



ABENGOA

Restructuring
Agreement Accession
Period - Bondholders

October 2016

Standard Restructuring Terms

- ▶ Debt reduction of 97% of the nominal value, while keeping the remaining 3% with a ten-year maturity with no annual coupon or option for capitalization

Alternative Restructuring Terms

- ▶ Capitalization of 70% of the nominal value of outstanding debt in exchange for 40% of the total Company shares post-restructuring, split amongst all of the current creditors that choose to capitalize
- ▶ Refinancing of the remaining 30% into a new debt instrument that will rank junior or senior depending on whether or not the creditor participates in the New Money Facilities, with an annual interest rate of 1.50% (0.25% paid in cash and 1.25% capitalized or paid in cash if certain conditions are met):
 - **Senior:** 5.5 year maturity, with the possibility of a 24 month extension
 - **Junior:** 6 year maturity, with the possibility of a 24 month extension. Furthermore, the Junior Old Money will be subject to an additional reduction not to exceed 80% of the original nominal value if the aggregate amount of restructured debt exceeds 2.7b € because of contingent claims which crystalize after the Signing Date.
- ▶ A presentation with a general overview of the Viability Plan and the terms of the Restructuring Agreement was presented to the market on August 16, 2016 and is available on our website⁽¹⁾.

Those creditors that do not adhere to the Restructuring Agreement, in case of homologation, will be applied the Standard Restructuring Terms.

Steps for the Accessions

Obtain Documentation

- The documentation was made available to the custodian entities on the 26th of September through the Clearing and Settlement Systems
- Those custodian entities should provide the documentation to their bondholder clients, Abengoa cannot provide bondholders with the documentation directly
- Alternatively, creditors can request the documentation from Lucid Issuer Services (abengoa@lucid-is.com) which, after confirming the bondholders' authenticity, will give access to the relevant documentation and help resolve any questions about the mechanics of the voting process

Content

- Indicate if they opt for the Standard or Alternative Restructuring Terms
- Within Alternative Restructuring Terms:
 - Capitalize 70% of the existing debt in exchange for their pro-rata participation in the equity shares (*Pro-rata Equity Proportion*).
 - Capitalize 70% of the existing debt in exchange for their pro-rata participation in the equity shares, with a limit of 4.9% to the total shares in the Company (*Max of 4.9% Equity*).
 - Not capitalize the 70% and therefore not obtain any shares (*No Equity*).
 - If they prefer to receive the new debt instrument (30% of the existing debt) in the form of Notes or Loans
- If they would like to participate in the New Money Financing (*New Money Provider*)

Submission of Votes

- Bonds held through Euroclear / Clearstream: send an *Electronic Instruction* through the custodian entity so that it can reach Lucid through the Clearing and Settlement Systems
- Bonds held through DTC: send a *Form of Sub-Proxy* through the custodian entity to Lucid

