned, as well as the obligation assumed by them as guarantee.

In the 2018 financial year no advances, credits or guarantees were granted to directors.

B.14. Give detail of the remuneration in kind accrued by directors during the financial year, briefly explaining the nature of the different salary components.

In the 2018 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 € 26,417.93 and € 12,800 respectively.

The Company also has a civil liability policy that costs € 589,875.57 for directors and executive directors.

B.15. Explain the remunerations accrued by the directors by virtue of payments made by the listed company to a third party entity where the director renders services, if the purpose of such payments is to remunerate the services in the company.

There was no remunerations of this kind accrued during the 2018 financial year.

B.16. Explain any other remuneration item other than the above, whatsoever their nature or the entity of the group that pays it, especially if considered a linked operation or if its issuing distorts the true image of the entire remunerations accrued by the director.

During the 2018 financial year there were no remunerations accrued for directors other than what is described above.

C. List of individual remunerations accrued by each board member

Name	Typology	Period of accrual 2018 Financial Year
Gonzalo Urquijo Fernández de Araoz	Executive Director	From 01/01/2018 to 31/12/2018
Manuel Castro Aladro	Independent	From 01/01/2018 to 31/12/2018
José Wahnon Levy	Independent	From 01/01/2018 to 31/12/2018
Pilar Cavero Mestre	Independent	From 01/01/2018 to 31/12/2018
Ramón Sotomayor Jáuregui	Independent	From 01/01/2018 to 31/12/2018
José Luis del Valle Doblado	Independent	From 01/01/2018 to 31/12/2018
Josep Piqué Camps	Independent	From 01/01/2018 to 31/12/2018

C.1. Complete the following tables regarding the individualized remunerations of each of the directors (including the yearly remuneration as executives) accrued during the year.

a) Remunerations of the company of this report:

i) Remuneration accrued in cash (in thousands of Euros)

Name	Fixed Remuneration	Per Diem	Remuneration for board committee membership	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total 2018 Financial Year	Total 2017 Financial Year
Gonzalo Urquijo Fernández de Araoz		80,000		1,000,000	366,342				1,446,342	1,080,000
Manuel Castro Aladro		90,000	10,000						100,000	90,000
José Wahnon Levy		80,000	20,000						100,000	100,000
Pilar Cavero Mestre		80,000	20,000						100,000	100,000
Ramón Sotomayor Jáuregui		80,000	10,000						90,000	90,000
José Luis del Valle Doblado		80,000	10,000						90,000	100,000
Josep Piqué Camps		80,000	10,000						90,000	56,000

Observations

ii) Table of movements of the systems of remuneration based on gross shares and benefits of the shares or consolidated financial instruments.

As described in previous sections, the Company has no system of remuneration based on shares.

Observations

iii) Long-term savings system

As stated above, the Company does not have any long-term savings system.

	Remuneration for consolidation of rights to savings systems
Director 1	

Name	Contribution of the financial year by company (thousands of Euro)				Amount of the funds accumulated (thousands of Euros)			
	Savings systems with consolidated economic rights		Savings systems with non-consolidated economic rights		Financial year t		Financial year t-1	
	Financial year t	Financial year t-1	Financial year t	Financial year t-1	Systems with consolidated economic rights	Systems with non-consolidated economic rights	Systems with consolidated economic rights	Systems with non-consolidated economic rights
Director 1								

Observations

iv) Give detail of other items

Name	Item	Remuneration amount
Gonzalo Urquijo Fernandez de Araoz	Life and accidents insurance	26,417.93
	Health Insurance	12,800

Observations

b) Remunerations to company directors for membership of the board of other companies of the group:

i) Remuneration accrued in cash (in thousands of Euros)

Name	Fixed Remuneration	Per Diem	Remuneration for board committee membership	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total Financial Year t	Total Financial Year t-1
Director 1										
Director 2										

Observations

ii) Table of movements of the systems of remuneration based on gross shares and benefits of the shares or consolidated financial instruments.

