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**Report of the Board of Directors of Abengoa, S.A. pursuant to Sections 286 and 297.1.a) of the Capital Companies Act regarding the proposed capital increase in order to increase the equity of the Company in the effective amount (par value plus share premium) of 650,000,000 euros referred to in the second item of the agenda of the Extraordinary General Shareholders' Meeting called to be held on October 10 or 11, 2015, on first and second call respectively.**

## **1. Purpose of the Report**

This report is formulated by the Board of Directors of Abengoa, S.A. ("**Abengoa**" or the "**Company**") in compliance with the provisions of Sections 286, 296.1 and 297.1 of the Capital Companies Act (Ley de Sociedades de Capital) ("**LSC**") on occasion of the proposed resolution Two of the Extraordinary General Shareholders' Meeting of Abengoa, relating to the increase in share capital for purposes of increasing the Company's equity in the effective amount (par value plus share premium) of 650,000,000 euros through the issuance and placement into circulation of new Class A shares having a par value of 0.02 euro each, and new Class B shares having a par value of 0.0002 euro each, which shall be subscribed and fully paid-up at the time of subscription with a charge to cash contributions, with the recognition of pre-emptive rights and with a provision for incomplete subscription (the "**Capital Increase**").

In this regard, Section 286 of the LSC, regarding amendment of the Bylaws, in relation to Section 297.1.a), establishes the directors' obligation to prepare a written report providing a rationale for the proposed resolution.

## **2. Applicable Legal Provisions**

Pursuant to the provisions of LSC Section 297.1, the shareholders acting at a General Shareholders' Meeting, with the requirements established for bylaw amendments, may delegate to the Board of Directors the authority to set the date on which a previously adopted resolution to increase share capital is to be carried out in the approved amount and to set the terms thereof with regard to all matters not provided for in the resolution. The period for exercising this authority may not exceed one year. In turn, as established by LSC Section 286 in relation to LSC Sections 296.1 and 297.1, the directors must prepare a written report in which they provide a rationale for the resolution.

### 3. Rational for the Proposal

Abengoa is a leading company in the energy and environmental sectors that has financed its growth by accessing the equity and debt markets at various times. The distinctive features of Abengoa's business, and exploiting the best opportunities for investment that will yield a significant return on the capital employed, in particular through the technique of project financing, have been the reason for Abengoa's maintaining significant levels of third party financing within its consolidated group.

The Company's Board of Directors has approved a set of measures, including the Capital Increase to which this report refers, to strengthen the Company's liquidity situation, reduce its level of indebtedness and comply with its investment commitments in capex. Like all action plans, which require the implementation of a series of transactions having a higher or lower risk of implementation, this set of measures may be affected by economic and financial circumstances at the time of adoption. The Company believes that within the normal framework of its business, these measures will be sufficient for the purposes for which they are intended, but does not discard the possibility that it must adjust or supplement them with additional measures if circumstances become adverse.

Along these lines, the Capital Increase is framed within a set of measures that include:

- (i) An underwriting agreement subject to certain conditions with a group of financial institutions.
- (ii) Commitments of the Company's majority shareholder, Inversión Corporativa IC, S.A. (hereinafter, "**IC**"), as well as Finarpisa, S.A., a company controlled thereby, to jointly subscribe 120 million euros in the Capital Increase in proportion corresponding to each of them pursuant to their current equity interest; and of another significant shareholder, Waddell&Reed Investment Management (hereinafter "**Waddell&Reed**"), to invest or subscribe 65 million euros therein.
- (iii) A corporate governance strengthening plan including the creation of an Investments Committee ensuring compliance with investment and debt reduction targets, the reduction of the number of members of the Board of Directors and the appointment of new independent directors.
- (iv) Strategic measures for the Company, including an asset divestment plan in the minimum projected amount of 1,200 million euros, and which includes: (a) the short-term sale of 500 million euros in assets between the fourth quarter of 2015 and the first quarter of 2016; (b) total or partial monetization of the

interest in Abengoa Yield, which the Company expects to complete during fiscal year 2016, and (c) the divestment of another 300 million euros in assets during 2016.

## **Underwriting Commitment**

The Company has reached an agreement with Banco Santander, S.A, HSBC and Crédit Agricole Corporate & Investment Bank pursuant to which these institutions have committed to underwrite the Capital Increase for an amount of 465 million euros, subject to certain conditions, including completion of the current due diligence and the signing of an underwriting agreement (hereinafter, the “**Standby Underwriting Agreement**”).

