Consolidated condensed interim financial statements as of June 30, 2018

ABENGOA

Soluciones tecnológicas innovadoras para el desarrollo sostenible

01. Limited review report

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.

LIMITED REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of Abengoa, S.A.:

Introduction

We have performed a limited review of the accompanying condensed interim consolidated financial statements (hereinafter, the interim financial statements) of Abengoa, S.A. (hereinafter, "the parent company") and its subsidiaries (hereinafter, "the group"), which comprise the statement of financial position as at June 30, 2018, and the income statement, statement of other comprehensive income, statement of changes in equity, cash flow statement and related notes, all condensed and consolidated, for the six months period then ended. The parent company´s directors are responsible for the preparation of these interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, "Interim Financial Reporting", as adopted by the European Union, for the preparation of condensed interim financial information, as provided in Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of the review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with legislation governing the audit practice in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our limited review, that cannot be considered as an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six months period ended June 30, 2018 have not been prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, "Interim Financial Reporting", as adopted by the European Union, for the preparation of condensed interim financial statements, as provided in Article 12 of Royal Decree 1362/2007.

Emphasis of matter

We draw attention to the accompanying consolidated statement of financial position which shows that the Group presents a negative consolidated equity amounting to €2,763 million. Note 2 to the accompanying interim financial statements describes, among other things, the significant limitation in terms of financial resources that the Group and its parent company have had to address in the past few years and how this situation has affected the performance of the operating business not only through the slow-down and deterioration of the Group's entire business activity but also through the initiation of insolvency or judicial bankruptcy proceedings in some of its subsidiaries. As a result of the situation described, the company presented a negative equity at 31 December 2016.

The measures implemented at the time by the parent company's directors to address this financial imbalance and deterioration of the business, included restructuring the Group's debt and bringing in certain financial creditors and new investors as shareholders, effective at 31 March 2017, which enabled the financial equilibrium of the parent company, Abengoa, S.A., to be restored, following recognition of the accounting effects of that restructuring described in note 2. Additionally, a Revised Updated Viability Plan August 2016 was established that envisaged, among other measures, the restructuring of the Group companies and businesses in order to ensure their viability. This entailed divesting in certain lines of business and assets which were deemed non-core under that Plan and others that secure the new debt while focusing activity on the traditional engineering and construction business.

As mentioned in note 2 to the accompanying interim financial statements, in order to ensure compliance with the Updated Viability Plan August 2016 and enable its activity to continue in a competitive and sustainable manner in the future, the Group signed a Term Sheet contingent on the signing of the final documentation with a group of financial institutions and investors that hold a majority of the New Money 2 and New bonding, in order to inject liquidity for a maximum amount of €97 million and new guarantee facilities amounting to €140 million in order to finance the Group's liquidity needs and guarantees (Financing Agreement). This agreement entails, among other things, modifying the Group's financial debt structure described in note 2. The Financing Agreement is contingent on compliance with certain conditions precedent, including the completion of the sale of the 16.5% stake that the Group currently has in Altantic Yield and obtaining the necessary consent from financial creditors in accordance with current financing instruments. In addition to the above and in order to optimise the Group's financial structure, the directors are working on a restructuring proposal for both Old Money and the debt of the challengers.

The Group's negative consolidated equity and need to complete a financing agreement to ensure delivery on the Updated Viability Plan August 2016 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 these interim financial statements. The parent company's directors have prepared these interim financial statements on a going concern basis taking into consideration, as mentioned in note 2, the basic aspects of the Updated Viability Plan August 2016, which would be reinforced by the aforementioned Financing Agreement and restructuring proposal. Our conclusion has not been modified for this matter.

We draw attention to accompanying Note 2 , which mentions that the accompanying interim financial statements do not include all the information that would be required for complete consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and therefore they should be read together with the Group's consolidated financial statements for the year ended 31 December 2017. Our conclusion has not been modified for this matter.

Other matters

Interim consolidated directors´ Report

The accompanying interim consolidated directors' Report for the six months period ended June 30, 2018 contains the explanations which the parent company´s directors consider appropriate regarding the principal events of this period and their impact on the interim financial statements presented, of which it does not form part, as well as the information required under the provisions of Article 15 of Royal Decree 1362/2007. We have verified that the accounting information contained in this directors' Report is in agreement with that of the interim financial statements for the six months period ended June 30, 2018. Our work is limited to checking the interim consolidated directors' Report in accordance with the scope mentioned in this paragraph and does not include a review of information other than that obtained from Abengoa, S.A. and its subsidiaries´ accounting records.

Preparation of this review report

This report was prepared at the request of the Board of Directors of Abengoa, S.A. in relation to the publication of the half -year financial report required under Article 119 of Legislative Royal Decree 4/2015 which approved the Securities Market Law developed by Royal Decree 1362/2007 (19 October).

PricewaterhouseCoopers Auditores, S.L.

/s/ Gonzalo Sanjurjo Pose

30 September 2018

02. Consolidated condensed interim financial statements

02.1 Consolidated condensed statements of financial position as of June 30, 2018 and December 31, 2017

Consolidated Financial Statements as of June 30, 2018 and December 31, 2017

- Amounts in thousands of euros -

Assets	Note (1)	06/30/2018	12/31/2017
Non-current assets			
Goodwill		-	-
Other intangible assets		56.290	63.574
Intangible assets	8	56.290	63.574
Property, plant & equipment	8	166.052	171.410
Concession assets in projects		165.055	158.633
Other assets in projects		9.218	6.039
Fixed assets in projects (project finance)	9	174.273	164.672
Investments in associates carried under the equity method	10	37.367	33.873
Financial assets at fair value	11	2.712	2.316
Other receivable accounts	11	48.261	37.956
Derivative assets	12	1.372	481
Financial investments	11	52.345	40.753
Deferred tax assets		384.590	375.814
Total non-current assets		870.917	850.096
Current assets			
Inventories	13	74.156	74.696
Trade receivables		617.540	667.993
Credits and other receivables		247.054	296.784
Clients and other receivables	14	864.594	964.777
Financial assets at fair value	11	2.341	2.508
Other receivable accounts	11	167.949	192.355
Derivative assets	12	3	101
Financial investments	11	170.293	194.964
Cash and cash equivalents		165.664	195.870
		1.274.707	1.430.307
Assets held for sale	7	2.588.712	4.078.194
Total current assets		3.863.419	5.508.501
Total assets		4.734.336	6.358.597

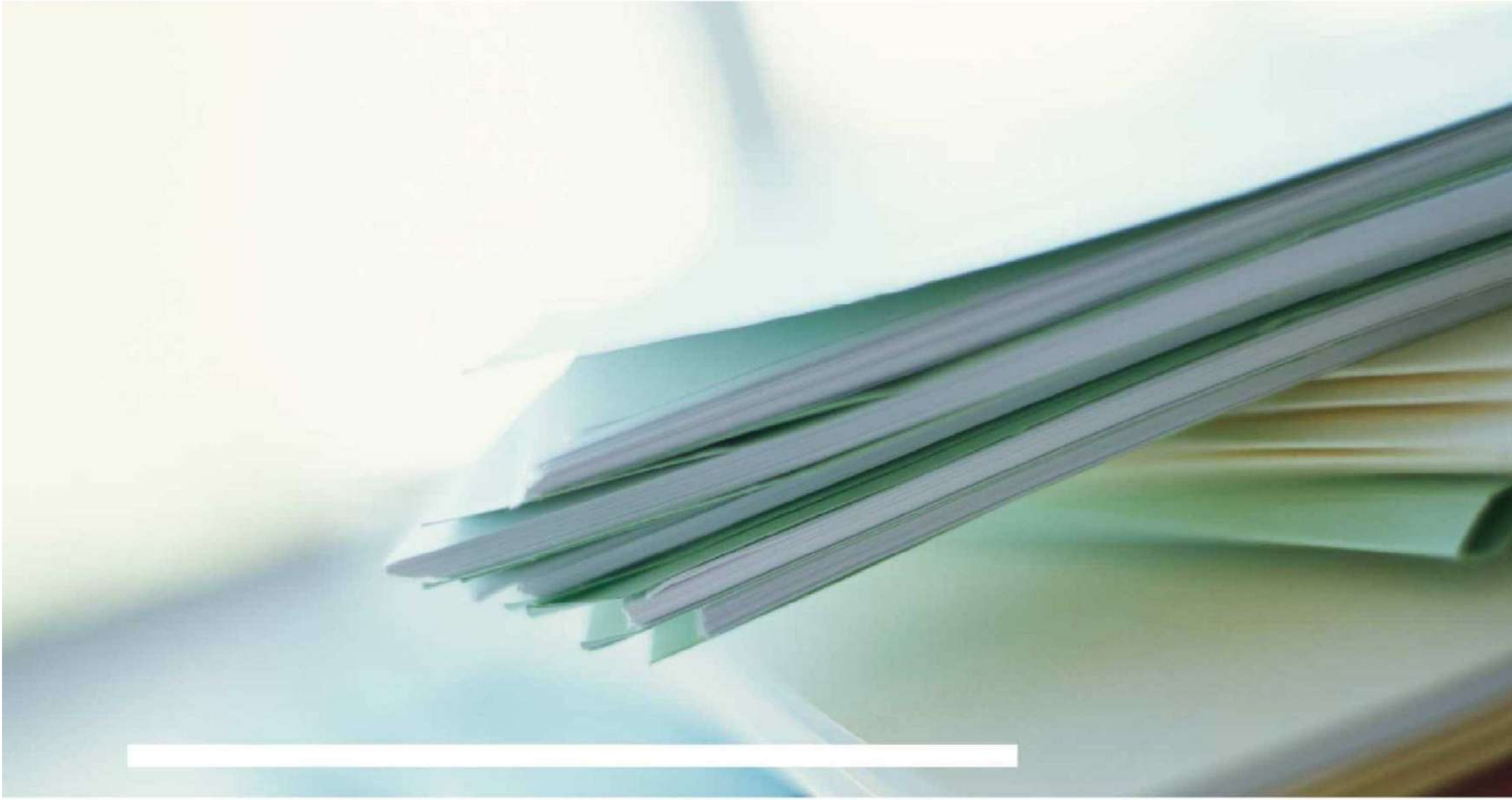
(1) Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of June, 2018

Consolidated Financial Statements as of June 30, 2018 and December 31, 2017

- Amounts in thousands of euros -

Equity and liabilities	Note (1)	06/30/2018	12/31/2017
Equity attributable to owners of the Parent			
Share capital	15	35.866	36.089
Parent company reserves		495.063	(5.888.236)
Other reserves		(3.884)	(1.896)
Fully or proportionally consolidated entities		(1.094.727)	(1.202.956)
Associates		9.721	15.438
Accumulated currency translation differences		(1.085.006)	(1.187.518)
Retained earnings		(2.322.357)	4.171.700
Non-controlling Interest	16	117.667	462.073
Total equity		(2.762.651)	(2.407.788)
Non-current liabilities			
Project debt	17	14.159	11.197
Borrowings		608.065	620.278
Notes and bonds		913.248	858.597
Financial lease liabilities		7.782	7.511
Other loans and borrowings		135.161	124.845
Corporate financing	18	1.664.256	1.611.231
Grants and other liabilities		66.075	52.275
Provisions and contingencies		56.928	53.866
Derivative liabilities	12	583	-
Deferred tax liabilities		503.636	523.286
Personnel liabilities	28	8.746	8.088
Total non-current liabilities		2.314.383	2.259.943
Current liabilities			
Project debt	17	98.589	96.754
Borrowings		837.408	798.850
Notes and bonds		449.253	901.094
Financial lease liabilities		7.152	8.466
Other loans and borrowings		428.419	324.118
Corporate financing	18	1.722.232	2.032.528
Trade payables and other current liabilities	21	1.534.892	1.882.217
Income and other tax payables		100.842	128.260
Provisions for other liabilities and charges		26.056	23.286
		3.482.611	4.163.045
Liabilities held for sale	7	1.699.993	2.343.397
Total current liabilities		5.182.604	6.506.442
Equity and liabilities		4.734.336	6.358.597

(1) Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of June, 2018



02. Consolidated condensed interim financial statements

02.2 Consolidated income statements for the six months period ended June 30, 2018 and 2017

Consolidated income statements as of June 30, 2018 and June 30, 2017

- Amounts in thousands of euros -

	Note (1)	2018	2017
Revenue	5	552.052	691.419
Changes in inventories of finished goods and work in progress		(1.359)	898
Other operating income		20.148	34.644
Raw materials and consumables used		(194.509)	(330.844)
Employee benefit expenses		(156.469)	(183.362)
Depreciation, amortization and impairment charges	7,8,9	(13.381)	(296.218)
Other operating expenses		(132.699)	(197.242)
Operating profit		**73.783**	**(280.705)**
Financial income	22	5.512	21.459
Financial expense	22	(237.930)	(261.687)
Net exchange differences		8.954	(701)
Other financial income/(expense), net	22	(35.040)	6.371.557
Financial expense, net		**(258.504)**	**6.130.628**
Share of profit (loss) of associates carried under the equity method	**10**	**107.494**	**7.303**
Profit (loss) before income tax		**(77.227)**	**5.857.226**
Income tax (expense) benefit	23	1.012	(642.209)
Profit for the year from continuing operations		**(76.215)**	**5.215.017**
Profit (loss) from discontinued operations, net of tax	**7**	**(20.466)**	**(307.763)**
Profit for the year		**(96.681)**	**4.907.254**
Profit attributable to non-controlling interests	16	(2.907)	(660)
Profit attributable to non-controlling interests discontinued operations	16		(476)
Profit for the year attributable to the parent company		**(99.588)**	**4.906.118**
Weighted average numer of ordinary shares outstanding (thousands)	25	18.836.119	10.386.027
Basic earnings per share form continuing operations (€ per share)	25	(0,004)	0,50
Basic earnings per share from discontinued operations (€ per share)	25	(0,001)	(0,03)
Basic earnings per share attributable to the parent company (€ per share)		**(0,01)**	**0,47**
Wighted average numer of ordinary shares affecting the diluted earnings per share (thousands)	25	19.700.912	11.269.604
Diluted earnings per share form continuing operations (€ per share)	25	(0,004)	0,46
Diluted earnings per share from discontinued operations (€ per share)	25	(0,001)	(0,02)
Diluted earnings per share attributable to the parent company (€ per share)		**(0,01)**	**0,44**

(1) Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of June, 2018

02. Consolidated condensed interim financial statements

02.3 Consolidated statements of comprehensive income for the six month period ended June 30, 2018 and 2017

Consolidated statements of comprehensive income for the six month periods ended June 30, 2018 and June 30, 2017