Observations

iii) Long-term savings system

	Remuneration for consolidation of rights to savings systems
Director 1	

Name	Contribution of the financial year by company (thousands of Euro)				Amount of the funds accumulated (thousands of Euros)			
	Savings systems with consolidated economic rights		Savings systems with non-consolidated economic rights		Financial year t		Financial year t-1	
	Financial year t	Financial year t-1	Financial year t	Financial year t-1	Systems with consolidated economic rights	Systems with non-consolidated economic rights	Systems with consolidated economic rights	Systems with non-consolidated economic rights
Director 1								

Observaciones

iv) Give detail of other items.

Name	Item	Remuneration amount
Director 1		

Observations

c) Summary of remunerations (in thousands of Euros):

The summary should include the relevant amounts for all the remuneration items included in this report that has been accrued by the director, in thousands of Euros.

	Remuneration accrued in the Company					Remuneration accrued in the Group's companies				
Name	Total Cash remuneration	Gross benefits of shares or consolidated financial instruments	Remuneration for savings systems	Remuneration for other items	Total 2018 Financial Year company	Total Cash remuneration	Gross benefits of shares or consolidated financial instruments	Remuneration for savings systems	Remuneration for other items	Total group 2018 financial year
Gonzalo Urquijo Fernández de Araoz	1,446,342			39,200	1,485,542					
Manuel Castro Aladro	100,000				100,000					
José Wahnon Levy	100,000				100,000					
Pilar Cavero Mestre	100,000				100,000					
Ramón Sotomayor Jáuregui	90,000				90,000					
José Luis del Valle Doblado	90,000				90,000					
Josep Piqué Camps	90,000				90,000					
Total	**2,016,342**				**2,055,542**					

Observations

D. Other informations of interest

If there are any significant aspects regarding the remuneration of directors 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 company remunerations in connection with their directors, briefly describe them.

This annual remunerations report has been approved by the board of directors of the company, in its session dated 29th April 2019.

State whether any directors voted against or abstained in connection with the approval of this Report.

No

Name or corporate name of members of the board of directors who did not vote for the approval of this report	Reasons (opposed, abstained, absent)	Explain the reasons

04. Independent verification report on the Consolidated Non-Financial Information Statement (NFIS)

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

Independent Assurance Report on the Consolidated Non-Financial Information Statement of Abengoa, S.A. and subsidiaries for the year 2018

To the shareholders of Abengoa, S.A.:

Pursuant to article 49 of the Spanish Code of Commerce, we have provided limited assurance on the Non-Financial Information Statement Consolidated (hereinafter NFIS) for the year ended 31 December 2018, of Abengoa, S.A. (hereinafter the Parent Company) and subsidiaries (hereinafter the Group) which forms part of the 2018 consolidated Group's Directors' Report.

The consolidated Directors' Report includes additional information to that required by prevailing mercantile legislation on which it is not possible to provide assurance as it was not prepared using adequate criteria. In this regard, our assurance work was limited only to providing assurance on the information contained in the table "Non-Financial Information Statement Index" of the accompanying consolidated Directors' Report.

Directors' responsibilities

The Board of Directors of the Parent Company is responsible for the preparation and presentation of the NFIS included in the Group's Directors' Report. The NFIS has been prepared in accordance with prevailing mercantile legislation and selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards), in accordance with that mentioned for each subject area in table "Non-Financial Information Statement Index" of the aforementioned Group's Directors' Report.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the NFIS is free from material misstatement, whether due to fraud or error.

The Parent Company's directors are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for preparing the NFIS was obtained.

Our independence and quality control

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

KPMG Asesores S.L., a limited liability Spanish company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity
Paseo de la Castellana, 259C – Torre de Cristal – 28046 Madrid

Reg. Mer Madrid, T. 14.972, F. 53, Sec. 8, H. M. 249.480, Inscrip. 1.ª
N.I.F. B-82498650

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

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our responsibility

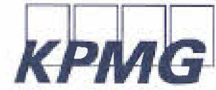
Our responsibility is to express our conclusions in an independent limited assurance report, referring solely to 2018, based on the work performed. The data for previous years were not subject to the assurance foreseen in the mercantile legislation in force.