This commitment only affects the Class B shares of the Capital Increase not underwritten by the shareholders previously mentioned, thus leaving without underwriting the portion to be issued in Class A shares for which IC and Finarpisa have not committed to subscribe, for which reason the agreement provides for the possibility of combining with the delegation regarding authorized capital currently held by the Board of Directors, such that the effective amount of the capital increase may be higher than 650 million euros, with this latter amount being the amount committed to by shareholders or underwritten by the financial institutions. The underwriting commitment is conditioned on, among other things, an investment in the Capital Increase of €120 million by IC and Finarpisa, S.A. collectively and of €65 million by Waddel&Reed.

IC and Finarpisa, S.A. have first undertaken to subscribe all of the Class A shares to which they are entitled, and to subscribe the rest in Class B shares, up to €120 million in the aggregate. In addition, any sale of Class A or Class B shares or pre-emptive subscription rights by IC and Finarpisa, S.A. must be made in accordance with the terms set forth in the Standby Underwriting Agreement and the amount that they obtain from such sale and not used to pay the costs and expenses of the transaction must be reinvested in the capital increase.

## **Corporate Governance Improvement Plan**

Pursuant to the Standby Underwriting Agreement, the Company and IC (directly or indirectly through its subsidiary Finarpisa, S.A.) have made a series of corporate governance improvement undertakings to the financial institutions, which commitments are set forth below:

- (i) IC has undertaken to the Company to limit the exercise of its voting rights, and those of Finarpisa and any other subsidiary with which it acts in concert, to 40%, regardless of its interest in the capital at any time, as well as to refrain

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from appointing proprietary directors (*consejeros dominicales*) representing more than 40% of the total members of the Company's Board of Directors, which undertakings shall enter into force upon completion of the Capital Increase.

- (ii) To reduce the number of members of the Board of Directors to 13. As a result of this reduction, the number of directors appointed upon a proposal of IC, and directly or indirectly through its subsidiary Finarpisa, S.A. shall be reduced to a maximum of 5, with the number of independent directors remaining at six. This resolution is contemplated under item three of the Agenda for this Meeting.
- (iii) To amend the Company's Bylaws in order to allow the shareholders at the General Shareholders' Meeting to give instructions to the Board of Directors pursuant to the provisions of Section 161 of the Capital Companies Act. Included in item 4.1 of the Agenda is an amendment for such purpose of article 20 of the Bylaws and in item 7 of the Agenda is the approval by the shareholders of an instruction to the Board of Directors regarding the maximum limit of the capex investment commitments in new projects.
- (iv) To create a new committee, called the Investments Committee, in charge of supervising compliance with the instructions regarding capex investment commitments in new projects that the shareholders give to the Board of Directors. This committee is also entrusted with monitoring the budget and external capex goals that the Company establishes from time to time, reporting on commitments to increase and reduce financial debt, and monitoring the Company's financial deleveraging policy, and reporting on the dividend distribution policy and changes thereto. For these purposes, an amendment of the Bylaws providing for the existence, composition and functions of this committee has been included as item 4.2 of the Agenda.

## **Other Strategic Measures**

In addition to the foregoing, the Board of Directors has resolved

- (i) To propose to the shareholders at the General Shareholders' Meeting that the shareholders give directions to the Company's board to limit commitments regarding investments in capex in new projects. This is included as item seven on the agenda.
- (ii) Strengthening of the Company's divestment plan.
- (iii) Limitation of cash dividends for so long as the Company does not achieve a

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rating of at least BB- from Standard & Poors or Ba3 from Moody's or a corporate gross debt ratio (including bridge financing and non-recourse financing in progress) according to the last approved balance sheet, and corporate EBITDA for the twelve-month period immediately preceding the date of such balance sheet for the twelve-month period immediately preceding the date of such balance sheet lower than 3.5x.

(iv) Corporate debt reduction measures.

Therefore, the Capital Increase forms part of a set of measures intended to reduce corporate debt and improve the liquidity position of the Company.

Furthermore, maintaining an adequate level of equity and, hence, solvency is essential for being able to tap attractive sources of financing on favorable terms, which directly affects the Company's costs. Thus, the Capital Increase also seeks to optimize the cost of outside financing and contribute to an appropriate shareholder return. In this regard, the Company is seeking to improve its credit rating through the Capital Increase and the rest of the measures announced along with it, in order to achieve the announced objective of obtaining a credit rating of BB- from Standard & Poors.