- Amounts in thousands of euros -

	Six-month period ended 06/30/2018	Six-month period ended 06/30/2017
Profit for the period after income tax	(96.681)	4.907.254
Items that may be subject to transfer to income statement:		
Change in fair value of available for sale financial assets	84	(58)
Change in fair value of cash flow hedges	719	75.656
Currency translation differences	286.517	(285.948)
Tax effect	(669)	(11.783)
Net income/(expenses) recognized directly in equity	286.651	(222.133)
Cash flow hedges	(2.854)	(14.706)
Tax effect	714	3.677
Transfers to income statement for the year	(2.140)	(11.029)
Other comprehensive income	284.511	(233.162)
Total comprehensive income for the period	187.830	4.674.092
Total comprehensive income attributable to non-controlling interest	(186.894)	52.695
Total comprehensive income attributable to the parent company	936	4.726.787
Total comprehensive income attributable to the parent company from continuining operations	23.091	5.060.306
Total comprehensive income attributable to the parent company from discontinued operations	(22.155)	(333.519)

(1) Notes 1 to 29 are an integral part of these Consolidated condensed Interim financial statements as of June, 2018

02. Consolidated condensed interim financial statements

02.4 Consolidated statements of changes in equity as of June 30, 2018 and 2017

Consolidated statements of changes in equity for years ended June 30, 2018 and 2017

- Amounts in thousands euros -

	Attributable to the owners of the Company						
	Share capital	Parent company and other reserves	Accumulated currency translation differences	Retained earnings	Total	Non-controlling interest	Total equity
Balance at December 31, 2016	1.834	680.270	(845.411)	(7.171.830)	(7.335.137)	555.169	(6.779.968)
Profit for the year after taxes	-	-	-	4.906.118	4.906.118	1.136	4.907.254
Other comprehensive income (loss)	-	52.751	(232.082)	-	(179.331)	(53.831)	(233.162)
Total comprehensive income (loss)	-	52.751	(232.082)	4.906.118	4.726.787	(52.695)	4.674.092
Treasury shares	34.821	443.560	-	-	478.381	-	478.381
Capital increase	(302)	302	-	-	-	-	-
Capital decrease	-	(9.345.870)	-	9.345.870	-	-	-
Distribution of 2016 profit	-	(7.054.405)	-	7.054.405	-	-	-
Transactions with owners	34.519	(15.956.413)	-	16.400.275	478.381	-	478.381
Capital increase in minority interest companies	-	-	-	-	-	-	-
Scope variations and other movements	-	-	-	1.135	1.135	(11.415)	(10.280)
Scope variations, acquisitions and other movements	-	-	-	1.135	1.135	(11.415)	(10.280)
Balance at June 30, 2017	36.353	(15.223.392)	(1.077.493)	14.135.698	(2.128.834)	491.059	(1.637.775)
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	-	-	-	(99.588)	(99.588)	2.907	(96.681)
Other comprehensive income (loss)	-	(1.988)	102.512	-	100.524	183.987	284.511
Total comprehensive income (loss)	-	(1.988)	102.512	(99.588)	936	186.894	187.830
Capital increase	-	-	-	-	-	-	-
Capital decrease	(223)	223	-	-	-	-	-
Restructuring financing							
Distribution of 2017 profit	-	6.383.200	-	(6.383.200)	-	-	-
Transactions with owners	(223)	6.383.423	-	(6.383.200)	-	-	-
Scope variations and other movements	-	(124)	-	(11.269)	(11.393)	(531.300)	(542.693)
Scope variations, acquisitions and other movements	-	(124)	-	(11.269)	(11.393)	(531.300)	(542.693)
Balance at June 30, 2018	35.866	491.179	(1.085.006)	(2.322.357)	(2.880.318)	117.667	(2.762.651)

Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of June 30, 2018

02. Consolidated condensed interim financial statements

02.5 Consolidated condensed cash flow statements for the six month period ended June 30, 2018 and 2017

Consolidated condensed cash flow statements for the six month periods ended June 30, 2018 and 2017

- Amounts in thousands of euros -

	Six-months period ended 06/30/2018	06/30/2017
I. Profit for the period from continuing operations	(76.215)	5.215.017
Non-monetary adjustments	145.487	(5.290.321)
II. Profit for the year from continuing operations adjusted by non monetary items	69.272	(75.304)
III. Variations in working capital and discontinued operations	(88.293)	(82.697)
Income tax paid/collected	438	306
Interest paid	(61.839)	(43.609)
Interest received	1.607	3.827
Discontinued operations	15.805	23.360
A. Net cash provided by operating activities from continuing operations	(63.010)	(174.117)
Intangible assets and property, plant & equipment	(83.984)	(103.277)
Other investments/disposals	579.575	77.188
Discontinued operations	(2.494)	15.732
B. Net cash used in investing activities from continuing operations	493.097	(10.357)
Other disposals and repayments	(486.850)	117.899
Discontinued operations	23.178	7.765
C. Net cash provided by financing activities from continuing operations	(463.672)	125.664
Net increase/(decrease) in cash and cash equivalents	(33.585)	(58.810)
Cash, cash equivalents and bank overdrafts at beginning of the year	195.870	277.789
Translation differences cash or cash equivalent	(1.100)	(6.793)
Elimination of cash and cash equivalents classified as assets held for sale during the year	4.479	(6.812)
Cash and cash equivalents at end of the year	165.664	205.374

(1) Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of June 30, 2018

Contents

Notes to the Consolidated Condensed Interim Financial Statements as of June 30, 2018

Note 1.- General information

Abengoa, S.A. is the parent company of the Abengoa Group (referred to hereinafter as ‘Abengoa’, ‘the Group’ or ‘the Company’), which at the end of the six months period ended June 30, 2018, was made up of 444 companies: the parent company itself, 349 subsidiaries, 78 associates and 16 joint ventures. 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 explained in the following breakdown of Note 2.2.1, 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.

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

The shares of the associate Atlantica Yield (formerly Abengoa Yield, Plc.) are listed in the NASDAQ Global Select Market since June 13, 2014. As of June 30, 2018, the Abengoa’s investment on Atlantica Yield amounts to 16.47%.

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

Abengoa`s business is organized under the following two activities:

› Engineering and construction: includes the traditional engineering activities in the energy and water sectors, with more than 75 years of experience in the market and the development of solar technology. Abengoa is specialized in carrying out complex turnkey projects for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuel plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others.

› Concession-type infrastructures: groups together the company’s extensive portfolio of proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. 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, 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 June 30, 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 condensed interim financial statements for the period ended June 30, 2018 have been formulated on September 30, 2018.

All public documents of Abengoa may be viewed at “www.abengoa.com”.

These Consolidated condensed interim financial statements are a free translation of the Consolidated condensed interim financial statements originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union. In the event of a discrepancy, the Spanish-language version prevails.

Note 2.- Basis of presentation

The Group's Consolidated financial statements corresponding to the fiscal year ended December 31, 2017 were prepared by the Directors of the Company in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU), applying the principles of consolidation, accounting policies and valuation criteria described in Note 2 of the notes to the aforementioned Consolidated financial statements, so that they present the faithful image of the Group's equity and financial position as of December 31, 2017 and the consolidated results of its operations, the changes in the consolidated net equity and the consolidated cash flows for the financial year ending on that date.

The Group's consolidated financial statements corresponding to the 2017 financial year were approved by the General Shareholders' Meeting of the Abengoa, S.A. held on June 25, 2018.

These Consolidated condensed interim financial statements are presented in accordance with IAS (International Accounting Standard) 34, 'Interim Financial Reporting' approved by the European Union.

These Consolidated condensed interim financial statements have been prepared based on the accounting records of Abengoa S.A. and the subsidiary companies which are part of the Group, and include the adjustments and re-classifications necessary to achieve uniformity between the accounting and presentation criteria followed by all the companies of the Group (in all cases, in accordance with local regulations) and those applied by Abengoa, S.A.

In accordance with IAS 34, Consolidated condensed interim financial information is prepared solely in order to update the most recent annual Consolidated financial statements prepared by the Group, placing emphasis on new activities, occurrences and circumstances that have taken place during the six months period ended June 30, 2018 and not duplicating the information previously published in the annual Consolidated condensed financial statements for the year ended December 31, 2017. Therefore, the Consolidated condensed interim financial statements do not include all the information that would be required in complete Consolidated financial statements prepared in accordance with the International Financial Reporting Standards as issued by the European Union.

In view of the above, for an adequate understanding of the information, these Consolidated condensed interim financial statements must be read together with Abengoa's consolidated financial statements for the year ended December 31, 2017.

Given the activities in which the companies of the Group engage, their transactions are not of a cyclical or seasonal nature. For this reason, specific breakdowns are not included in these explanatory notes to the Consolidated condensed interim financial statements corresponding to the six months period ended June 30, 2017.

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 condensed interim summary financial statements, and it is foreseen that the impact derived from this situation will not be significant.

In determining the information to be disclosed in the notes to the Consolidated condensed interim financial statements, the Group, in accordance with IAS 34, has taken into account its materiality in relation to the Consolidated condensed interim financial statements.

The amounts included within the documents comprising the Consolidated condensed interim financial statements (Consolidated Condensed Interim Statements of Financial Position, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Condensed Cash Flow Statement and notes herein) are, unless otherwise stated, all expressed in thousands of Euros.

Unless otherwise stated, any presented percentage of interest in subsidiaries, joint ventures (including temporary joint operations) and associates includes both direct and indirect ownership.

2.1. Restructuring process

2.1.1. Restructuring process situation update

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

a) <u>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</u>;

- During the first quarter of 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 preliminar 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. Consequently, as of the date of this Report, the Company is working on a proposal to restructure the debt with such challengers.

b) <u>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</u>;

- In the month of June 2018, all the conditions precedent are 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) <u>Additionally, in relation to the proceedings in United States, on occasion as well of the mentioned situation of Abengoa, indicate that</u>;

- 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 Person Responsible* 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) <u>Regarding the declaration of bankruptcy of Abengoa México, S.A. de C.V.</u>

- Under the approved Bankruptcy Agreement, approved on January 22,2018 Abengoa México S.A. de CV (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 has 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 is analyzing the financial situation in order to prepare a strategic plan that allows the long-term viability of the company.

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

› To this date, the meeting of creditors took place on August 7, 2018 in first call, day in which there was not enough quorum for what was held on second call on August 21, 2018, deciding by the creditors keep open and postpone the vote on the potential recovery plan to be presented and still in the due diligence phase, until next October 4, 2018.

f) Regarding the restructuring process carried out in Peru, Chile and Uruguay:

› During the 2018 period no significant fact has occurred in addition to those indicated in the consolidated Annual Accounts for the 2017 period with respect to this proceeding

g) Regarding Construcciones Metálicas Mexicanas, S.A. of C.V process:

› 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.

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

› 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.

› 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

› 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.

2.1.2. Going concern

Once the Restructuring Agreement described in Note 2.2.1 to the Consolidated Financial Statements for the year 2017 is completed, the company will develop the Updated Viability Plan agreed with creditors and investors, which is focused on the traditional business of Engineering and Construction, where the company accumulates more than 75 years of experience. Specifically, this Updated Viability Plan focusses the activity in the energy and environmental industry. This business will be combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has developed a competitive advantage, mainly of technological kind, which allows a bigger added value projects. Regarding the mentioned Updated Viability Plan, will allow sustainable growing of Abengoa, based on the following five principles:

1) A multidisciplinary team and a culture and ability of multifunctional work.

2) Experience in engineering and construction and specially the outstanding strength in business development 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 Company’s Updated Viability Plan.

Consequently, the parent company, Abengoa, S.A., has incurred in losses since 2015, which has supposed a significant decrease in Equity and as a consequence at December 31, 2016 presented a negative net equity. In the parent company Abengoa S.A., the expected measures in the effective application of the Restructuring Agreement have allowed to gain a financial stability once there is a positive impact recognized in the income statement derived from debt write-offs, capital increases and, in addition has provided the Group with the necessary financial resources to rise the market confidence, and the continuance of its activity to operate in a competitive and sustainable manner in the future.

On the other hand, in order to ensure compliance with the Revised Viability Plan August 2016 and be able to continue with its activity in a competitive and sustainable way in the future, it 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 and, as reported in the relevant event dated September 30, 2018, it has signed a term sheet, subject to the conditions that will be specified later, including the signing of definitive documentation, with the main creditors of New Money 2 and New Bonding, in order to provide new liquidity for a maximum amount of 97 million euros, and new lines of guarantees for amount of 140 million euros, to finance the group's liquidity needs and guarantees (the "Financing Agreement").

The Financing Agreement implies modifications in the structure of the group's financial debt, mainly the following:

› A convertible instrument will be issued at the level of A3T for a maximum amount of €97m. This instrument will mature in 2023 and will accrue a 9% annual return (the “A3T Convertible”).

› New Money 1 and 3 will maintain its current economic terms and conditions as well as current preferential rights therefore, remaining unaltered. This debt will not be repaid upon completion of a long-term refinancing of the A3T project, which is expected to occur before the end of 2018.

› 45% of the nominal amount of New Money 2 as well as the €65m liquidity line granted to the Group in November 2017 (further increased in May 2018) will only have recourse against A3T and will reduce the financial cost.

› Creditors holding 55% of New Money 2 facilities that remain at Abenewco 1 level and the bonding providers to Abenewco1 and its subsidiaries will waive the mandatory prepayment event that would otherwise arise as a result of Abenewco1 receiving the proceeds from the A3T Convertible, as well as any

› As part of the agreement, New Money 2 creditors that remain in Abenewco 1 will receive a mandatory convertible instrument which will convert into shares representing 22% of the share capital of Abenewco 1.

The Financing Agreement is contingent on compliance with certain conditions precedent including, among others, completion of the sale of 16.5% of Atlantica Yield to Algonquin and obtaining the necessary consent from financial creditors in accordance with current financing arrangements.

Furthermore, in order to optimize the balance sheet structure of the Group and facilitate access to new financing in the future, the Company is working on a restructuring proposal for both Old Money and the debt of the challenger creditors.

Based on the foregoing, Abengoa´s Directors have considered appropriated to prepar these Consolidated condensed interim financial statements at June 30, 2018 on a going concern, considering the fundamental aspects of the so-called Revised Viability Plan August 2016, which would be reinforced by the Financing Agreement and the aforementioned restructuring proposal.Based on the application of the going concern basis, Abengoa´s Directors have applied the International Financial Reporting Standards (‘IFRS’) consistently with the Consolidated condensed interim financial statements and Consolidated financial statements filed in prior periods. For that purpose, and according to the aforementioned accounting framework, Abengoa´s Directors have made their best estimates and assumptions (see Note 3 of the Annual Consolidated financial statements for year ended 2017) in order to record the assets, liabilities, revenues and expenses as of June 30, 2018 in accordance with the existing information by the time of preparing this Consolidated condensed interim financial statements.