We conducted our review engagement in accordance with International Standard on Assurance Engagements, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Performance Guide on assurance engagements on the Non-Financial Information Statement, issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance provided is also lower.

Our work consisted of making inquiries of management, as well as of the different units of the Parent Company that participated in the preparation of the NFIS, in the review of the processes for compiling and validating the information presented in the NFIS and in the application of certain analytical procedures and sample review testing described below:

- Meetings with the Parent Company personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these questions and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the NFIS based on the materiality analysis performed by the Parent Company and described in the section "About this report" considering the content required in prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the NFIS for 2018.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the NFIS for 2018.
- Corroboration, through sample testing, of the information relative to the content of the NFIS for 2018and whether it has been adequately compiled based on data provided by internal and external information sources or third party reports.
- Procurement of a representation letter from the Directors and management.



Conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of Abengoa, S.A. (and subsidiaries) for the year ended 31 December 2018 has not been prepared, in all material respects, in accordance with prevailing mercantile legislation and the content of the selected GRI Standards, in accordance with that mentioned for each subject area in the table "Non-Financial Information Statement Index" of the aforementioned consolidated Directors' Report.

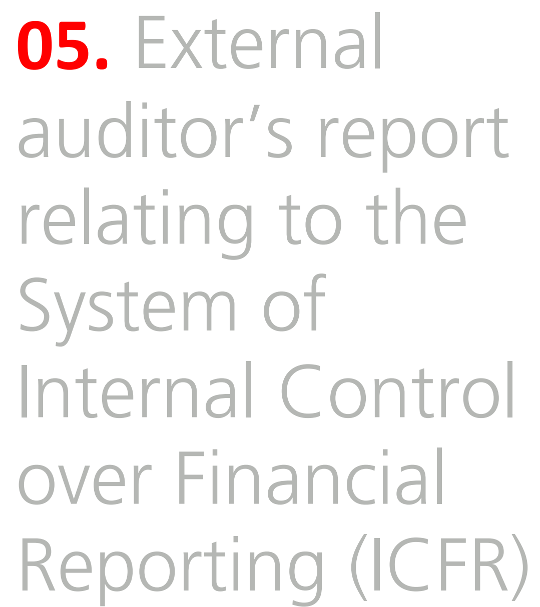
Use and distribution

This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Asesores, S.L.

Patricia Reverter Guillot

30 April 2019



05. External auditor's report relating to the System of Internal Control over Financial Reporting (ICFR)

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

AUDITOR´S REPORT ON "INFORMATION REGARDING THE INTERNAL CONTROL SYSTEM OVER FINANCIAL REPORTING (ICSFR)" OF ABENGOA, S.A. FOR THE 2018 FINANCIAL YEAR

To the Board of Directors of Abengoa, S.A.:

In accordance with the request of the Board of Directors of Abengoa, S.A. ("the Entity") and our engagement letter dated October 1st, 2018 we have applied certain procedures in respect of the attached "Information regarding the Internal Control System over Financial Reporting" ("ICSFR"), included in section F of the Annual Corporate Governance Report of Abengoa, S.A. for 2018, which includes a summary of the Group's internal control procedures relating to its annual financial information.

The Board of Directors is responsible for adopting the necessary measures to reasonably ensure the implementation, maintenance and supervision of an appropriate internal control system, and for developing improvements to that system and preparing and establishing the content of the accompanying Information regarding the ICSFR.

In this regard, it should be borne in mind that, regardless of the quality of the design and operating efficiency of the internal control system used by the Group in relation to its annual financial information, only a reasonable, but not absolute, degree of assurance may be obtained in relation to the objectives it seeks to achieve, due to the limitations inherent in any internal control system.

In the course of our audit work on the consolidated annual accounts and in accordance with Spanish Auditing Standards, the sole purpose of our evaluation of the Group's internal control system is to enable us to establish the scope, nature and timing of our audit procedures in respect of the Group's annual accounts. Accordingly, our internal control evaluation, performed for the purposes of our audit, is not sufficient in scope to enable us to issue a specific opinion on the effectiveness of such internal control over the regulated annual financial information.