The Board of Directors believes that the proposed resolution gives the Board a tool that is authorized by applicable corporate laws and which allows the Board of Directors to implement the capital increase approved by the shareholders at the General Shareholders' Meeting, upon the terms, deadlines and conditions decided by the Board of Directors while respecting the decisions of the shareholders.

In this regard, the delegation of authority recognized by the legal system in LSC Section 297.1.a) is an appropriate and flexible mechanism for the Company's Board of Directors to set the conditions of the Capital Increase quickly and effectively, in accordance with the specific circumstances of the date selected for implementation thereof.

For all of the foregoing reasons, the shareholders are being presented with a proposal to delegate to the Board of Directors the authority to set the date on which the Capital Increase resolution is to be implemented, in the maximum approved amount, and to set the terms thereof with regard to all matters not provided for in the shareholders' resolution. The period for exercising this authority may not exceed one year.

The Capital Increase made under the proposed delegation shall be implemented through the issuance and placement into circulation of a number of Class A shares and Class B shares, respectively, equal to the result of multiplying such amount by

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the proportion of existing Class A and Class B shares, and dividing it by the corresponding issue price thereof, with the same rights and obligations as the currently outstanding Class A and Class B shares of Abengoa, allowing the adjustments necessary for the number of new Class A and Class B shares issued to respect the proportionality between the number of shares of each class issued and outstanding if the rates for issuing both classes of shares are different, with the consideration for the new shares consisting of cash contributions.

The authorization thus delegated will also extend to setting the specific terms and conditions of the Capital Increase, including the provision that, in the event of incomplete subscription, the capital is to be increased by the amount of the subscriptions made, in accordance with the provisions of LSC Section 311, as well as amending the article of the bylaws corresponding to share capital and requesting that the new shares be admitted to listing.

The Class A and Class B shares are admitted to trading on the Madrid and Barcelona Stock Exchanges and on the Spanish Automated Quotation System (*Sistema de Interconexión Bursátil*). In addition, the Class B shares are admitted and trading on the NASDAQ Global Select Market in the form of "American Depositary Shares," for which reason Abengoa is subject to the NASDAQ market rules. NASDAQ market rule number 5635 requires prior approval by the shareholders of any transaction other than a public offering that involves the sale, issuance or potential issuance of shares of the Company, or securities that are convertible into shares of the Company, if the shares to be issued exceed 20% or more of the outstanding shares or of the total existing voting rights, provided that they are issued at a price lower than their book value or their market value. Therefore, as it is foreseeable that the shares from the capital increase are issued at a price below their market value, and in the event that the Company decides not to register the capital increase in accordance with the provisions of the U.S. Securities Act of 1933 ("Securities Act of 1933"), this resolution entails express approval of the transaction for purposes of NASDAQ market rule number 5635.

Finally, this authorization does not rescind, and is compatible with, the current authorization given to the Company's Board of Directors by the shareholders at the Ordinary General Shareholders' Meeting of Abengoa held on March 29, 2015 to increase share capital at the time and in the amount it deems appropriate, with authority to exclude pre-emptive rights pursuant to LSC Section 297.1.b), under item nine on the agenda thereof, which shall continue in effect upon the terms thereof.

Therefore, the Board of Directors is authorized to jointly implement, and combine into a single issue, the capital increase approved at this Extraordinary General Shareholders' Meeting and any capital increase implemented in exercise of the

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authorization referred to in the preceding paragraph, in the amount and manner it deems appropriate.

## **4. Proposed Resolution**

The full text of the proposed resolution for a Capital Increase, in accordance with the terms of LSC Section 297.1.a), which is submitted for the approval of the shareholders at the Extraordinary General Shareholders' Meeting, is that which appears in the Annex to this report.

This report has been formulated and approved by the Board of Directors at its meeting of September 23, 2015.