2.1.3. Restructuring process accounting impacts

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

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

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

Regarding the cancellation of the liabilities subject to the standard conditions of the Agreement (amounts payable to creditors who have not signed the Agreement), since there is no obligation to deliver equity instruments in order to cancel 97% of the liabilities, the terms of IAS 39 have been applied to both the derecognition of the percentage of the liability mentioned above and the recognition of a new liability equal to 3% of the original liability which has been recorded at its fair value and recognizing an impact on the Income Statement 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 and and €35 million in share capital, and €443 million in capital share and share premium). The following table shows the breakdown of such impacts (in million euros):

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

It is important to highligt that the previous positive impact produced on the consolidated Equity of Abengoa exclusively tries to portrait the economic impact of Abengoa's financial debt restructuration, and therefore it does not intend to reflect the future financial situation of Abengoa which, in Director´s opinion, and once implemented the Restructuring Agreement will depend on the achievement of the Updated Viability Plan related to the Group's capacity to generate resources from its operations and the liquidity supply in market to continue with the activity in a competitive and sustainable manner.

2.2. Application of new accounting standards

a) Standards, amendments and interpretations yet entered into force, but which may be adopted in advance of the years beginning after January 1, 2018:

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

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

› IFRS 15 'Ordinary revenues proceeding from contracts with Customers'. IFRS 15 is applicable for periods beginning on or after 1 January 2018 under IFRS-EU, earlier application is permitted, that has already been adopted by the EU on September 22, 2016 and published in the official bulletin of the EU on October 29, 2016.

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

› IFRS 9, "Financial Instruments", the main changes identified that could lead to a review of processes, internal controls and systems and an impact on the consolidated financial statements of the Group are summarized below:

(i) Accounting for hedges; the standard aims to align the application of hedge accounting with the Group's risk management by establishing new requirements with a principle-based approach.

(ii) Impairment of financial assets; the standard replaces a models of losses incurred in IAS 39 with an expected loss for the next 12 months or for the life of the instruments in the light of the significant increase in risk.

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

The Company has developed an "expected loss" model, carrying out an assessment and estimation of the provision for impairment required due to the application of this new "expected loss" model on the financial assets. This is a first-time application adjustment that has been registered in the amount of €8 million in these Consolidated condensed interim financial statements.

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

› IFRS 15, "Ordinary revenues proceeding from contracts with Customers", will substitute from the annual exercise initiated on January 1, 2018 the following procedure in effect nowadays:

- IAS 18 "Income from ordinary activities"
- IAS 11 "Construction contracts"
- IFRIC 13 "Customer Loyalty Programmes"
- IFRIC 15 "Agreements for the Construction of real estate"
- IFRIC 18 "Transfers of assets from customers"
- SIC-31 "Revenue- Barter Transactions Involving Advertising Services"

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

- Step 1: Identify the contract or contracts with a customer.
- Step 2: Identify the obligations under contract.
- Step 3: Determine the Price of transaction.
- Step 4: Allocate the Price of transaction among the contract obligations.
- Step 5: Recognize revenues when (or as) the entity complies with each of the obligations.

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

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

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

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

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

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

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

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

› Yearly improvements to IFRS Cycle 2014 - 2016 (published December 8, 2016). These improvements are applicable for annual periods beginning on or after 1 January 2018 under the EU have not yet

› 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 currency foreign.

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

The application of the mentioned improvements, modifications and interpretations have not represented a significant impact in the Consolidated condensed interim 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 Condensed 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.

› IFRS 9 (Amendment) "Component of prepayment with negative compensation".

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

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

› IAS 19 (Ammendment)- "Modification, reduction or liquidation of the plan".

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

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

› IFRS 10 (Amendment) "Consolidated Financial statements" and IAS 28 (Amendment) "Selling Assets between an investor and his joint business" in relation to the treatment of the sale or contribution of goods between an investor and its associate or joint venture. The application of these modifications has been delayed without a defined date of application.

The Group is in the process of analysing the impacts that the new legislation could have.

Note 3.- Critical accounting policies

These Consolidated condensed interim 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 condensed interim financial statements, are:

› Impairment of goodwill and intangible assets.

› 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.
- Derivatives and hedging.
- Guarantees provided to third parties.

Some of these critical accounting policies require the development of significant judgment by The Board of Directors in order to determine appropriate assumptions and estimates to determine these critical accounting policies. These estimates and assumptions are not only based on historical experience of the Company, but also, on the advice of experts and consultants, expectations and forecasts as of the end of the reporting period. Directors´ assessment has to be considered given the business environment of the industries and geographies in which the Group operates, taking into account the future development of the business. Provided its nature, these judgments and assumptions are subject to an inherent degree of uncertainty and, thus, the real results may materially differ from assumptions and estimates used. Upon the occurrence of such event, assets and liabilities will be adjusted.

Based on what has been exposed in Note 2.1.2 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”.

Note 4.- Financial risk management

Abengoa’s activities are undertaken through its operating segments and are exposed to various financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk.

Notwithstanding Abengoa’s current situation as discussed in note 2.1 which has affected the management of the company’s liquidity and capital risks, the Risk Management Model used by Abengoa has always attempt to minimize the potential adverse impact of such risks upon the Group’s financial performance.

Risk is managed by the Group’s Corporate Finance Department, which is responsible for identifying and evaluating financial risks in conjunction with the Group’s operating segments, quantifying them by project, region and company, and diversifying the sources of finance in an attempt to prevent concentrations.

Written internal risk management policies exist for global risk management, as well as for specific areas of risk, such as foreign exchange risk, credit risk, interest rate risk, liquidity risk, the use of hedging instruments and derivatives and the investment of cash surpluses.

In addition there are official written management regulations regarding key controls and control procedures for each company and the implementation of these controls is monitored through Internal Audit procedures.

These Consolidated condensed interim financial statements do not include all financial risk management information and disclosures required for annual financial statements, and should be read together with the information included in Note 4 to Abengoa’s Consolidated financial statements as of December 31, 2017.

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 and the development of solar technology. Abengoa is specialized in carrying out complex “turnkey projects” for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuels plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others.

› Concession-type infrastructures; groups together the company's extensive portfolio of proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts 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, 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 June 30, 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 analyse the evolution of net income and to determine the dividend pay-out ratio. These charges are not taken into consideration by CODM for the allocation of resources because they are non-cash charges.

The process to allocate resources by the CODM takes place prior to the award of a new project. Prior to presenting a bid, the company must ensure that the project debt for the new project has been obtained. These efforts are taken on a project by project basis. Once the project has been awarded, its evolution is monitored at a lower level and the CODM receives periodic information (revenues and EBITDA) on each operating segment's performance.

a) The following table shows the Segment Revenues and EBITDA for the six months period ended June 30, 2018 and 2017:

	Sales		Ebitda		
Item	For the six months period ended 06.30.18	For the six months period ended 06.30.17	For the six months period ended 06.30.18	For the six months period ended 06.30.17 (1)	
Engineering and construction	458,402	605,659	32,129	(42,264)	(1)
Concession-type infrastructure	93,650	85,760	55,035	57,777	
Total	**552,052**	**691,419**	**87,164**	**15,513**	

(1) Includes costs related to independent professional services advisors to the restructuring process for an amount of €52 million at June 30, 2017.

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

Item	For the six months period ended 06.30.18	For the six months period ended 06.30.17
Total segment EBITDA	87,164	15,513
Amortization and depreciation	(13,381)	(296,218)
Financial expenses net	(258,504)	6,130,628
Share in profits/ (losses) of associates	107,494	7,303
Income tax expense	1,012	(642,209)
Profit (loss) from discontinued operations, net of tax	(20,466)	(307,763)
Profit attributable to non-controlling interests	(2,907)	(1,136)
Profit attributable to the parent company	**(99,588)**	**4,906,118**

b) The assets and liabilities by segment as of June 30, 2018 and December 31, 2017 are as follows:

Item	Engineering and construction	Concession-type infrastructure	Balance as of 06.30.18 (2)
Assets allocated			
Intangible assets	56,290	-	56,290
Property plant and equipment	165,840	212	166,052
Fixed assets in projects	739	173,534	174,273
Current financial investments	166,902	3,391	170,293
Cash and cash equivalents	158,138	7,526	165,664
Subtotal allocated	547,909	184,663	732,572
Unallocated assets			
Financial investments	-	-	52,345
Deferred tax assets	-	-	384,590
Other current assets	-	-	976,117
Assets held for sale (1)	-	-	2,588,712
Subtotal unallocated			4,001,764
Total Assets			4,734,336

Item	Engineering and construction	Concession-type infrastructure	Balance as of 06.30.18 (2)
Liabilities allocated			
L-T and S-T corpor. financing	3,343,640	42,848	3,386,488
L-T and S-T project debt	4,604	108,144	112,748
Subtotal allocated	3,348,244	150,992	3,499,236
Unallocated liabilities			
Grants and other liabilities	-	-	66,075
Provisions and contingencies	-	-	56,928
L-T derivative financial instruments	-	-	583
Deferred tax liabilities	-	-	503,636
Personnel liabilities	-	-	8,746
Other current liabilities	-	-	1,661,790
Liabilities held for sale	-	-	1,699,993
Subtotal unallocated			3,997,751
Total liabilities			7,496,987
Equity unallocated	-	-	(2,762,651)
Total liabilities and equity unallocated			1,235,100
Total liabilities and equity			4,734,336

(1) Include Atlantica Yield, Plc under the heading "Non-current assets held for sale".
(2) See Note 7 to see assets and liabilities classified as non-current assets held for sale given the compliance with the stipulations and requirements of the IFRS5 "Non-current assets held for sale and discontinued operations.

Item	Engineering and construction	Concession-type infrastructure (1)	Balance as of 06.30.17 (2)
Assets allocated			
Intangible assets	61,811	1,763	63,574
Property plant and equipment	171,237	173	171,410
Fixed assets in projects	1,018	163,654	164,672
Current financial investments	194,964	-	194,964
Cash and cash equivalents	195,870	-	195,870
Subtotal allocated	624,900	165,590	790,490
Unallocated assets			
Financial investments	-	-	40,753
Deferred tax assets	-	-	375,814
Other current assets	-	-	1,073,346
Assets held for sale	-	-	4,078,194
Subtotal unallocated			5,568,107
Total Assets			6,358,597

Item	Engineering and construction	Concession-type infrastructure	Balance as of 06.30.17 (2)
Liabilities allocated			
L-T and S-T corpor. financing	3,586,741	57,018	3,643,759
L-T and S-T project debt	1,220	106,731	107,951
Subtotal allocated	3,587,961	163,749	3,751,710
Unallocated liabilities			
Grants and other liabilities	-	-	52,275
Provisions and contingencies	-	-	23,286
L-T derivative financial instruments	-	-	-
Deferred tax liabilities	-	-	523,286
Personnel liabilities	-	-	8,088
Other current liabilities	-	-	2,064,343
Liabilities held for sale	-	-	2,343,397
Subtotal unallocated			5,014,675
Total liabilities			8,766,385
Equity unallocated	-	-	(2,407,788)
Total liabilities and equity unallocated			2,606,887
Total liabilities and equity			6,358,597

(1) Include Atlantica Yield, Plc under the heading "Non-current assets held for sale".

(2) See Note 7 to see assets and liabilities classified as non-current assets held for sale given the compliance with the stipulations and requirements of the IFRS5 "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 segment Engineering and Construction, as it will be the activity in which Abengoa will focus over the next few years as established in the Updated Viability Plan.

c) The distribution of depreciation, amortization and impairment charges by segments for the six months period ended at June 2018 and 2017 is as follows:

Item	Balance as of 06.30.18 (1)	Balance as of 06.30.17 (1)
Engineering and construction	(30,919)	(31,712)
Concession-type infrastructure	17,538	(264,506)
Total	(13,381)	(296,218)

(1) Include an impearment registerd during the period ended at June 30, 2017 under the heading Depreciation, amortization and impairment charges in the Consolidated income statements in the amount of € -11 million (see Note 7). Aditionally, as of June 30, 2017 a reversal of the impairment recognized in previous years has been registerd, classified in continued operations, in the amount fo €9 million thar correspond to updating of book values by exchange rate (see Note 7).

(2) It includes reversal of impairment due to the agreement reached with suppliers for the sale of major equipment (see Note 7).

5.2. Information by geographic areas

a) The revenue distribution by geographical region for six months period ended June 30, 2018 and 2017 is as follows:

Geographical region	For the six months period ended 06.30.18	%	For the six months period ended 06.30.17	%
- North America	71.570	13	100.990	15
- South America	145.161	26	193.870	28
- Europe (except Spain)	52.983	10	65.229	9
- Africa	79.119	14	111.015	16
- Middle East	135.253	24	151.434	22
- Other regions	4.447	1	4.706	1
- Spain	63.519	12	64.175	9
Consolidated Total	552.052	100	691.419	100
Outside Spain amount	488.533	88	627.244	91
Spain amount	63.519	12	64.175	9

Note 6.- Changes in the composition of the Group

6.1. Changes in the consolidation group

During the first six months of the year 2018 a total of 2 subsidiary and 2 associated companies and 3 joint-ventures were added to the consolidation perimeter of the Group.

In addition, 16 subsidiaries and 3 joint ventures are no longer included in the consolidation group.

6.2. Main acquisitions and disposals

a) Acquisitions

During the six months period ended June 30, 2018 there were no significant acquisitions.

b) Disposals

- During the period of six months ended June 30, 2018, two significant disposals took place: the sale of 25% de Atlántica 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 1st, 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 2 USD in which the share of AY is revalued, up to a maximum of 0.60 USD per share.

    On March 9th 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 510 million of US dollars approximately, according to the New Money financing agreements.

    As a consequence of the above, on June 30, 2018 a positive impact was identified in the Consolidated Profit and Loss Account for an amount of 110 million Euros as the difference between the carrying amount and the sales price of 25% of the shares.

On April 17th 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 is subject to certain conditions precedent which include the approval of the transaction by certain regulatory bodies and by Abengoa's creditors.

The agreed price is USD 20.90 per share, which means a premium of 6.2% over the closing price of AY on April 16 and a total amount of USD 345, before transaction costs and some other possible reductions. The net amount thus obtained will be used to repay the debt in accordance with the financing agreements. 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 0.30 USD per share and compensable with the "earn-out" described above.

› Within the judicial recovery process initiated in Brazil on the transmission line activity, on December 13, 2017 the transmission lines in operation were awarded to the North-American company TPG Capital, previously named Texas Pacific Group, for an amount of 482 millions of Brazilian Real. 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 fullfiled 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 482 million Brazilian real.

6.3. Business combinations

During the first six months of the year 2018, 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, others assets have been incorporated given the situation of the Company and the Updated Viability Plan approved by the Board of Directors last August 3, 2016 (see Note 2.1) with a view to creating a single asset disinvestment plan.