For the purposes of the present report, we have exclusively applied the specific procedures described below, as indicated in the "*Guidelines concerning the auditor's Report on the Information regarding the Internal Control System over Financial Reporting for listed entities*" published by the National Securities Market Commission on its web site, which sets out the work to be performed, the scope of such work and the content of this report. In view of the fact that, in any event, the scope of the work resulting from these procedures is reduced and substantially less than the scope of an audit or review of the internal control system, we do not express an opinion on the effectiveness thereof, its design or operational efficiency, in relation to the Group's annual financial information for the 2018 financial year described in the accompanying Information regarding the ICSFR. Had we applied additional procedures to those determined by the aforementioned Guidelines, or had we performed an audit or review of the internal control system in relation to the regulated annual financial information, other matters could have come to light in respect of which you would have been informed.

In addition, as this special engagement is not an audit of financial statements and is not subject to the revised Auditing Act approved by Royal Decree Law 1/2011, of July 1, we do not express an audit opinion under the terms of the aforementioned legislation.

The procedures applied are as follows:

1. Reading and understanding the information prepared by the Group in relation to the ICSFR – as disclosed in the Directors' Report – and the evaluation of whether such information includes all the information required as per the minimum content set out in Section F regarding the description of the ICSFR, in the model of the Annual Corporate Governance Report, as established in Circular nº 7/2015 of the National Securities Market Commission dated December 22, 2015.

2. Making enquiries of personnel in charge of preparing the information mentioned in point 1 above in order to: (i) obtain an understanding of the preparation process; (ii) obtain information that enables us to assess whether the terminology used is in line with the framework of reference; (iii) obtain information as to whether the control procedures described have been implemented and are functioning in the Group.

3. Review of supporting documentation explaining the information described in point 1 above and which mainly comprises the information made directly available to the persons responsible for preparing the information on the ICSFR. Such documentation includes reports prepared by the internal audit function, senior management and other internal and external specialists in support of the functions of the audit committee.

4. Comparison of the information described in point 1 above with our knowledge of the Group´s ICSFR, obtained by means of the application of the procedures performed within the framework of the audit engagement on the consolidated annual accounts.

5. Reading the minutes of meetings of the board of directors, audit committee and other committees of the Group, for the purposes of evaluating the consistency between the matters dealt with therein in relation to the ICSFR and the information described in point 1 above.

6. Obtaining a representation letter concerning the work performed, duly signed by the persons responsible for the preparation and drafting of the information mentioned in point 1 above.

As a result of the procedures applied in relation to the Information regarding the ICSFR, no inconsistencies or incidents have been identified which could affect such information.

This report has been prepared exclusively within the framework of the requirements of article 540 of the revised Spanish Companies Act and Circular nº 5/2013 of the National Securities Market Commission, dated June 12, 2013, as modified by Circular nº 7/2015 of the National Securities Market Commission, dated December 22, 2015, for the purposes of describing the ICSFR in Annual Corporate Governance Reports.

PricewaterhouseCoopers Auditores S.L.

Original in Spanish signed by Gonzalo Sanjurjo Pose

30 April 2019

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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, 2018, 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, 2018, have been audited by the Company's independents registered public accounting firm, PriceWaterhouseCoopers Auditores, 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, 2018 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

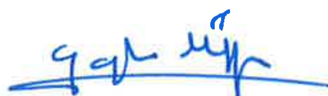
The Company's Management is responsible for establishing and maintaining effective internal control over financial reporting. This system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements under generally 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, 2018. 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, 2018.

The Company's internal control over financial reporting, as of December 31, 2018, has been audited by PriceWaterhouseCoopers Auditores, 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 statement that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.



Gonzalo Urquijo Fernández de Araoz
Executive Chairman

Víctor Manuel Pastor Fernández
Chief Financial Officer

29 April 2019