## ANNEX: PROPOSED RESOLUTION FOR A CAPITAL INCREASE

**Two.- Capital increase in order to increase the equity of the Company in the effective amount (par value plus share premium) of 650,000,000 euros through the issuance and placement into circulation of new Class A shares having a par value of 0.02 euro each, and new Class B shares having a par value of 0.0002 euro each, which shall be fully subscribed and paid-up at the time of subscription with a charge to cash contributions, with the recognition of pre-emptive rights and with a provision for incomplete subscription. The Board of Directors shall be responsible for determining (i) the nominal amount of the increase and the number of Class A and Class B shares to be issued, which shall be a maximum of 650,000,000 euros without prejudice to the adjustments that apply to respect proportionality between the classes of shares, and of a number of Class A shares and Class B shares, respectively, equal to the result of multiplying such amount by the proportion of existing Class A and Class B shares, and dividing it by the issue price thereof, and (ii) the issue price of the new Class A and Class B shares, and particularly the amount of the share premium for each new Class A and Class B share issued. Delegation to the Board of Directors, with powers of substitution, of the powers required to carry out the resolution and to set the conditions thereof to the extent not provided for by the shareholders at the General Shareholders' Meeting, pursuant to the provisions of Section 297.1 a) of the Capital Companies Act, as well as to amend article 6 of the Bylaws.**

(A) Capital increase and effective amount

To increase the share capital of Abengoa in the maximum effective amount of 650,000,000 euros, with the recognition of the pre-emptive rights of the shareholders thereof, through the issuance and placement into circulation of a number of Class A shares and Class B shares, respectively, equal to the result of multiplying such amount by the proportion of existing Class A and Class B shares, and dividing it by the issue price thereof, respectively, of the same class and series and with the same rights as the currently outstanding Class A and Class B shares of Abengoa, represented by book entries, with Iberclear and its participating entities being in charge of the book entry recording thereof, and with the consideration for the new shares consisting of cash contributions.

Notwithstanding the foregoing, at the time of implementing the capital increase, the Board of Directors may set an effective amount of less than 650,000,000 euros for purely technical reasons in order to set the proportion between new shares to be issued per each currently outstanding share in a ratio that is operational and reduces the odd-lots or fractions of new shares to be subscribed.

Likewise, the effective amount of the above capital increase may be reduced by the effective amount of any capital increase through the issuance of new Class A or Class B shares subscribed and paid up by means of new cash contributions that the Board of Directors may approve and implement prior to

or simultaneously with the implementation of this capital increase under the capital increase authorization given thereto at the General Shareholders' Meeting of the Company held on March 29, 2015.

The effective amount of the capital increase ultimately determined by the Board of Directors upon implementation of the capital increase in view of the two preceding paragraphs shall be referred to as the "**Effective Amount**," and shall be subject to adjustment up or down only in the situations described in sections **¡Error! No se encuentra el origen de la referencia.** and **¡Error! No se encuentra el origen de la referencia.** of this resolution.

(B) Rights of the new shares

The new Class A and Class B shares shall grant their holders the same political and financial rights as Abengoa's currently outstanding Class A and Class B shares as from the date on which the increase is declared to have been subscribed and paid up.

(C) Nominal amount, issue price and number of shares

The share capital shall be increased by the nominal amount resulting from deducting from the Effective Amount of the capital increase the amount corresponding to the share premiums of the new Class A and Class B shares, calculated in accordance with the issue prices (par value plus share premium) determined by the Board of Directors (or by the person or persons to whom the Board of Directors delegates the relevant powers) in the exercise of the powers delegated in favor thereof under section (L) of this resolution. The issue prices shall be set by reference to the listing price of the Company's shares, based on market conditions at the time of implementation of the resolution, and may include a discount on such listing price of the Class A and Class B shares.

Likewise, the final number of new Class A and Class B shares covered by the capital increase shall be determined as a result of dividing the Effective Amount by the respective issue prices determined by the Board of Directors (or by the person or persons to whom the Board of Directors delegates the relevant powers).

In addition, in the event that the issue prices for either class of new shares is different, the Company's Board of Directors may, if appropriate, adjust the number of new Class A shares and new Class B shares ultimately issued under the capital increase in order for the ratio between the Company's Class A shares and Class B shares resulting from the capital increase to be equal to the ratio between the Company's Class A shares and Class B shares at the time of adoption of this resolution, in which case the Effective Amount might exceed 650,000,000 euros by the amount necessary to allow such ratio to be maintained.

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## (D) Dates and conditions

The Board of Directors shall be responsible for determining the date on which the resolution should be implemented within the maximum period of one year from the adoption thereof at the General Shareholders' Meeting and for setting the terms and conditions thereof to the extent not provided for in the shareholders' resolution, in accordance with Section 297.1.a) of the Capital Companies Act.