7.1. Assets in the asset disinvestment plan

The table below shows the included assets of such plan which at June 30, 2018, were classified as non-current assets and liabilities held for sale in the Consolidated statement of financial position because of the compliance of all the stipulations and requirements of IFRS 5, 'Non-Current Assets Held for Sale and Discontinued Operations':

Asset	Details	Capacity	Net book value of asset 06.30.18 (2)
Solar Power Plant One (SPP1) (1)	Combine cycle in Algeria	150 MW	159,660
Manaus Hospital	Concessions in Brazil and Mexico	300 beds / 10,000 persons	134,254
Khi Solar One (1)	Solar plants in South Africa	50 MW	177,617
Xina Solar One (1)	Solar plants in South Africa	100 MW	87,718
Tenés / Ghana / Chennai (1)	Desalination plants	360,000 m3/día	256,052
Zapotillo	Drinking water aquedut	139 km	-
Abent 3T & ACC4T (1)	Cogeneration plants in Mexico	840 MW	450,366
Atacama 2 (1)	Solar platform in Chile	280 MW	16,278
ATN 3, S.A. (1)	Transmission lines in Peru	355 km	75,628
ATE XVI-XXIV (1)	Transmission lines in Brazil	6,218 km	300,272
Bioethanol	Bioethanol plants in Brazil	235 ML	248,843
Atlantica Yield, Plc.	16.47% Share	-	258,229

(1) Circumstances and the loss of control of these companies since last August 2015 (see Note 2.1) are delaying the disinvestment process. However, the intention of Directors remains to sale such companies as established in the Updated Viability Plan approved by the General Shareholders meeting in August 2016.

(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 June 30, 2018 coinciding with the reasonable value detailed in Note 7.2. For further detail of the remaining assets and liabilities held for sale see note 7.3

7.2. Asset impairment analysis

a) Changes in the classification

During the year 2018, there were no changes in the assets classified under the heading of assets and liabilities held for sale in the Consolidated Statement of Financial Position for complying with all the assumptions and requirements of IFRS 5 "Non-current assets held for sale and discontinued operations".

b) Impairment on the assets

As of June 30, 2018, a positive net impact of assets classified as held for sale and discontinued operations for an amount of € 28 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 of the ACC4T generation plant.

7.3 Detail of assets held for sale

At June 30, 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 06.30.18	Balance as of 12.31.17
Property plant and equipment (*)	13,172	532
Fixed assets in projects (*)	1,799,737	2,795,925
Investments in associates (*)	352,008	737,213
Financial investments	48,910	68,293
Deferred tax assets	37,616	63,786
Current assets	337,269	412,445
Project debt	(1,078,341)	(1,656,941)
Corporate financing	(71,688)	(66,640)
Other non-current liabilities	(251,724)	(322,505)
Other current liabilities	(298,240)	(297,311)
Total net assets and liabilities held for sale	**888,719**	**1,734,797**

(*) Net book value of asset as indicated in Note 7.1.

7.4. Details of discontinued operations

a) Brazilian transmission lines

› At June 30, 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	For the six months period ended 06.30.18	For the six months period ended 06.30.17 (1)
Revenue	66,886	77,777
Other operating income	-	1,679
Operating expenses	(73,552)	(99,143)
I. Operating profit	(6,666)	(19,687)
II. Financial expense, net	28,050	5,718
III. Share of profit/(loss) of associates carried under the equity method	-	88
IV. Profit before income tax	21,384	(13,881)
V. Income tax benefit	-	(715)
VI. Profit for the period from continuing operations	21,384	(14,596)
VII. Profit attributable to minority interests	-	(476)
VIII. Profit for the period attributable to the parent company	**21,384**	**(15,072)**

(1) Negative impact are included of the recognized impairment on assets amounted to €20 million.

› Additionally, the details of the Cash flow statements of the companies that own the concession assets of the Brazilian transmission lines at June 30, 2018 and 2017 which were reclassified under the heading of discontinued operations are as follows:

Item	For the six months period ended 06.30.18	For the six months period ended 06.30.17
Profit for the year from continuing operations adjusted by non monetary items	-	29,337
Variations in working capital	(18,158)	6,217
Interest and income tax received / paid	(14,672)	(22,552)
A. Net cash provided by operating activities	(32,830)	13,002
B. Net cash used in investing activities	4,426	-
C. Net cash provided by financing activities	(23,178)	2,543
Net increase/(decrease) in cash and cash equivalents	(51,582)	15,545
Cash, cash equivalents and bank overdrafts at beginning of the year	51,588	37,893
Translation differences cash or cash equivalent	(2)	(4,942)
Cash and cash equivalents at end of the year	4	48,496

b) Bioenergy

› At June 30, 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	For the six months period ended 06.30.18	For the six months period ended 06.30.17 (1)
Revenue	37,133	76,622
Other operating income	44,579	12,692
Operating expenses	(91,383)	(113,982)
I. Operating profit	(9,671)	(24,668)
II. Financial expense, net	(33,783)	(82,619)
III. Share of profit/(loss) of associates carried under the equity method	-	-
IV. Profit before income tax	(43,454)	(107,287)
V. Income tax benefit	1,603	(185,880)
VI. Profit for the period from continuing operations	(41,851)	(293,167)
VII. Profit attributable to minority interests	-	-
VIII. Profit for the period attributable to the parent company	(41,851)	(293,167)

(1) Positive impact are included of the recognized impairment on assets amounted to €26 million.

› Additionally, the details of the Cash flow statements of the bioenergy business at June 30, 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	For the six months period ended 06.30.18	For the six months period ended 06.30.17
Profit for the year from continuing operations adjusted by non monetary items	1,380	(104,183)
Variations in working capital	(5,550)	7,009
Interest and income tax received / paid	(1,134)	(808)
A. Net cash provided by operating activities	(5,304)	(97,982)
B. Net cash used in investing activities	(1,933)	82,742
C. Net cash provided by financing activities	-	(10,308)
Net increase/(decrease) in cash and cash equivalents	(7,237)	(25,549)
Cash, cash equivalents and bank overdrafts at beginning of the year	15,926	226,979
Translation differences cash or cash equivalent	(1,276)	(16,559)
Cash and cash equivalents at end of the year	7,413	184,871

Note 8.- Intangible assets and property, plant and equipment

8.1. The detail of the main categories included in intangible assets as of June 30, 2018 and December 31, 2017 is as follows:

Item	Goodwill	Development assets	Other	Total
Intangible assets cost	55,507	336,388	142,385	534,280
Amortization and impairment	(55,507)	(336,388)	(86,095)	(477,990)
Total as of June 30, 2018	-	-	56,290	56,290

Item	Goodwill	Development assets	Other	Total
Intangible assets cost	55,507	335,722	145,265	536,494
Amortization and impairment	(55,507)	(335,722)	(81,691)	(472,920)
Total as of December 31, 2017	-	-	63,574	63,574

There were no significant variations during the six month period ended June 30, 2018.

8.2. The detail of the main categories included in Property, plant and equipment as of June 30, 2018 and December 31, 2017 is as follows:

Item	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Property, plant & equipment cost	274,078	114,446	2,372	57,047	447,943
Depreciation and impairment	(161,040)	(63,937)	-	(56,914)	(281,891)
Total as of June 30, 2018	113,038	50,509	2,372	133	166,052

	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Property, plant & equipment cost	259,894	128,235	2,336	58,864	449,359
Depreciation and impairment	(146,015)	(75,404)	-	(56,530)	(277,949)
Total as of December 31, 2017	113,879	52,831	2,336	2,334	171,410

There were no significant variations during the six month period ended June 30, 2018.

Note 9.- Fixed assets in projects

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.

9.1. The detail of concessional assets in projects as of June 30, 2018 and December 31, 2017 is as follows:

Item	Intangible and financial assets	Development assets	Total
Concession assets in projects cost	1,324	164,245	165,569
Amortization and impairment	(514)	-	(514)
Total as of June 30, 2018	810	164,245	165,055

Concepto	Intangible and financial assets	Development assets	Total
Concession assets in projects cost	1,356	157,747	159,103
Amortization and impairment	(470)	-	(470)
Total as of December 31, 2017	886	157,747	158,633

The most significant variation produced during the six-month period ended June 30, 2018 corresponds mainly to the increase derived from the progress of the Unidad Punta de Rieles and Agadir projects.

9.2. The detail of the main categories included in other assets in projects as of June 30, 2018 and December 31, 2017 is as follows:

Item	Land and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Other assets in projects cost	4,261	9,901	1	1,790	99	16,052
Depreciation and impairment	(514)	(6,072)	-	(207)	(41)	(6,834)
Total as of June 30, 2018	3,747	3,829	1	1,583	58	9,218

Item	Land and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Other assets in projects cost	3,487	3,455	2	1,745	99	8,788
Depreciation and impairment	(18)	(2,517)	-	(178)	(36)	(2,749)
Total as of December 31, 2017	3,469	938	2	1,567	63	6,039

Note 10.- Investments accounted for using the equity method

10.1. The detail of the main categories included in Investments accounted for using the equity method as of June 30, 2018 and December 31, 2017 is as follows:

Item	Balance as of 06.30.18	Balance as of 12.31.17
Associates	30,704	30,744
Joint Ventures	6,663	3,129
Total Investments accounted for using the equity method	37,637	33,873

The most significant variation corresponds to the investment in Abengoa- Algonquin Global Energy Solutions BV (AAGES).

Note 11.- Financial investments

The detail of the main categories included in financial investment as of June 30, 2018 and December 31, 2017 is as follows:

Item	Balance as of 06.30.18	Balance as of 12.31.17
Financial assets at fair value	2,712	2,316
Other receivable accounts	48,261	37,956
Derivative assets	1,372	481
Total non-current financial investments	52,345	40,753

Item	Balance as of 06.30.18	Balance as of 12.31.17
Financials assets at fair value	2,341	2,508
Other receivable accounts	167,949	192,355
Derivative assets	3	101
Total current financial investments	170,293	194,964
Total financial investments	222,638	235,717

The most significant variations in current financial investments during the six months of 2018 mainly correspond to the financial accounts receivable from the related to the current Escrow account of the new financing obtained in the restructuring process (New Money) that will be released to be used in the construction of the A3T concession once certain conditions precedent.

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

Note 12.- Derivative financial instruments

The fair value of derivative financial instruments as of June 30, 2018 and December 31, 2017 is as follows:

	06.30.18		12.31.17	
Item	Assets	Liabilities	Assets	Liabilities
Exchange rate derivatives – cash flow hedge	158	583	340	-
Exchange rate derivatives – non-hedge accounting	1,217	-	242	-
Total	1,375	583	582	-
Non-current part	1,372	583	481	-
Current part	3	-	101	-

The net increase during the six-month period ended June 30, 2018 in the derivative financial assets corresponds to the increase in the fair value of interest-rate derivatives for non-hedge accounting, within which the most significant typology is the cap of interest rate.

The fair value amount transferred to the Consolidated Income Statement as of June 30, 2018 concerning the financial instruments derivatives designated as hedging instruments is a loss of €2,854 thousand (profit of €14,706 thousand as of June 30, 2017).

The net amount of derivatives fair value transferred directly to the Consolidated Income Statement as of June 30, 2018 as a result of not meeting all the requirements of IAS39 to be designated as accounting hedges represents a profit of €3,852 thousand (loss of €7,174 thousand as of June 30, 2017).

Note 13.- Inventories

Inventories as of June 30, 2018 and December 31, 2017 were as follows:

Item	Balance as of 06.30.18	Balance as of 12.31.17
Goods for sale	1,988	1,757
Raw materials and other supplies	27,705	27,439
Work in progress and semi-finished products	6,103	577
Projects in progress	472	6,844
Finished products	15,944	15,560
Advance Payments to suppliers	21,944	22,519
Total	74,156	74,696

Note 14.- Clients and other receivable accounts

The breakdown of Clients and other receivable accounts as of June 30, 2018 and December 31, 2017 is as follows:

Item	Balance as of 06.30.18	Balance as of 12.31.17
Customer receivables	442,926	528,403
Unbilled revenues	191,869	211,849
Bad debt provisions	(60,475)	(70,326)
Tax receivables	202,304	203,543
Other debtors	87,970	91,308
Total	864,594	964,777

At the six month period ended June 30, 2018, Abengoa had non-recourse factoring lines, of which €14 million had been factored.

Note 15.- Share capital

As of June 30, 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 June 30, 2018 are as follows:

	Significant shares	
Accionistas	% Direct share	% Indirect share
Banco Popular Español, S.A.	3.63%	-
Banco Santander, S.A.	0.34%	3.63%
Secretaría de Estado de Comercio - Ministerio de Economía Industria y Competitividad	3.152%	-

›

› On September 30, 2012 the General Shareholders' Meeting approved a capital increase of 430,450,152 Class B shares with a nominal value of €0.01 each reducing its unrestricted reserves, which would be delivered to all shareholders on a proportion of four Class B shares by each owned Class A or B share. Such General Shareholders' Meeting approved a voluntary conversion right to change Class A shares with one euro nominal value (€0.002 nominal value as of December 31, 2015) to Class B shares of €0.01 nominal value (€0.0002 nominal value as of December 31, 2015) during certain pre-established periods until December 31, 2017. After exercising this right and after a capital reduction decreased the nominal value of all the class A shares at 0.98 each at that moment and all Class B shares at 0.0098 each at that moment, with the agreement of the Extraordinary Shareholders' Meeting of the company in October 10, 2015, a capital reduction decreasing the nominal value of the converted shares at the value of €0.0198 per share will take place, with unrestricted reserves credit.

› On December 31, 2017, the last liquidity window was concluded and, as a result, on January 12, 2018, the Company reduced its capital by 222,885.53 euros through the conversion of 11,256,845 Class A shares. in new Class B shares

› As a consequence of the mentioned operations, the share capital of Abengoa at the date of June 30, 2018, amounts €35.865.862.17 represented by 18,836,119,300 shares fully subscribed and paid: 1,621,143,349 pertaining to Class A and 17,214,975,951 shares pertaining to Class B. The proposed distribution of 2017 of the parent company approved by the General Shareholders 'Meeting in June 25, 2018, has been charged to retained earnings.

Note 16.- Non-controlling interest

In the six-month period ended June 30, 2018, the variation in the non-controlling interests heading corresponds mainly to the exit of the transmission lines in operation in Brazil (see note 6.2) and to the depreciation of the Brazilian real.

Note 17.- Project debt

The details of project debt applied to projects, for both non-current and current liabilities, as at June 30, 2018 and December 31, 2017 is as follows:

Project debt	Balance as of 06.30.18	Balance as of 12.31.17
Project finance (Non-recourse project financing)	112.748	107.951
Project bridge loan	-	-
Total project debt	112.748	107.951
Non-current	14.159	11.197
Current	98.589	96.754

There were no significant variations during the six month period ended June 30, 2018.

