

Abengoa and Shikun & Binui are selected to build a 110MW concentrating solar power plant

- The parabolic trough plant will be the largest solar plant in Israel.

June 20th 2013.- (MCE: ABG.B), the company that applies innovative technology solutions for sustainability in the energy and environment sectors, and Shikun & Binui, an Israeli based global infrastructure group, have been nominated by the State of Israel as successful bidders in the BOT tender of the Ashalim concentrating solar plant.

Negev Energy, a joint company created by Abengoa and Shikun & Binui will build, own and operate a 110 MW solar trough plant with storage located in the Negev desert. The plant will use the latest technology developed by Abengoa and will be able to store energy in order to produce electricity when required after sunset. Electricity will be purchased by Israel Electricity Corporation over a 25 year power purchase agreement. Construction is expected to start in 2014 in the Ashalim area of the Negev Desert once the power purchase agreement and the project financing are closed.

Solar trough plants collect solar energy using large high precision mirrors that follow the sun and concentrate its energy onto heat absorber tubes that carry a fluid. The temperature of the fluid increases up to 390 degrees Celsius. Using a heat exchanger the thermal energy is then transferred to water in order to generate steam that is used to produce electricity using a turbine. Additionally, part of the thermal energy can be stored in molten salt thermal tanks in order to use it later to generate steam and produce electricity, in this case for approximately four hours. This technology therefore has two key advantages. First, it is a clean source of energy that avoids CO₂ emissions, more than 300,000 tons per year by this particular plant. And secondly, it generates power whenever required and not only when the natural resource, in this case the sun, is available making it one of the few clean dispatchable technologies available today.

Abengoa currently has 743 MW in commercial operation and 910 MW in construction around the world. It is one of the few companies that designs, builds and operates solar plants using both tower and parabolic trough technology.

This new contract will further consolidate Abengoa's leadership position in developing solar technology. This project also reflects Abengoa's firm commitment to research and innovation, which has enabled it to maintain a competitive

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advantage in its sectors, leading projects with huge potential for innovation and programs that involve world-leading research centers and strategic partners.

About Abengoa

Abengoa (MCE: ABG.B) applies innovative technology solutions for sustainability in the energy and environment sectors, generating electricity from renewable resources, converting biomass into biofuels and producing drinking water from sea water. (www.abengoa.com)

About Shikun & Binui

Founded in 1924 and traded on the Tel Aviv Stock Exchange and headquartered in Israel, Shikun & Binui is a leading global infrastructure group. From its establishment in Israel, the group's operations have expanded to 20 countries around the world, including operations in Africa, Central America and East European countries. Since launching its "Sustainability First" approach several years ago, Shikun & Binui has become Israel's leading environmentally friendly infrastructure company. The Company's commitment to the environment has led it to enter several new markets, including renewable energy generation and large-scale water projects. The company made significant contributions to the construction of the largest water desalination plant in the Middle East. The desalination plant opened in May 2010 and is currently producing 150 million cubic meters of water per year. The company's vision is aimed at creating a sustainable living environment, taking into account the needs of both current and future generations at every stage of design and execution.

Abengoa Communication Department:

Patricia Malo de Molina Meléndez.
Tel: +34 954 93 71 11
E-mail: communication@abengoa.com

Abengoa Investor Relations:

Bárbara Zubiría Furest.
Tel: +34 954 93 71 11
E-mail: ir@abengoa.com

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