The Board of Directors may also refrain from implementing this capital increase if unforeseen circumstances regarding market conditions or the Company itself or any economically important fact or circumstance makes such a decision advisable, providing a report thereon at the next General Shareholders' Meeting held after the passage of the implementation period.

## (E) Pre-emptive rights

Pursuant to the provisions of Section 304 of the Capital Companies Act, the shareholders of Abengoa shall have the right to subscribe a number of Class A and Class B shares proportional to the number of shares of each class that they own on the date of assignment of their respective pre-emptive subscription rights.

The pre-emptive subscription rights shall be assigned in the manner provided by the Bylaws to Abengoa shareholders (other than the Company itself) that are entitled thereto as such in the book entry records of Iberclear at 11:59 pm on the date of publication of the announcement of the capital increase in the Official Gazette of the Mercantile Registry. Pursuant to the provisions of Section 306.2 of the Capital Companies Act, the pre-emptive subscription rights may be transferred on the same terms as the shares from which they derive, and may therefore be traded on the Stock Exchanges on which the underlying shares are traded and through the Automated Quotation System (*Sistema de Interconexión Bursátil*). Therefore, during the pre-emptive subscription period, investors other than the shareholders may acquire in the market sufficient pre-emptive subscription rights in the proportion necessary to subscribe new Class A and/or Class B shares. The period for the exercise of the pre-emptive subscription rights to both the Class A shares and the Class B shares shall be fifteen (15) calendar days, beginning on the day following the publication of the announcement of the subscription offer in the Official Gazette of the Mercantile Registry. In any event, the Board of Directors may set a longer pre-emptive subscription period if circumstances so advise at the time of implementation of the capital increase.

Shareholders holding pre-emptive subscription rights, as well as those investors who acquire pre-emptive subscription rights, may request the subscription of a number of additional Class A and/or Class B shares to which they would be entitled upon the exercise of their rights if the capital increase has not been fully subscribed at the end of the pre-emptive subscription period. The Board

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of Directors may in any case provide for additional periods or rounds so that new shares that may not have been subscribed and paid up during the pre-emptive subscription period may be assigned to shareholders who have exercised their pre-emptive subscription rights and state their desire to acquire additional shares, and/or to other investors, in all cases setting the procedure and periods for these additional periods or rounds.

Provided that the capital increase has been fully subscribed, the Board of Directors may at any time declare an early conclusion thereof, without prejudice to a declaration that the capital increase has been implemented and closed at the end of the pre-emptive subscription period and any additional periods or rounds, and in the event of an incomplete subscription of the capital increase, shall determine the final amount thereof and the number of new shares subscribed.

In order to exercise pre-emptive subscription rights during the pre-emptive subscription period, the holders of such rights may send exercise orders addressed to the Iberclear participating entities in whose registries the relevant shares or rights are registered, stating their desire to exercise such rights and the number of shares they wish to subscribe. Orders sent with respect to the exercise of pre-emptive subscription rights shall be deemed to have been made on a firm, irrevocable and unconditional basis.

The documentation regarding the issue, and particularly the securities note (*nota de valores*) of the prospectus (*folleto informativo*) to be registered with the CNMV, shall govern the terms and conditions upon which payment of the par value and share premium for each class of new shares and any assignment of additional shares and discretionary assignment of shares will take place.

## (F) Payment

Payment for the new shares, including the par value and any issue premium, shall be made by means of cash contributions at the times and in the form determined by the Board of Directors pursuant to the provisions of this resolution.

Pursuant to the provisions of section 299.1 of the Capital Corporations Act, it is stated for the record that all of the shares previously issued by the Company have been fully paid up.

## (G) Incomplete subscription

If there are shares that remain unsubscribed at the end of the pre-emptive subscription period, the Board of Directors may (i) discretionally award unsubscribed shares to any third party, whether or not a shareholder, or, if appropriate, to the placement agent(s) or underwriters of the issue, for subscription within the period determined by the Board of Directors for such purpose upon completion of the above-referenced pre-emptive subscription

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period; and/or (ii) pursuant to the provisions of Section 311 of the Capital Companies Act, approve the incomplete subscription of the capital increase and declare the capital to have been increased by the amount actually subscribed.

(H) Amendment of the Company's Bylaws

Pursuant to the provisions of Section 297.2 of the Capital Companies Act, once the proposed capital increase is approved and implemented, the directors are authorized to amend the article of the bylaws regarding share capital in view of the results thereof.