Note 18.- Corporate financing

18.1. The breakdown of the corporate financing as of June 30, 2018 and December 31, 2017 is as follows:

Non-current	Balance as of 06.30.18	Balance as of 12.31.17
Credit facilities with financial entities	608,065	620,278
Notes and bonds	913,248	858,597
Finance lease liabilities	7,782	7,511
Other loans and borrowings	135,161	124,845
Total non-current	1,664,256	1,611,231
Current	**Balance as of 06.30.18**	**Balance as of 12.31.17**
Credit facilities with financial entities	837,408	798,850
Notes and bonds	449,253	901,094
Finance lease liabilities	7,152	8,466
Other loans and borrowings	428,419	324,118
Total current	1,722,232	2,032,528
Total corporate financing	3,386,488	3,643,759

At the close of June 30, 2018, corporate financing has decreased mainly due to the partial redemption of New Money as a result of the sale of 25% of Atlantica Yield.

Among the conditions of the financing of new money (New Money) several compliance obligations have been established, among which are the liquidity ratio (historical and future) and that as of June 30, 2018, the limit has been met minimum established (€20 million) being the "Historic Liquidity" of €22.8 million and the "Project Liquidity" of €20.7 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 2,700 million as a result of the possible crystallization of contingent liabilities, there is a term of 6 months to restructure, through capital increases or additional withdrawals, the aforementioned loans before incurring in an early maturity cause. During 2018 and up to the formulation date, the limit of 2.7 billion Old Money has not been exceeded.

18.2. Credit facilities with financial entities

Credit facilities with financial entities as of June 30, 2018 and December 31, 2017 are as follow:

	Balance as of 06.30.2018	Balance as of 12.31.2017
Centro Tecnológico Palmas Altas financing	77,332	77,398
New sydincated financing	66,620	40,000
Other loans	239,427	240,954
New money 1	249,491	314,136
New money 2	225,742	191,224
Old money	586,861	555,416
Total	1,445,473	1,419,128
Non-current	608,065	620,278
Current	837,408	798,850

In relation to the New Money as of June 30, 2018, all the conditions have been accomplished established on the financing contract.

Nominal value of New Money and Old Money debt amount to €274 million and $86 million, and €833 million and $236 million, respectively.

18.3. Notes and bonds

The notional value of notes and bonds as of June 30, 2018 and December 31, 2017 is as follow:

	Balance as of 06.30.18	Balance as of 12.31.17
Ordinary notes Abengoa	10,532	10,600
Commercial paper Abengoa Mexico	-	102,363
New money 1	406,794	758,781
New money 2	32,842	29,625
Old money	912,333	858,322
Total	1,362,501	1,759,691
Non-current	913,248	858,597
Current	449,253	901,094

In relation to the New Money as of June 30, 2018, all the conditions have been accomplished established on financing contract.

Nominal value of New Money and Old Money debt amount to €26 million and USD336 million, and €993 million and $717 million, respectively.

18.4. Other loans and borrowings

The breakdown of current and not current other loans and borrowings at June 30, 2018 and December 31, 2017 is the following:

Item	Balance as of 06.30.18	Balance as of 12.31.17
Granted loans	6,589	6,832
Non-recourse confirming due and unpaid (group and not group)	15,872	38,132
Guarantees executed	180,533	227,452
Derivatives	23,199	35,410
Bankruptcy agreement in Mexico	203,864	-
Guarantees	81,979	103,802
Loans with public institutions and others	51,544	37,334
Total	563,580	448,963

At the end of June 30, 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 temporarily classified in the current liabilities of the Consolidated financial statement due to compliance with payment after June 30, 2018. (see Note 2.1.1.d)

Note 19.- Provisions and contingences

19.1. Contingent assets and liabilities

- Regarding the lawsuit against the Electric Power Authority ("AEE") of Puerto Rico that liquidated the contract that both parties had established in relation to an EPC project for the construction of a power plant in Puerto Rico, in which the AEE was the Principal Contractor, the process continues in the hearing phase, resuming the holding of the hearings for the month of September 2018

- In relation to the arbitration proceedings against the client of a combined cycle power plant being built in Poland, Elektrocieplownia Stalowa Wola, S.A., on April 2017, Elektrocieplownia Stalowa Wola, S.A. presented answer to the extension of the demand. The Arbitral Tribunal has recently agreed a new procedural calendar for the development of the procedure, that continues to develop in its different phases.

- In relation to the arbitration proceedings against the client Portland General Electric Company ("PGE") who resolved unilaterally the contract which had signed with several Abengoa´s subsidiaries, for the design and construction of a 440 Mw combined cycle plant in Oregon, United States, to indicate that the present procedure is finalized after the parties have reached an agreement on the same.

- In relation to the initiation and investigation against the manufacturers and some companies of the industry (where NICSA and its parent company Abengoa, S.A. are established), indicate that Nicsa has proceeded to pay the penalty of 354.907 euros, having submitted, however, a writ of filing a contentious-administrative appeal before the National High Court.

- In relation to the information requirement sent by the CNMC to several rail industry companies, which Inabensa, S.A. to indicate that mentioned request for information was duly answered within the time allowed. Currently, the company has received a proposal for a sanction, for which the appropriate allegations are being prepared.

- In relation to the arbitration procedure of Inabensa Danmark in the framework of the project for the execution of the contract for facilities for the University of Copenhagen, indicate that a resolution has recently been issued agreeing the accumulation of both procedures, which again opens the deadline for submission by the client of the response to the demand, set for November 15, 2018. In parallel, the client has initiated the procedure for requesting execution of guarantees, having submitted the written company rejecting it. A ruling has been received from the arbitral tribunal where the suspension of the enforcement procedure is not admitted, after which the company has argued that the arbitration of the main case should be awaited. As a consequence of the foregoing, an independent expert has been appointed who will issue an opinion on whether or not to pay the guarantee executed.

- In relation to the contingent liability related to the start of an inspection in 2013 by the European Commission on Abengoa and the companies that are directly or indirectly under its control, with respect to its possible participation in anti-competitive agreements or actions allegedly destined to the manipulation of the results of the price valuation at the close of the day (CDD) of Platts, as well as to deny the access of one or several companies to their participation in the process of appraising the CDD price, to indicate that dated July 26, 2018 the European Commission has notified the Statement of Charges, giving a period of 10 weeks to respond to it. This period ends on October 22, 2018, and that after requesting an extension has been finally extended until November 5, 2018.

Note 20.- Third-party guarantees and commitments

- At the end of the first semester of 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, performance and others) amounted to €852,323 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 €4,286,022 thousand (€4,338,192 thousand at December 31, 2017).

The following table details the guarantees undertaken by the Company classified by commitment type at June 30, 2018:

Typology	Guarantees/Surety Insurance	Guarantees	Total 06.30.2018	Total 12.31.2017
Bid Bond	1,906	4,158	6,064	32,918
Performance:	1,906	4,158	6,064	32,918
Materials supply	5,233	556,499	561,732	688,428
Advance payments	56,170	-	56,170	42,100
Execution (construction/collection/payments)	757,550	2,941,888	3,699,438	4,341,517
Quality	8,021	17,527	25,548	25,749
Operation and maintance	10,041	-	10,041	18,166
Dismantilling	3,400	-	3,400	3,713
Other	10,002	-	10,002	19,144
Subtotal	852,323	3,520,072	4,372,395	5,171,735
Group Company financing guarantees	-	765,950	765,950	1,035,416
Total	852,323	4,286,022	5,138,345	6,207,151

Related to the above-mentioned amounts, and based on the terms of the Financial Support Agreement, Abengoa has conceded to Atlantica Yield and affiliates certain bank guarantees amounting to €36 and €179 million to assure the performance associated to certain concessional projects of thermos-solar energy generation, Eolic and electric transmission lines (see Note 7.1).

Additionally, the breakdown includes the amounts of bank guarantees and guarantees related to companies classified as held for sale amounted to €23 and €126 million respectively, being the amount associated to Bioenergy €89 million (€23 million bank guarantees and €66 million of guarantees) and the associated to transmission lines €60 million (€0 million of bank guarantees and €60 million of guarantees).

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

Note 21.- Trade payables and other current liabilities

Trade payables and other current liabilities as of June 30, 2018 and December 31, 2017 are shown in the following table:

Item	Balance as of 06.30.18	Balance as of 12.31.17
Trade payables for purchases of goods	935,957	1,216,265
Trade payables for services	335,370	394,767
Billings in excess and advance payments from clients	184,588	150,379
Remunerations payable to employees	16,193	11,204
Suppliers of intangible assets current	3,029	3,089
Other accounts payables	59,755	106,513
Total	1,534,892	1,882,217

At June 30, 2018 the total amount of trade payables and other current payables due and unpaid (principal and interest) amounted to €619.

The table below shows the details of the non-recourse confirming carried out with external and group suppliers as at June 30, 2018 and December 31, 2017:

Item	Balance as of 06.30.18	Balance as of 12.31.17
Non-group amounts payable through Confirming	37,293	63,625
Group amounts payable through Confirming	1,502	3,968
Total	38,795	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 €16 million relating to due and not paid confirming transactions (principal and interests) and additionally, €22 million related to companies held for sale.

Note 22.- Finance income and expenses

22.1 Finance income and expenses

The following table sets forth our Finance income and expenses for the six months period ended June 30, 2018 and 2017:

Finance income	For the six months period ended 06.30.18	For the six months period ended 06.30.17
Interest income from loans and credits	1,141	3,764
Interest rates benefits derivatives: cash flow hedges	517	17,695
Interest rates benefits derivatives: non-hedging	3,854	-
Total	5,512	21,459

Finance expenses	For the six months period ended 06.30.18	For the six months period ended 06.30.17
Expenses due to interest:		
- Loans from credit entities	(131.865)	(160.248)
- Other debts	(95.624)	(93.180)
Interest rates losses derivatives: cash flow hedges	(10.439)	(1.085)
Interest rates losses derivatives: non-hedging	(2)	(7.174)
Total	(237.930)	(261.687)
Net financial loss	(232.418)	(240.228)

Finance income has decreased at the six months period ended June 30, 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 first semester of 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 2.1.1.a).

22.2. Other net finance income and expenses

The following table sets out 'Other net finance income and expenses' for the six months period ended June 30, 2018 and 2017:

Other finance income	For the six months period ended 06.30.18	For the six six months period ended 06.30.17
Profits from the sale of financial assets	317	242
Income on financial assets	9.181	412
Finance income for restructuring	17,613	6,404,167
Changes in the fair value of the derivatives embedded in the convertible bonds and options over share	-	75
Other finance income	6,727	4,684
Total	33,838	6,409,580

Other finance expenses	For the nine months period ended 06.30.18	For the six months period ended 06.30.17
Loss from sale of financial assets	(1)	(2)
Outsourcing of payables	(333)	(1,039)
Other financial losses	(68,539)	(36,667)
Loss derived from commodity price derivatives: non hedge	(5)	(315)
Total	(68,878)	(38,023)
Other net finance income/expenses	(35,040)	6,371,557

The main variation in "Other financial income" corresponds to the positive impact of the financial restructuring of the Group's financial debt (see Note 2.1), during the previous year.

"Other financial expenses" mainly includes the impact of the discount on the assignment of rights, credits and guarantees executed as a result of the situation in which the Company is located..

The net amount of "Other net finance income and expenses" related to companies with project finance is a loss of €1 million (an income of €2,229 thousand at June 30, 2017).

Nota 23.- Income tax

23.1. The effective tax rate for the period presented has been established based on Management's best estimates (see Note 3).

23.2. Income tax increase to a profit of € 1 million for the six months period ended June 30, 2018, compared to an expense tax benefit of €642 million in the same period for 2017. The improvement in corporate income tax is mainly attributed to the corporate income tax expense recognized in 2017 due to the positive result arising from the restructuring of the Group's financial debt, as well as the impairment of activated tax credits of companies in Spain.

Note 24.- Fair value of financial instruments

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 prices) or indirectly (i.e. derived from prices).
- 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 June 30, 2018 and December 31, 2017 (except the non-quoted equity instruments measured at cost and the contracts with components that cannot be measured reliably):

Category	Level 1	Level	Level 3	Balance as of 06.30.18
Non-hedging derivatives	-	1,217	-	1,217
Hedging derivatives	-	(425)	-	(425)
Available-for-sale	-	-	5,053	5,053
Total	-	792	5,053	5,845

Category	Level 1	Level	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

The majority of Abengoa's portfolio comprises financial derivatives designated as cash flow hedges, is classified as level 2 and corresponds mainly to the interest rate swaps (see Note 12).

Under the heading "Non- hediging derivatives" the fair value of certain derivative financial instruments is included that, being derivatives contracted with the aim of hedging certain market risks (mainly interest rates), do not fulfilling all the requirements of IAS 39 to be deemed a hedging instrument from an accounting perspective.

The most significant variation in level 3 correspond to the investment on Abengoa -Algonquin Global Energy Solutions BV (AAGES).

The following table shows the changes in the fair value of level 3 assets for the six months period ended June 30, 2018 and December 31, 2017:

Movements	Amount
Beginning balance as of December 31, 2016	10,252
Gains and losses recognized in Equity	52
Change in consolidation, reclassifications and translation differences	(5,480)
Total as of December 31, 2017	4,824
Gains and losses recognized in Equity	84
Change in consolidation, reclassifications and translation differences	145
Total as of June 30, 2018	5,053

During the years considered in these Consolidated condensed interim financial statements, there have not been any significant reclassifications amongst the three levels presented above.

Note 25.- Earnings per share

25.1. 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	For the six months period ended 06.30.18	For the six months period ended 06.30.17
(Losses) / Profit from continuing operations attributable to equity holders of the company	(79,122)	5,214,357
Profit from discontinuing operations attributable to equity holders of the company	(20,466)	(308,239)
Average number of ordinary shares outstanding (thousands)	**18,836,119**	**10,386,027**
(Losses) / Earnings per share from continuing operations (€ per share)	(0.004)	0.50
(Losses) / Earnings per share from discontinuing operations (€ per share)	(0.001)	(0.03)
(Losses) / Earnings per share from profit for the year (€ per share)	**(0.005)**	**0.47**

25.2. 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 2.1.1.a). 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	For the six months period ended 06.30.18	For the six months period ended 06.30.17
(Losses) / Profit for the year		
- (Losses) /Profit from continuing operations attributable to equity holders of the company	(79,122)	5,214,357
- (Losses) /Profit from discontinuing operations attributable to equity holders of the company	(20,466)	(308,239)
(Losses) /**Profit for the year attributable to the parent company**	**(99,588)**	**4,906,118**
Average weighted number of ordinary shares outstanding (thousands)	18,836,119	10,386,027
- Warrants adjustments (average weighted number of shares in outstanding since issue)	864,793	883,577
Average weighted number of ordinary shares affecting the diluted earnings per share (thousands)	**19,700,912**	**11,269,604**
Diluted (losses) / earnings per share from continuing operations (€ per share)	(0.004)	0.46
Diluted (losses) / earnings per share from discontinuing operations (€ per share)	(0.001)	(0.02)
Diluted (losses) / earnings per share to the profit for the year (€ per share)	**(0.005)**	**0.44**

Note 26.- Average number of employees

The average number of employees classified by category during the six months period ended June 30, 2018 and 2017 was:

Categories	Average number of employees for the six months ended 06.30.2018		%	Average number of employees for the six months ended 06.30.2017		%
	Female	Male	Total	Female	Male	Total
Directors	27	225	1.9	39	353	2.4
Management	162	691	6.4	281	999	7.9
Engineers	474	1,187	12.5	787	1,844	16.2
Assistants and professionals	410	703	8.4	659	1,403	12.7
Operators	558	8,829	70.5	631	9,154	60.3
Interns	16	32	0.4	38	49	0.5
Total	1,647	11,667	100	2,435	13,802	100

During the first semester of 2018 the average number of employees is 20.6% in Spain and 79.4% abroad.