Accessions to the Restructuring Agreement

Options for Bondholders in the Restructuring Agreement ⁽¹⁾

	Instructions	Accession	Terms	New Money	Form	Equity
1	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms and New Money Provider – RegS/QIB/AI - Notes – No Equity	✓	Alternative	✓	Notes	✗
2	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms and New Money Provider – RegS/QIB/AI - Notes – Max of 4.9% Equity	✓	Alternative	✓	Notes	Max of 4.9%
3	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms and New Money Provider – RegS/QIB/AI - Notes – Pro Rata Equity Proportion	✓	Alternative	✓	Notes	Pro Rata
4	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms and New Money Provider – RegS/QIB/AI - Loans – No Equity	✓	Alternative	✓	Loans	✗
5	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms and New Money Provider – RegS/QIB/AI - Loans – Max of 4.9% Equity	✓	Alternative	✓	Loans	Max of 4.9%
6	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms and New Money Provider – RegS/QIB/AI - Loans – Pro Rata Equity Proportion	✓	Alternative	✓	Loans	Pro Rata
7	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms – RegS/QIB/AI - Notes – No Equity	✓	Alternative	✗	Notes	✗
8	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms – RegS/QIB/AI - Notes – Max of 4.9% Equity	✓	Alternative	✗	Notes	Max of 4.9%
9	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms – RegS/QIB/AI - Notes – Pro Rata Equity Proportion	✓	Alternative	✗	Notes	Pro Rata
10	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms – RegS/QIB/AI - Loans – No Equity	✓	Alternative	✗	Loans	✗
11	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms – RegS/QIB/AI - Loans – Max of 4.9%	✓	Alternative	✗	Loans	Max of 4.9%
12	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms – RegS/QIB/AI - Loans – Pro Rata Equity Proportion	✓	Alternative	✗	Loans	Pro Rata
13	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms in the Holding Period Trust – US non QIB/AI – No Equity ⁽²⁾	✓	Alternative	✗	Cash	✗
14	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms in the Holding Period Trust – US non QIB/AI – Max of 4.9% ⁽²⁾	✓	Alternative	✗	Cash	Max of 4.9%
15	▶ To accede to the Restructuring Agreement and receive the Alternative Restructuring Terms in the Holding Period Trust – US non QIB/AI – Pro Rata Equity Proportion ⁽²⁾	✓	Alternative	✗	Cash	Pro Rata
16	▶ To accede to the Restructuring Agreement and accept the Standard Terms – RegS/QIB/AI	✓	Standard	✗	Loans	✗
17	▶ Take no action and do not accede to the Restructuring Agreement	✗	Standard	✗	✗	✗

Options only available to US Retail Existing Creditors

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(1) Indicative list of options. However, each bondholder will have to explicitly state their option in their voting instruction .

(2) US Retail Existing Creditors will not be entitled to receive post-restructuring securities (neither debt nor equity). Their securities will be issued and they will receive the cash proceeds once they are sold.

1) **Process:** the holder of the bond should

- Adhere to the Restructuring Agreement under the Alternative Restructuring Terms
- Send Houlihan Lokey the *Acceptance Confirmation Letter* (Schedule 16 - New Money Financing Commitment Letter, Annex 1, Part II)
- The *Acceptance Confirmation Letter* does not need to be notarized and should be sent via email (abgnotes@hl.com)

2) **Options**

- Indicate the amount you wish to invest in each of the available tranches: Tranche 1A, Tranche 1B, Tranche 2 and Tranche 3⁽²⁾
- In those tranches that allow the option, you must choose if you wish to receive Notes or Loans

3) **Amount**

- The bondholder is entitled to participate in the New Money in an amount equal to its **pro-rata share**, calculated as follows: **16% of their existing nominal amount held as of September 24, 2016 + accrued unpaid ordinary interest as of September 30, 2016**⁽³⁾.
- The total amount invested in the different tranches of the New Money may not exceed the pro-rata amount, except in Tranche 2 which will allow higher investment amounts subject to the approval of the majority of the New Money 2 Creditors.
- The pro-rata amount will be calculated as of the Signing Date, September 24, 2016. Any purchase of debt after the Signing Date will not be taken into account for the calculation of the pro-rata amount.

4) **Elevation**

- The investment in the New Money, which can only be equal to the pro-rata amount, will imply that 100% of the creditor's post-restructuring debt will be elevated to Senior Old Debt, even if the final amount is scaled back due to oversubscription.

Houlihan Lokey is leading the New Money book-building and can be reached at abgnotes@hl.com.

(1) A summary of the terms and conditions of the New Money Facilities can be found in the presentation made to the market on August 16, 2016 and is available on our website at the following link http://www.abengoa.com/export/sites/abengoa_corp/resources/pdf/gobierno_corporativo/hr_y_otras_comunicaciones_cnmv/hechos_relevantes/2016/20160816_hr_en.pdf

(2) Tranche 3 will require a minimum commitment of €5 million and multiples thereof.