(I) Request for admission to trading

In addition, it is hereby resolved to apply for the admission to trading of the new shares issued pursuant to the capital increase on the Madrid and Barcelona Stock Exchanges through Automated Quotation System (Continuous Market), expressly stating the submission of Abengoa to such rules as may now be in force or hereafter be issued on stock exchange matters, and especially on trading, continued listing and delisting from official trading.

Likewise, it is resolved to request the inclusion of the new shares in the book-entry registry of Iberclear and its participating entities.

It is expressly stated for the record that, if the delisting of the Abengoa shares is hereafter requested, the delisting resolution will be adopted with the same formalities that may be applicable and, in such event, the interests of shareholders opposing the delisting resolution or not voting will be safeguarded, in compliance with the requirements established in the Capital Companies Act and related provisions, all in accordance with the provisions of Law 24/1988 of July 28 on the Securities Market ("**LMV**") and its implementing provisions in force at any time.

In addition, it is hereby resolved to delegate to the Board of Directors, with express authority to delegate the powers granted under this delegation to any of its members and its secretary, the powers necessary for either of them, individually, to request the admission to trading of the new Class B shares issued in implementation of this resolution on the Nasdaq Global Select Market in the form of American Depositary Shares (ADSs), taking any actions needed to achieve such end, including the signing of any agreement, contract, prospectus or information memorandum (or any documents that may correspond thereto), notice or any other document of any kind required to comply with the applicable regulation and the requirements of the competent regulatory bodies.

(J) Coordination with the authorization given to the Company's Board of Directors by the shareholders at the General Shareholders' Meeting of Abengoa held on March 29, 2015 under item nine on the agenda thereof

This capital increase is independent of the current authorization given to the Company's Board of Directors by the shareholders at the Ordinary General Shareholders' Meeting of Abengoa held on March 29, 2015 to increase the share capital at the time and in the amount it deems appropriate, with the power to exclude pre-emptive rights, pursuant to Section 297.1(b) of the Capital Companies Act, under item nine on the agenda thereof, which shall continue upon the terms thereof. As provided in section (A), the foregoing is without prejudice to the ability to reduce the effective amount of this capital increase by the amount of the par value and share premium of any capital increase with the issuance of new shares against cash contributions that the Company's Board of Directors might approve and implement prior to or simultaneously with the implementation of this increase.

The Board of Directors is also authorized to jointly implement and combine the capital increase approved at this General Shareholders' Meeting with any capital increase implemented using the authorization mentioned in the preceding paragraph, in the amount and form it deems appropriate.

(K) Specific approval for purposes of the NASDAQ Market

The Class A and Class B shares are admitted to trading on the Madrid and Barcelona Stock Exchanges and on the Spanish Automated Quotation System (*Sistema de Interconexión Bursátil*). In addition, the Class B shares are admitted and trading on the NASDAQ Global Select Market in the form of "American Depositary Shares," for which reason Abengoa is subject to the NASDAQ market rules. NASDAQ market rule number 5635 requires prior approval by the shareholders of any transaction other than a public offering that involves the sale, issuance or potential issuance of shares of the Company, or securities that are convertible into shares of the Company, if the shares to be issued exceed 20% or more of the outstanding shares or of the total existing voting rights, provided that they are issued at a price lower than their book value or their market value. Therefore, as it is foreseeable that the shares from the capital increase are issued at a price below their market value, and in the event that the Company decides not to register the capital increase in accordance with the provisions of the U.S. Securities Act of 1933 ("Securities Act of 1933"), this resolution entails express approval of the transaction for purposes of NASDAQ market rule number 5635.

(L) Delegation of powers for purposes of implementation and formalization of the preceding resolutions

To expressly grant to the Board of Directors of Abengoa, as broadly as possible under law, with powers of substitution to any of the Directors, the powers expressly set forth in Section 297.1 (a) of the Capital Companies Act, as well as all those powers expressly provided thereto in this resolution, and the power to set all conditions not expressly provided for in this resolution.