Note 27.- Transactions with related parties

During the six months period ended June 30, 2018 the only transactions associated with related parties were the following:

No dividends have been distributed to related parties during the period of 2018 (€0 thousand in 2017).

As of June 30, 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:

Accionistas	Significant shares	
	% Direct share	% Indirect share
Banco Popular Español, S.A.	3.63%	-
Banco Santander, S.A.	0.34%	3.63%
Secretaría de Estado de Comercio - Ministerio de Economía Industria y Competitividad	3.152%	-

a)

a) As of June 30, 2018 the exposures to related parties are:

Accionistas	Related entities balances		
	New Bonding	New Money	Old Money
Banco Popular Español, S.A.	39,189,812	52,932,839	4,611,585
Banco Santander, S.A.	83,616,280	104,157,801	45,962,446
ICO	-	12,797,588	40,809,493

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

- On March 9, 2018 the sale of 25% AY was completed for a total price of 607,567,139 USD (Note 6.2)
- On April 17, 2018, Algonquin Power & Utilities Corp. ("AQN") informed the Company of the exercise of the option on all the shares of which this Group is the owner, that is, a total of 16,503,348 shares of AY (representing 16.47 of the share capital of AY) at a price of 20.90 USD

These operations have been subject to review by Abengoa's Audit Committee. Additionally, as of June 30, 2018, the most significant transactions related to associates companies correspond to those made by Atlantica Yield companies.

- Relating to the transactions with Atlantica Yield It has been signed with the majority of the Project companies owned by Atlantica Yield for the operation and maintenance "Operation and Maintenance Agreement") of every asset they own. Additionally, Abengoa signed the following contracts with Atlantica Yield:
  - Right of First Offer Agreement: contract which gives the right to Atlantica Yield of the first offer in the case of any asset disposal of Abengoa.
  - Trademark License Agreement: contract of use by Atlantica Yield of the commercial trademark owned by Abengoa.
  - Financial Support agreement: contract of financial support through the use of a revolving credit for the treasury needs as well as the maintenance of certain technical and financial guarantees (see Note 20) or credit letter in force.

All these contracts signed with companies consolidated under the equity method have been valued at fair value.

Note 28.- 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 provision of shares or share options or amounts that are linked to the Company's share price; (e) severance payments, provided that the director is not relieved of office on grounds if failing to fulfill the responsibilities attributable to him/her; and (f) savings or pension systems considered to be appropriate.
- The Extraordinary General Shareholders' Meeting held on second call on June 25, 2018, has approved, among others resolutions, to maintain the maximum annual amount of the directors remuneration in their capacity as such for the year 2018 that, in accordance with the provisions of the remuneration policy applicable to that year and approved at the Ordinary General Meeting held on June 30, 2017, will amount to € 1,160,000.
- During the first six months of the financial year 2018, the remuneration paid to the Company's Senior Management (members of Senior Management who are not in turn executive directors indicating the total remuneration in their favor during the year), amounted to all concepts, both fixed and variable, at €1,135 thousand (€1,844 thousand as of June 30, 2017). Likewise, during the same period, the remuneration paid to the directors, both in their capacity as such and in the exercise of their executive functions, has amounted, in all respects, to €922 thousand.
- There are no advances or loans granted to all the members of the Board of Directors, nor any obligations assumed with them.

Note 29.- Subsequent events

After-closure of June 30, 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.

03. Consolidated condensed management report as of June 30, 2018

Consolidated Condensed Interim Management Report as of June 30, 2018

1.- Organizational structure and activities

Abengoa, S.A. is the parent company of the Abengoa Group (referred to hereinafter as 'Abengoa', 'the Group' or 'the Company'), which at the end of the six months period ended June 30, 2018, was made up of 444 companies: the parent company itself, 349 subsidiaries, 78 associates and 16 joint ventures. 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 explained in the following breakdown of section 2.2.1 in 2017 Consolidated Financial Statements, on March 31, 2017, the Restructuring Completion Date has taken place (Restructuring Completion Date) established in the Restructuring Agreement and the effective application of such Restructuring Agreement allow the parent company Abengoa, S.A. to rebalance its equity, which is currently negative, once the positive effect of the restructuring of the debt to equity swap is registered in the Income Statement of the Company.

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

The shares of the associate Atlantica Yield (formerly Abengoa Yield, Plc.) are listed in the NASDAQ Global Select Market since June 13, 2014. As of June 30, 2018 the Abengoa's investment on Atlantica Yield amounts to 16.47%.

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

Abengoa`s business is organized under the following two activities:

› Engineering and construction: includes the traditional engineering activities in the energy and water sectors, with more than 75 years of experience in the market and the development of solar technology. Abengoa is specialized in carrying out complex turnkey projects for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuel plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others.

› Concession-type infrastructures: groups together the company's extensive portfolio of proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. 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, 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 June 30, 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 condensed interim financial statements for the period ended June 30, 2018 have been formulated on September 30, 2018.

All public documents of Abengoa may be viewed at "www.abengoa.com".

2.- Evolution and business results

2.1. Restructuring process

2.1.1. Restructuring process situation updating

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

a) In relation to the proceeding provided by the law 22/2003 (Ley Concursal) and the beginning of the financial restructuring process, it should be noted that;

› During the first quarter of 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 preliminar 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. Consequently, as of the date of this Report, the Company is working on a proposal to restructure the debt with such challengers.

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;

› In the month of June 2018, all the conditions precedent are 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;

› 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 Person Responsible* 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) Regarding the declaration of bankruptcy of Abengoa México, S.A. de C.V.

› Under the approved Bankruptcy Agreement, approved on January 22,2018 Abengoa México S.A. de CV (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 has 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 is analyzing the financial situation in order to prepare a strategic plan that allows the long-term viability of the company.

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

› To this date, the meeting of creditors took place on August 7, 2018 in first call, day in which there was not enough quorum for what was held on second call on August 21, 2018, deciding by the creditors keep open and postpone the vote on the potential recovery plan to be presented and still in the due diligence phase, until next October 4, 2018.

f) Regarding the restructuring process carried out in Peru, Chile and Uruguay:

› During the 2018 period no significant fact has occurred in addition to those indicated in the consolidated Annual Accounts for the 2017 period with respect to this proceeding

g) Regarding Construcciones Metálicas Mexicanas, S.A. of C.V process:

› 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

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

› 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.

› 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

› 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.

2.1.2. Going concern

Once the Restructuring Agreement described in Note 2.2.1 to the Consolidated Financial Statements for the year 2017 is completed, the company will develop the Updated Viability Plan agreed with creditors and investors, which is focused on the traditional business of Engineering and Construction, where the company accumulates more than 75 years of experience. Specifically, this Updated Viability Plan focusses the activity in the energy and environmental industry. This business will be combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has developed a competitive advantage, mainly of technological kind, which allows a bigger added value projects. Regarding the mentioned Updated Viability Plan, will allow sustainable growing of Abengoa, based on the following five principles:

1) A multidisciplinary team and a culture and ability of multifunctional work.

2) Experience in engineering and construction and specially the outstanding strength in business development 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 Company’s Updated Viability Plan.

Consequently, the parent company, Abengoa, S.A., has incurred in losses since 2015, which has supposed a significant decrease in Equity and as a consequence at December 31, 2016 presented a negative net equity. In the parent company Abengoa S.A., the expected measures in the effective application of the Restructuring Agreement have allowed to gain a financial stability once there is a positive impact recognized in the income statement derived from debt write-offs, capital increases and, in addition has provided the Group with the necessary financial resources to rise the market confidence, and the continuance of its activity to operate in a competitive and sustainable manner in the future.

On the other hand, in order to ensure compliance with the Revised Viability Plan August 2016 and be able to continue with its activity in a competitive and sustainable way in the future, it 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 and, as reported in the relevant event dated September 30, 2018, it has signed a term sheet, subject to the conditions that will be specified later, including the signing of definitive documentation, with the main creditors of New Money 2 and New Bonding, in order to provide new liquidity for a maximum amount of 97 million euros, and new lines of guarantees for amount of 140 million euros, to finance the group's liquidity needs and guarantees (the "Financing Agreement").

The Financing Agreement implies modifications in the structure of the group's financial debt, mainly the following:

- A convertible instrument will be issued at the level of A3T for a maximum amount of €97m. This instrument will mature in 2023 and will accrue a 9% annual return (the "A3T Convertible").
- New Money 1 and 3 will maintain its current economic terms and conditions as well as current preferential rights therefore, remaining unaltered. This debt will not be repaid upon completion of a long-term refinancing of the A3T project, which is expected to occur before the end of 2018.
- 45% of the nominal amount of New Money 2 as well as the €65m liquidity line granted to the Group in November 2017 (further increased in May 2018) will only have recourse against A3T and will reduce the financial cost.
- Creditors holding 55% of New Money 2 facilities that remain at Abenewco 1 level and the bonding providers to Abenewco1 and its subsidiaries will waive the mandatory prepayment event that would otherwise arise as a result of Abenewco1 receiving the proceeds from the A3T Convertible, as well as any
- As part of the agreement, New Money 2 creditors that remain in Abenewco 1 will receive a mandatory convertible instrument which will convert into shares representing 22% of the share capital of Abenewco 1.

The Financing Agreement is contingent on compliance with certain conditions precedent including, among others, completion of the sale of 16.5% of Atlantica Yield to Algonquin and obtaining the necessary consent from financial creditors in accordance with current financing arrangements.

Furthermore, in order to optimize the balance sheet structure of the Group and facilitate access to new financing in the future, the Company is working on a restructuring proposal for both Old Money and the debt of the challengers.

Based on the foregoing, Abengoa´s Directors have considered appropriated to prepar these Consolidated condensed interim financial statements at June 30, 2018 on a going concern, considering the fundamental aspects of the so-called Revised Viability Plan August 2016, which would be reinforced by the Financing Agreement and the aforementioned restructuring proposal.Based on the application of the going concern basis, Abengoa´s Directors have applied the International Financial Reporting Standards ('IFRS') consistently with the Consolidated condensed interim financial statements and Consolidated financial statements filed in prior periods. For that purpose, and according to the aforementioned accounting framework, Abengoa´s Directors have made their best estimates and assumptions (see Note 3 of the Annual Consolidated financial statements for year ended 2017) in order to record the assets, liabilities, revenues and expenses as of June 30, 2018 in accordance with the existing information by the time of preparing this Consolidated condensed interim financial statements.

2.1.3. Restructuring process accounting impacts

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

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

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

Regarding the cancellation of the liabilities subject to the standard conditions of the Agreement (amounts payable to creditors who have not signed the Agreement), since there is no obligation to deliver equity instruments in order to cancel 97% of the liabilities, the terms of IAS 39 have been apply to both the recognition of the percentage of the liability mentioned above and the recognition of a new liability equal to 3% of the original liability which has been recorded at its fair value and recognizing an impact on the Income Statement by the difference between both amounts.

All the mentioned caused a positive impact in the consolidated Net Equity of Abengoa at March 31, 2017 of €6,208 million (€5,730 million in the income statement and and €35 million in share capital, and €443 million in capital and share premium). The following table shows the breakdown of such impacts (in million euros):

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

It is important to be known that the previous positive impact produced on the consolidated Equity of Abengoa exclusively tries to show the economic impact of the financial debt restructuration of Abengoa, and therefore it does not try to show the future financial situation of Abengoa which, in Director´s opinion, and once implemented the Restructuring Agreement will depend on the achievement of the Updated Viability Plan related to the Group capacity to generate resources from its operations and the liquidity supply in market to continue with the activity in a competitive and sustainable manner.

2.2. Financial position

2.2.1. Changes in the composition of the Group

During the first six months of the year 2018 a total of 2 subsidiary, 2 asscoiated companies and 3 joint ventures were added to the consolidation perimeter of the Group.

In addition 16 subsidiaries and 3 joint ventures are no longer included in the consolidation group.

2.2.2. Main acquisitions and disposals

a) Acquisitions:

- During the six months period ended June 30, 2018 there were no significant acquisitions.

b) Disposals

- During the period of six months ended June 30, 2018, two significant disposals took place: the sale of 25% de Atlántica 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 1st, 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 2 USD in which the share of AY is revalued, up to a maximum of 0.60 USD per share.

    On March 9th 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 510 million of US dollars approximately, according to the New Money financing agreements.

    As a consequence of the above, on June 30, 2018 a positive impact was identified in the Consolidated Profit and Loss Account for an amount of 110 million Euros as the difference between the carrying amount and the sales price of 25% of the shares.

    On April 17th 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 is subject to certain conditions precedent which include the approval of the transaction by certain regulatory bodies and by Abengoa’s creditors.

- The agreed price is USD 20.90 per share, which means a premium of 6.2% over the closing price of AY on April 16 and a total amount of USD 345, before transaction costs and some other possible reductions. The net amount thus obtained will be used to repay the debt in accordance with the financing agreements. 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 0.30 USD per share and compensable with the "earn-out" described above.

› Within the judicial recovery process initiated in Brazil on the transmission line activity, on December 13, 2017 the transmission lines in operation were awarded to the North-American company TPG Capital, previously named Texas Pacific Group, for an amount of 482 millions of Brazilian Real. 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 fullfiled 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 482 million Brazilian real.

2.2.3. Main figures

Financial data

› Revenues of €552 million, a 20% lower to the same period of 2017.

› EBITDA of €87 million, an increase of 444% compared to the same period of 2017.

Item	For the three months ended 06.30.18	For the three months ended 06.30.17	Var (%)
Income Statement (in million euros)			
Revenue	552	691	(20)
EBITDA	87	16	444
EBITDA Margin	16%	2%	581
Net Income	(100)	4,906	(102)
Balance Sheet (*)			
Total Assets	4,734	6,359	(26)
Equity	(2,763)	(2,408)	(15)
Corporate Net Debt	3,041	3,254	(7)
Share Information (in million euros)			
Last price (€ per B share)	0.01	0.01	-
Capitalization (A+B share) (€ million)	220	264	(17)
Daily trading volume (€ million)	2	10	(77)

(*) The Balance Sheet amounts are referenced as of December 31,2017

Operating figures

› The international activity represents 88% of the consolidated revenues.