(3) Including the bond with maturity March 31, 2016.

- As part of the Restructuring Agreement and in order to facilitate its implementation, the following additional processes will be initiated in the following weeks for the accession of the financial creditors
 - **Consent to change the applicable law:** for those bonds that are subject to UK law ⁽¹⁾, a Bondholders' meeting has been called to approve the change in applicable law to Spanish law. Bondholders should send their vote through the same procedure as the accessions, with one of the following options:
 - delegate their vote and vote in favor of the proposal
 - delegate their vote and vote against the proposal
 - inform their intention to attend the bondholders' meeting, given that they will not be able to assist without prior notice
 - **Company voluntary arrangement (CVA)** in England and Wales
 - Various **Chapter 11 processes in the United States** under the Bankruptcy Code; which together with the CVA have the intention of the of applying the homologation of the Standard Restructuring Terms to the entities that do not adhere to the Restructuring Agreement
- **The accession to the Restructuring Agreement implies the contractual obligation to support the three processes, even though the creditors will have to vote in each process separately.**

At this time (i) the accession to the Restructuring Agreement and (ii) the Consent for the change in law are the only processes open. The Company will inform the creditors when the other two processes are open for voting.

(1) If you have any questions in relation to your bonds being subject to this process, please check the Hecho Relevante published by the Company on the CNMV on September 27, 2016 (<http://www.cnmv.es/Portal/HR/verDoc.axd?t={dd23a3ff-aaf2-4aae-be05-280a79feaf82}>).

Accessions to the Restructuring Agreement

- The period for accessions to the Restructuring Agreement ends: **October 25, 2016 at 6:00am CET**

Participating in New Money

- First Acceptance Deadline: the deadline was extended from the original date of October 7th to **October 21, 2016**
- Second Acceptance Deadline: date to be determined, would be 5 days after the Restructuring Effective Date

Consent to Change of Law

- Bondholders' Meeting: October 27, 2016
- Deadline to register the votes: **October 24, 2016 at 17:00 CET**

Scenario	Outcome
<p>1</p> <ul style="list-style-type: none"> ▶ No vote (Option 17), or ▶ Opts for the Standard Restructuring Terms (Option 16) 	<ul style="list-style-type: none"> ✓ 3% of their nominal value paid in 10 years with zero coupon
<p>2</p> <ul style="list-style-type: none"> ▶ Opts for the Alternative Restructuring Terms, and ▶ <u>Does not participate</u> in the New Money (Option 7 to 12) ⁽⁴⁾ 	<ul style="list-style-type: none"> ✓ 20-30% of nominal value as Junior Old Debt + pro-rata number of shares
<p>3</p> <ul style="list-style-type: none"> ▶ Opts for the Alternative Restructuring Terms, and ▶ Does participate in the New Money, <u>before October 21st</u> (Option 1 to 6) 	<ul style="list-style-type: none"> ✓ 30% of nominal value as Senior Old Debt + pro-rata number of shares ✓ Up to aprox. 15.6% of nominal in New Money Debt, subject to scale-back + <u>Up-Front Fee del 4%</u> + corresponding shares
<p>4</p> <ul style="list-style-type: none"> ▶ Opts for the Alternative Restructuring Terms, and ▶ Does participate in the New Money, <u>after October 21st</u> (Option 1 a 6) 	<ul style="list-style-type: none"> ✓ 30% of nominal value as Senior Old Debt + pro-rata number of shares ✓ Up to aprox. 15.6% of nominal in New Money Debt, subject to scale-back + <u>Up-Front Fee del 2%</u> + corresponding shares

Notes:

(1) Nominal value includes accrued, unpaid interest up until September 30, 2016.

(2) New Money Debt, as elected by creditor among the different tranches and options (loan or note).

(3) Participants in the New Money facilities will be entitled to receive additional shares pro-rata their participation in the total New Money.

(4) Options 13 to 15 for US non QIB/AI investors.