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To also expressly authorize the Board of Directors, as broadly as possible under law, with powers of substitution to any of the directors, and without prejudice to any existing delegations or representative powers, for a maximum period of one (1) year from the adoption of this resolution, to take any actions and steps that are necessary or merely appropriate for the implementation and successful outcome of the capital increase, and particularly, by way of example only, the following:

- (a) to set the date on which the capital increase resolution is to be implemented, as well as whether it should be implemented in one or more tranches;
- (b) to determine the duration of the pre-emptive subscription period, including the possibility of opening one or more additional periods for assignment of shares that have not been subscribed and paid up during the pre-emptive subscription period;
- (c) to determine the respective issue prices of the new Class A shares and Class B shares, i.e., the par value and the amount of the respective share premiums;
- (d) to determine any other details regarding the capital increase that have not been determined by this resolution;
- (e) to amend the text of article 6 of the Bylaws as a result of the capital increase, pursuant to Section 297.2 of the Capital Companies Act;
- (f) in the case of an incomplete subscription, to establish that the capital will be increased only in the amount of subscriptions made;
- (g) to draft, sign and submit to the CNMV the prospectus regarding the capital increase in compliance with the provisions of the LMV and of Royal Decree 1310/2005 of November 4 partially developing the LMV regarding the admission to trading of securities on official secondary markets, public offerings of sale or subscription, and the prospectus required for such purposes, assuming responsibility for the content thereof, as well as to draft, sign and submit as many supplements thereto as may be required, requesting the verification and registration thereof by the CNMV, and the notices of relevant fact as are necessary or appropriate for such purpose:
- (h) to draft, sign and submit any documentation to the Securities Exchange Commission and any competent foreign authority as is necessary for the new Class B shares issued in implementation of this resolution to be accepted for trading on the Nasdaq Global Select Market in the form of American Depositary Shares (ADSs) and to assume responsibility for the content thereof;
- (i) to implement the increase in capital of the Company, taking all actions as

are necessary or appropriate for the best implementation thereof;

- (j) to draft, sign and submit any additional or supplemental documentation or information as may be necessary to the CNMV or any other competent domestic or foreign authority;
- (k) to take or make any action, declaration or step necessary with or to the CNMV, the Governing Bodies of the Madrid and Barcelona Stock Exchanges, Sociedad de Bolsas, Iberclear and any other public or private body, entity or registry, whether Spanish or foreign, to obtain any authorizations or verifications needed for the implementation of the capital increase;
- (l) to appoint an agent and the placement agents or underwriters for the issuance, and to negotiate the terms of their participation;
- (m) to establish the ratio between the pre-emptive subscription rights and the new Class A and Class B shares, respectively, according to the circumstances at the time of implementation of the capital increase, based on the issue price and the Effective Amount that are set;
- (n) to declare that the capital increase has been implemented and closed at the end of the pre-emptive subscription period and any additional rounds for subscription of the shares that may be provided, and upon payment for the shares subscribed, and in the event of an incomplete subscription of the capital increase, to determine the final amount of the capital increase and the number of shares subscribed, executing any public or private documents as are appropriate for implementation of the increase;
- (o) to negotiate, sign and execute any public and private documents required with respect to the capital increase in accordance with practice for these types of transactions, particularly including one or more underwriting and/or placement agreements, providing such warranties and indemnities to the underwriters and/or placement agents as are necessary or appropriate;
- (p) to draft and publish any announcements that are necessary or appropriate;
- (q) to draft, sign, execute and, if applicable, certify, any kind of document;
- (r) to request the admission to trading of the shares that Abengoa may issue on the Madrid and Barcelona Stock Exchanges through the Automated Quotation System (Continuous Market), as well as the admission of the new Class B Shares on the Nasdaq Global Select Market in the form of American Depositary Shares (ADSs); and
- (s) to appear before a notary of their choosing and convert this resolution into a public instrument, as well as to take any actions as are necessary

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and to approve and formalize any public or private documents as are necessary or appropriate for the full effectiveness of this capital increase resolution as to any aspect or content hereof, and especially to correct, clarify, interpret, complete, specify or define any resolution adopted, and particularly to cure any defects, omissions or errors found in the verbal or written classification of the Commercial Registry.

Finally, the Board of Directors is expressly authorized to delegate the powers granted under this resolution that may be legally granted to any of its members and/or the Secretary of the Board of Directors or any representatives as may be determined and to grant the powers-of-attorney relevant to the exercise of such delegated powers to the employees of the Company it deems appropriate.

(M) Expiration

Without prejudice to the provisions of the preceding sections, the capital increase shall become null and void if the Board of Directors does not exercise the powers delegated thereto within the period of one (1) year provided by the shareholders for the implementation of the resolution.