› The main operating figures of June 30, 2018 and 2017 are the following:

Key operational	June 2018	June 2017
Transmission lines (km)	-	3.532
Water Desalination (Cap. ML/day)	475	475
Cogeneration (GWh)	163	163
Solar Power Assets (MW)	300	200
Biofuels Production (ML/year)	235	235

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 June 30, 2018 and December 31, 2017 (in million euros):

Item	Balance as of 06.30.18	Balance as of 12.31.17
+ Corporate financing	3,386	3,644
- Financial investments	170	195
- Cash and cash equivalents	166	196
_ Treasury shares + financial investments and cash from project companies	(10)	1
Total Net Debt	3,041	3,254

2.2.4. Consolidated income statement

The following summary shows the Consolidated Income Statement of Abengoa at June 30, 2018 and June 30, 2017, with an explanation of the main variations between both periods (in million euros):

	Balance as of 06.30.18	Balance as of 06.30.17	Var (%)
Revenues	552	691	(20)
Operating expenses	(465)	(675)	(31)
EBITDA	87	16	444
Depreciation and amortization	(13)	(296)	(96)
I. Net Operating Profit	74	(280)	126
II. Finance Cost, net	(232)	(240)	(3)
Financial incomes / expenses	(26)	6,371	(100)
Net Exchange rates differences and other financial incomes/expenses	(258)	6,131	(104)
III. Share of (loss)/(profit) of associates	107	7	1,429
IV. Profit Before Income Tax	(77)	5,858	(101)
V. Income tax expense	1	(643)	100
VI. Profit for the year from continuing operations	(76)	5,215	(101)
Profit (loss) from discontinued operations, net of tax	(21)	(308)	93
Profit for the year	(97)	4,907	(102)
VII. Non-controlling interests	(3)	(1)	200
Net income attributable to the parent company	(100)	4,906	(102)

Revenues

Revenue has decreased to €552 million, which is a decreased of €139 million from €691 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.

EBITDA

EBITDA has increased in a 444% reaching €87 million, which suppose an increase of €71 million compared to the €16 million of the same period of the previous year. The increase in EBITDA is mainly attributable to the absence of restructuring expenses, reduction of structure costs and greater profitability of projects under construction.

Operating profit

Operating profit has increased in 126%, from loss of €280 million on June, 2017 to profit of €74 million on June, 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 €258 million, which is a decrease of 104% in comparison to a profit of €6,131 million in the same period of 2017. This increase in expenses 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.

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 profit of €7 million on June, 2017 to a profit of €107 million on June, 2018. This increase is mainly due to the sale of 25% of the shares on the stake in Atlantica Yield (see section 6.2).

Corporate Income Tax

Corporate income tax increased from a net loss of €643 million on June, 2017 to a net profit of €1 million on June, 2018. This decrease in mainly attributable to income tax expenses recognized due to the positive result arisen after the financial debt restructuring of the Group.

Profit for the year from continuing operations

Due to the aforementioned changes, results from continuing operations of Abengoa decreased from profits of €5,215 million on June, 2017 to a loss of €76 million in the same period of 2018.

Profit/(Loss) from discontinued operations, net of tax

The result from discontinued operations, net of tax increase from a loss of 308 million on June, 2017 to a loss of €21 million in the same period of 2018. This increase is mainly attributable the sale of the transmissions lines in Brazil (see Note6.2)

Profit attributable to the parent company

Profit attributable to the parent company decreased from a loss of €4,906 million on June, 2017 to a loss of €100 million on June, 2018 as a consequence of the changes described in previous sections.

2.2.5. Results by activities

The following table shows the distribution between business activities of revenues and consolidated EBITDA at June 30, 2018 and June 30, 2017, with an explanation about the main variations between both periods (in million euros):

	Sales			Ebitda			Margin	
Item	Balance as of 06.30.18	Balance as of 06.30.17	Var (%)	Balance as of 06.30.18	Balance as of 06.30.17	Var (%)	Balance as of 06.30.18	Balance as of 06.30.17
Engineering and Construction	458,402	605,659	(24.3)	32,129	9,754	229.4	7.3%	1.6%
Concession-type infrastructure	93,650	85,760	9.2	55,035	57,777	(4.7)	58.8%	67.4%
Total	552,052	691,419	(20.2)	87,164	67,532	29.1	15.8%	9.8%
Restructuring advisory expenses	-	-	-	-	(52,019)		-	(7.5%)
Total	552,052	691,419	(20.2)	87,164	15,513	461.9	15.8%	2.2%

Engineering & Construction

Revenues in the Engineering & Construction segment has decreased by 24% to €458 million, which is a decrease of €148 million compared to the €606 million of the same period last year. This decrease in revenues is mainly attributable to the reactivation of the business, contracting and execution that has been lower than the sales provided by the projects completed during the previous year, as well as the delay in the start of contracted projects during the last quarter of 2017.

Engineering & Construction EBITDA has increased by 229% to €32 million, which is an increase of €22 million, compared to the €10 million in the same period in the last year. This increase corresponds mainly to the absence of extraordinary expenses in the execution of projects under construction, reduction of structural expenses and greater profitability of projects under construction.

Concession-type Infrastructures

Revenues in concession-type infrastructures have increased by 9% to €94 million, which is an increase of €8 million compared to the €86 million in the same period last year. This increase in revenues is mainly attributable to the beginning of operation of concession assets.

Concession-type infrastructure EBITDA has decreased by 5% to €55 million, which is an decrease of €3 million compared to the €58 million in the same period last year.

2.2.6. Consolidated statement of financial position

Consolidated balance sheet

A summary of Abengoa's consolidated asset for June 30, 2018 and December 31, 2017 is given below, with main variations (in millions euros):

Item	Balance as of 06.30.18	Balance as of 12.31.17	Var (%)
Intangible assets and fixed assets	222	235	(6)
Fixed assets in projects	174	165	5
Associates under the equity method	37	34	9
Financial investments	52	41	27
Deferred tax assets	386	376	3
Non-current assets	871	851	2
Inventories	74	75	(1)
Clients and other receivable accounts	865	965	(10)
Financial investments	170	195	(13)
Cash and cash equivalents	166	196	(15)
Assets held for sale	2,588	4,077	(37)
Current assets	3,863	5,508	(30)
Total assets	4,734	6,359	(26)
Check			

› Non-current assets have increased by 2% to €871 million, which is an increase of €20 million compared to the €851 million at December 31, 2017. This increase in non-current assets is mainly attributable to the 50% contribution to AAGES, the appreciation of the US dollar partially offset by the amortization of the period.

› Current assets have decreased by 30% to €3,863 million, which is a decrease in €1,645 million compared to the €5,508 million at December 31, 2017. This decrease in current assets is mainly attributable to the decrease in assets held for sale as a result of the sale of 25% of AY's stake, the sale of the transmission lines in operation in Brazil and the depreciation of the Brazilian real.

A summary of Abengoa's consolidated liabilities as of June 30, 2018 and December 31, 2017 is given below, with main variations (in millions euros):

Item	Balance as of 06.30.18	Balance as of 12.31.17	Var (%)
Capital and reserves	(2,881)	(2,870)	0
Non-controlling interest	118	462	(74)
Total Equity	(2,763)	(2,408)	(15)
Project debt	14	11	27
Corporate financing	1,664	1611	3
Grants and other liabilities	66	52	27
Provisions and Contingencies	57	54	6
Derivative financial instruments	1	-	-
Deferred tax liabilities and Personnel liabilities	512	531	(4)
Total non-current liabilities	2,314	2,259	2
Project debt	99	97	2
Corporate financing	1,722	2,033	(15)
Trade payables and other current liabilities	1,535	1,883	(18)
Current tax liabilities	101	128	(21)
Provisions for other liabilities and expenses	26	23	13
Liabilities held for sale	1,700	2,344	(27)
Total current liabilities	5,183	6,508	(20)
Total Shareholders' Equity and Liabilities	4,734	6,359	(26)

- Equity has decreased by 15% to €-2,763 million, which is a decrease of €355 million compared to €-2,408 million at December 31, 2017. This decrease in net equity is mainly attributed to the non-controlling interests due to the sale of transmission lines in operation in Brazil, Brownfield, (see section 6.2)

- Non-current liabilities have increased by 2% to €2,314 million, which is an increase of €55 million compared to the €2,259 million at December 31, 2017. This increase is mainly due to the increase in corporate debt due to the accrual of capitalized interests, partially offset by the deferred liabilities associated with 25% of AY.

- Current liabilities have decreased by 20% to €5,183 million, which is a decrease of €1,325 million compared to the €6,508 million at December 31, 2017. This decrease in current liabilities is mainly attributable to the decrease in corporate financing due to the amortization of New Money with the sale of 25% of AY, to the repayment to suppliers with cash obtained after the sale of transmission lines in Brazil and the decrease in liabilities held for sale for the same reason (see section 6.2)

2.2.7. Consolidated cash flow statements

A summary of the Consolidated cash flow statements of Abengoa for the periods ended June 30, 2018 and June 30, 2017 with an explanation of the main cash flows (in million euros):

	Balance as of 06.30.18	Balance as of 06.30.17	Var (%)
Profit for the year from continuing operations	(76)	5,215	(101)
Non-monetary adjustments	145	(5,291)	(103)
Variations in working capital and discontinued operations	(88)	(83)	6
Interest received/paid	(60)	(39)	54
Discontinued operations	16	23	(30)
A. Net Cash Flows from operating activities	(63)	(175)	(64)
Intangible assets and property, plant & equipment	(84)	(103)	(18)
Other investments/disposals	580	77	653
Discontinued operations	(2)	16	(113)
B. Net Cash Flows from investing activities	494	(10)	(5,040)
Other disposals and repayments	(487)	118	(513)
Discontinued operations	23	8	188
C. Net Cash Flows from financing activities	(464)	126	(468)
Net increase/(decrease) of cash and equivalent	(33)	(59)	(43)
Cash at beginning of year	196	278	(29)
Translation differences cash or equivalent	(1)	(7)	(86)
Discontinued operations	4	(7)	(157)
Cash and cash equivalent at end of year	166	205	(19)

- As of June 30, 2018, cash outflows from operating activities amounts to €63 million compared to €175 million in the same period of 2017. The lower cash outflow 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 amortization of the New Money debt.

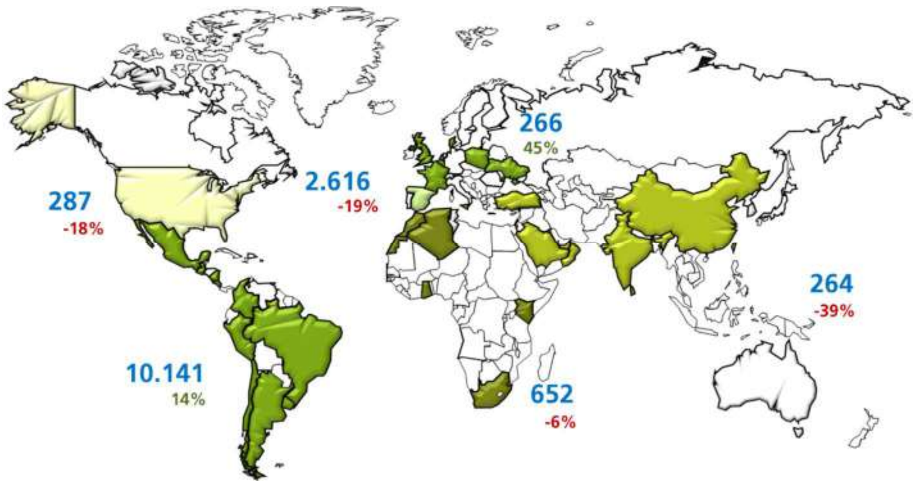
- In terms of net cash flows from investment activities, there is a net cash inflow of €494 million as of June 30, 2018, compared with net cash outflow of €10 million in the same period of 2017. The cash inflow of investment activity flows is the result of the sale of a stake in 25% of the capital stock of Atlantica Yield plc, and the transmission lines in operation in Brazil.
- Net cash flow from financing activities was €-464 million as of June 30, 2018 compared to €126 million in the same period of 2017. The cash outflow of financing activities flows mainly due to the amortization of the New Money debt with the sale of a 25% stake in the capital stock of Atlantica Yield plc, the transmission lines in operation in Brazil.

2.2.8. Human resources

Abengoa's workforce is formed by 14,226 people at June 30, 2018, which is an increase of 3.26% compared to the previous year (13,776 people).

Geographical distribution of the workforce

The 18.4% people are located in Spain while the remaining 81.6% are abroad. The total number of employees at June 30, 2018 by geographical area:



Distribution by professional groups

The average number of employees by categories as of June 30, 2018 and 2017 was:

	Average number of employees as of 06.30.18			Average number of employees as of 12.31.17		
Categories	Female	Male	Total %	Female	Male	Total %
Directors	27	225	1.9	39	353	2.4
Management	162	691	6.4	281	999	7.9
Engineers	474	1,187	12.5	787	1,844	16.2
Assistants and professionals	410	703	8.4	659	1,403	12.7
Operators	558	8,829	70.5	631	9,154	60.3
Interns	16	32	0.4	38	49	0.5
Total	1,647	11,667	100	2,435	13,802	100

2.2.9. Main Performance KPIs

Summarized Responsible Management Balance Sheet

Financial Capital	2018 (2Q)	2017(2Q)	2017	2016	2015
Revenue (M€) (1)	552	691	1,480	1,510	3,647
Significant financial support received from governments (k€)	928	3,307	4,882	12,031	81,747
Natural Capital	**2018 (2Q)**	**2017(2Q)**	**2017**	**2016**	**2015**
Energy					
Energy consumption (GJ) (primary, electrical, thermal)	8,242,592	5,980,091	24,853,762	33,692,874	55,602,638
Energy consumption intensity (GJ) / Sales	15	8.7	16.8	22.3	9.7
Emissions					
Direct emissions (t CO_{2eq})	307,872	326,166	652,332	1,044,098	2,135,808
Direct emissions from biomass (t CO_{2eq})	218,376	551,508	1,103,015	2,025,292	3,289,005
Indirect emissions (tCO_{2eq})	54,666	157,643	315,286	418,938	637,810
GHG emissions intensity (tCO_{2eq}) / Sales	1.1	1.5	1.4	3.8	1.1
Water withdrawal					
Desalinated water produced (m^3)			146,444,617	154,690,622	105,346,138
Seawater withdrawal (m^3)	162,932,239	178,269,094	356,538,188	336,653,375	221,199,378
Water withdrawn from other sources (m^3)	3,446,615	2,924,993	6,351,911	8,648,659	21,028,296
Waste					
Waste	51,848	16,932	45,474	41,645	120,913
Human capital	**2018 (2Q)**	**2017(2Q)**	**2017**	**2016**	**2015**
Job creation (%)	2.76	-18.69	-21.97	-31.1	9.82
Total voluntary turnover (%)	3.45	4.35	8.69	18.22	9.09
Female staff members					
In senior management positions (%)	11.02	10.13	10.04	10.38	10.77
In middle management positions (%)	18.38	21.01	18.24	21.97	22.2
Training (number of hours over the average number of employees)	9.3	8.4	20.6	6.21	53
Work-Related Accident Rate					
Frequency rate IFG	6.16	11.57	9.3	12	10.2
Frequency rate IFGB	2.44	5.19	4.6	7.6	5.7
Severity Rate	0.05	0.11	0.08	0.18	0.11
Number of mortal accidents	0	0	0	1	5
Social and Relationship Capital	**2018 (2Q)**	**2017(2Q)**	**2017**	**2016**	**2015**
Providers					
Purchases to local providers (%)	88.01	89.14	87.3	NA	73
Compliance	**2018 (2Q)**	**2017(2Q)**	**2017**	**2016**	**2015**
Analyses conducted to meet FCPA compliance	191	360	539	540	5.108

(1) See note 5.1.a)
(2) Own and subcontracted personnel
(2) KPIs audited by an independent external auditor.

3.- Information on the foreseeable evolution of the Group

To estimate the outlook for the Group, it is important to take into account the situation of the Company after the restructuring process.

In this sense, once finished the restructuring process described in section 2.1.1.a), the Company will develop the agreed Updated Viability Plan with creditors and investors, which is focused on the traditional business of Engineering and Construction, where the company accumulates more than 75 years of experience. Specifically, this Updated Viability Plan focusses the activity in the energy and environmental industry. This business will be combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has a competitive advantage, mainly of technological kind, which allows a bigger added value projects. Regarding the mentioned Updated Viability Plan, will allow sustainable growing of Abengoa, based on the following five principles:

1) A multidisciplinary team and a culture and ability of multifunctional work.
2) Experience in engineering and construction and specially the outstanding strength in business development of high potential growing such as energy and water.
3) Technology abilities in our target markets, mainly in solar and water energy.
4) A more efficient organization with more competitive general expenses.
5) A financial approach adjusted to the current reality in which financial discipline and a rigorous evaluation of financial risks are key milestones.

4.- Financial risk management

Abengoa's activities are undertaken through its operating segments and are exposed to various financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk.

Notwithstanding Abengoa's current situation as discussed in section 2.1 which has affected the management of the company's liquidity and capital risks, the Risk Management Model used by Abengoa has always attempt to minimize the potential adverse impact of such risks upon the Group's financial performance.

Risk is managed by the Group's Corporate Finance Department, which is responsible for identifying and evaluating financial risks in conjunction with the Group's operating segments, quantifying them by project, region and company, and diversifying the sources of finance in an attempt to prevent concentrations.

Written internal risk management policies exist for global risk management, as well as for specific areas of risk, such as foreign exchange risk, credit risk, interest rate risk, liquidity risk, the use of hedging instruments and derivatives and the investment of cash surpluses.

In addition there are official written management regulations regarding key controls and control procedures for each company and the implementation of these controls is monitored through Internal Audit procedures.

These Consolidated condensed interim financial statements do not include all financial risk management information and disclosures required for annual financial statements, and should be read together with the information included in Note 4 to Abengoa's Consolidated financial statements as of December 31, 2017.

5.- Information on research and development activities

R&D investments during the first semester of the year 2018 have been €338 thousand, (€303 million), very lower amount than in previous years, mainly due to the situation of the Company during the first six month period ended June 30, 2017.

6.- Stock exchange evolution

According to data provided by Bolsas y Mercados Españoles (BME), during the first semester of 2018 a total of 3,025,732,124 Class A shares and 16,574,451,438 Class B shares in the company were traded, equivalent to an average daily trading volume of 24,013,747 Class A shares and 131,543,265 Class B shares. The average daily traded cash volume was €0.7 million for Class A shares and €1.6 million for Class B shares.

Evolución bursátil	A Shares		B Shares	
	Total	Daily	Total	Daily
Volume (thousands of shares)	3,025,732	24,014	16,574,451	131,543
Volume (M€)	86.3	0.7	195.90	1.6

Cotizaciones	A Shares	Date	B Shares	Date
Last	0,0292	29-june	0,0100	29-june
Maximun	0,0365	21-june	0,0151	17-january
Minimun	0,0169	11-april	0,0100	2-january

The last price of Abengoa's shares at the end of the six months period ended June 30, 2018, was €0.03 for Class A shares, a 4.3% higher than at the end of 2017; and €0.01 per Class B share, with no variation than at the end for 2017.

Since its IPO in the Spanish stock exchange in November 29, 1996, the value of the Company has increased by 6%. The selective IBEX-35 index has risen by 106% during the same 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 10 January 2013. On 5 June 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 June 30, 2018 treasury stock amounted to 5,519,106 Class A shares in full.

Regarding the operations carried out during the period, there has not been treasury stock purchased class A and class B shares, and the number of treasury stock transferred amounted zero class A shares and zero class B share.

8.- Corporate governance

On May 14, 2018, the Board of Directors agreed to call an Ordinary General Shareholders' Meeting to be held at the corporate headquarters, Campus Palmas Altas, in Seville, on June 24, 2018, at 12:00 noon, at first call and, in its case, of not reaching the necessary quorum, in second call, on June 25, 2018 at the same time.

On June 25, 2018, with a quorum of 15.232% of the company's capital stock, the General Meeting of Shareholders of the Company was held on second call, according to the following order of business:

One.- 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. Approval of the proposal to apply the 2017 Financial Year Outcome of the individual annual financial statements of the Company.

1.3 Approval of the Management of the Company by the Board of Directors during the aforementioned 2017.

Two.- Ratification and appointment of Directors.

Three.- Submission of the Annual Report on the Remuneration of Abengoa’s Directors for approval, on a consultation basis.

Four.- Remuneration of the Board of Directors.

Five.- Authorisation to the Board of Directors to increase the share capital through the issue of new shares of any Class A and/or B and/or C shares, pursuant to the provisions of Article 297.1 b) of the Corporate Enterprise Law, within the confines of the law, with express powers to delegate the exclusion of preferential subscription rights in accordance with the provisions of Article 506 of the Corporate Enterprise Law, revoking and rendering null and void the amount pending which emerged from previous delegations of authority by the General Meeting. Delegation of powers to the Board of Directors, with express authorisation for substitution, to establish the conditions for the share capital increase. Application to the competent bodies in Spain and abroad to enable the new shares to be admitted for trading on any securities market.

Six.- Information for the General Meeting concerning the amendments to Board Regulations approved by the Board of Directors.

Seven.- Delegation of powers to the Board of Directors for the interpretation, correction, implementation, formalization and registration of the resolutions adopted.

All the proposed resolutions were adopted with the sole exception of the fifth agreement on the agenda regarding the delegation to the Board of Directors of the power to increase the share capital by issuing new shares that were not put to the vote because they were not reached the necessary quorum for it.

On the other hand, after the end of the period, the Board of Directors, at its meeting held on August 24, 2018, meeting the requirement received from Corporate Investment, I.C., S.A., Finarpisa, S.A. and Ms. Blanca de Porres Guardiola, shareholders owning 3,0001% of the company's share capital, in compliance with the provisions of articles 168 and 495 of the Capital Companies Law and 24 of the Corporate Bylaws, agreed to convene the General Extraordinary Shareholders Meetings for its celebration at the registered office, Campus Palmas Altas, of Seville, on October 1, 2018, at 12:00 noon, on first call and, if necessary, if the necessary quorum is not reached, in second call, on October 2, 2018 at the same time, according to the following agenda:

One – Approval of a stock-split of share classes A and B that form part of the share capital of Abengoa S.A., 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 the nominal value, without further changes.

Two – Urge the Board of Directors to ask Bolsas y Mercados to temporarily suspend the trading of both share classes of the Company until the abovementioned split from the first order is implemented, in case it is approved.

Three.- Delegation of powers to the Board of Directors for the interpretation, correction, implementation, formalization and registration of the resolutions adopted.

It is hereby noted that points number One and Two of the Agenda have been drafted in accordance with the request received from Inversión Corporativa IC, S.A., Finarpisa S.A., and Ms. Blanca de Porres Guardiola and therefore, those points cannot be considered as proposals of the Board of Directors of the Company.

After the call of the aforementioned General Extraordinary Shareholders Meeting, the National Securities Market Commission, on August 29, 2018, sent the Company a notification indicating, among other issues, that the proposed measures could not only be a practical obstacle to the free transferability of the shares but could also be considered as a price manipulation practice and urging to adopt the necessary measures to avoid the execution of the agreements proposed in the General Extraordinary Shareholder Meeting.

In light of this requirement, on September 12, 2018, the Company sent the National Securities Market Commission a relevant fact reporting on its recommendation to vote against the proposed resolutions made by the shareholders that required the call for proposals. the which call the General Extraordinary Shareholder Meeting and stating that, should such proposals be approved, it will be obliged to evaluate the adoption of legal measures within its reach in defense of the corporate interest.

9.- Dividends

The terms and conditions included in the financial agreements entered into as part of the Restructuring Agreement include a prohibition on the distribution of dividends until all of the new money financing and old money financing is repaid in full. Therefore, we expect that no dividend payments will be made until, at least, 2023, date in which the last Old Money financing is expected to be repaid. The prohibition on dividends also affects "Abengoa Abenewco 1, S.A.U." ("AbeNewco 1") and "Abengoa Abenewco 2, S.A.U." ("AbeNewco 2"), the holding companies recently incorporated by Abengoa in the context of the Group's corporate restructuring. Whilst distribution of dividends within the companies of AbeNewco 1's consolidation perimeter are generally permitted, distributions of dividends in favour of the Company, AbeNewco 2 and any shareholders thereof are prohibited, except for distributions required to attend scheduled debt service payments and, up to a certain cap, distributions required to attend the Company's general corporate expenses.

10.- Relevant events reported to the CNMV

Detail of written communications to the CNMV corresponding to the first semester of 2018 and until the business evolution report's date:

- Written Communication of 01/23/2018.- Abengoa announces the finalization of the insolvency proceedings of Abengoa México
- Written Communication of 01/24/2018.- Abengoa announces the admission to trading of new Cass B shares after the 24 and last conversion period
- Written Communication of 01/25/2018.- Correction of the date of admission to trading of new Cass B shares
- Written Communication of 02/28/2018.- Abengoa releases 2017 results
- Written Communication of 03/05/2018.- Abengoa announces 2017 results conference call
- Written Communication of 03/05/2018.- Inversion Corporativa comunica la terminación de pacto parasocial
- Written Communication of 03/05/2018.- Abengoa announces advances in the closing of the sale of a 25% stake in Atlantica Yield
- Written Communication of 03/06/2018.- 2017 Results presentation
- Written Communication of 03/09/2018.- Abengoa announces completion of the sale of 25% of Atlantica Yield
- Written Communication of 04/17/2018.- Abengoa announces that it has reached an agreement with Algonquin Power & Utilities Corp. for the sale of the remaining 16.47% of the share capital of Atlantica Yield
- Written Communication of 05/09/2018.- Abengoa announces that it has been selected as the technological partner in the construction of a solar complex in Dubai for Dewa
- Written Communication of 05/14/2018.- Abengoa presents Q1 2018 results
- Written Communication of 05/16/2018.- Results Presentation for the first quarter of 2018

- Written Communication of 05/17/2018.- Abengoa announces General Shareholders Meeting 2018
- Written Communication of 05/17/2018.- Accession of Abengoa Greenfield, SAU to the Annual Corporate Governance Report of Abengoa
- Written Communication of 05/17/2018.- Accession of Abengoa Finance, S.A. to the Annual Corporate Governance Report of Abengoa
- Written Communication of 05/17/2018.- Accession of Abengoa Abenewco 2, SAU to the Annual Corporate Governance Report of Abengoa
- Written Communication of 05/17/2018.- Accession of Abengoa Abenewco 1, SAU to the Annual Corporate Governance Report of Abengoa
- Written Communication of 05/31/2018.- Abengoa announces results of waivers requested to creditors for, among others, the sale of 16.47% of Atlantica Yield
- Written Communication of 06/25/2018.- Abengoa announces resolutions approved by the general shareholders meeting held today
- Written Communication of 07/31/2018.- Abengoa informs of a notice released by the Stock Exchange Company
- Written Communication of 08/29/2018.- Abengoa announces Extraordinary General Shareholders Meeting 2018
- Written Communication of 08/29/2018.- Notice from CNMV in connection with the resolutions proposed to be passed at the 2018 Extraordinary General Shareholders' Meeting
- Written Communication of 09/12/2018.- Notice of the Company in connection with the Extraordnary Shareholders' Meeting called to be held on 1 and 2 October
- Written Commnication of 09/30/2018.- Abengoa announces that it has reached an agreement with its main creditors for the provision of liquidity and bonding lines and presents a proposal for the restructuring of its old money debt.

11.- 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 section 2 of this Consolidated condensed interim management report and Note 5 of the Consolidated condensed interim 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 section 2 of this Consolidated condensed interim management 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 section 2 of this Consolidated condensed interim management report.
  - Explanation of use: net corporate debt is a financial indicator which measures the indebtedness position of a company a corporate level. Additionally, it is an indicator widely used by investors when valuing the financial indebtedness of a company, as well as by rating agencies and creditors when valuing the level of indebtedness.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the net corporate debt is the same than the used the previous year.

- Net cash provided by operating activities;
  - Definition: variations in cash arisen as the difference between collections and payments caused by trade transactions in the Group during the period.
  - Reconciliation: the Company presents the Net Cash Provided by Operating Activities calculation in the Cash Flow Statement in the Consolidated condensed interim financial statements and in section 2 of this Consolidated condensed interim management 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 condensed interim financial statements and in section 2 of this Consolidated condensed interim management report.
  - Explanation of use: net cash used in investing activities is a financial indicator which measures the investing effort of the Company in a period net of divestments in the Company during the period.
  - Comparative: the Company presents comparative information with the previous period.
  - Comparative: the standard used to calculate the Net Cash Used in Investing Activities is the same than the used the previous year

- Net cash provided by financing activities;
  - Definition: variations in cash arisen as the difference between collections and payments caused by financing transactions in the Group during the period.
  - Reconciliation: the Company presents the Net Cash Provided by Financing Activities calculation in the Cash Flow Statement in the Consolidated condensed interim financial statements and in section 2 of this Consolidated condensed interim management report.
  - Explanation of use: net cash provided by financing activities is a financial indicator which measures both the cash generated from new financing closed during the period and the use of cash in the same period to repay its financial creditors (financial entities, investors, partners and shareholders).
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the net cash provided by financing activities is the same than the used the previous year.

- Earnings per share (EPS);
  - Definition: profit for the year attributable to the parent company / number of ordinary shares outstanding.
  - Reconciliation: the Company presents the EPS calculation in the Consolidated Income Statement and in the Note 25 to the Consolidated condensed interim 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 section 2 of this Consolidated condensed interim management 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 section 2 of this Consolidated condensed interim management 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.

12.- Subsequent events

After-closure of June 30, 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.