ABENGOA

Innovative technology solutions for sustainability

Abengoa improves bookings and operating results in the first nine months of 2017

- Improvements of Health and Safety indicators with a Lost Time Injury Rate (LTIR) of 5.1.

- Bookings of new projects for an approximate value of €1,150 million awarded in Morocco, Saudi Arabia, Chile, United States, Argentina, United Kingdom and Belgium, among others, and revenues of €1,100 million during the first nine months of 2017.

- A significant improvement in EBITDA reaching €69 million in comparison to the €(90) million in the same period of 2016. Excluding one-off adjustments, EBITDA would have reached €182 million in comparison to €78 million during the same period in 2016.

- Net result amounts to €4,733 million mainly driven by the one-off adjustments of the financial restructuring finalized in March.

November 14, 2017 - Abengoa (MCE: ABG.B/P), the international company that applies innovative technology solutions for sustainability in the infrastructure, energy and water sectors, announces financial results for the first nine months of 2017.

One of the areas of focus for Abengoa's management is safety in the workplace. In this sense, during third quarter of 2017, the Company continues to improve indicators with a Lost Time Injury Rate (LTIR) of 5.1, well below those of the Construction Sector (41.8), Industry (31.6) or Industrial Assembly (10.1), which represents significant progress towards Abengoa's Zero Accident target.

During the first nine months of 2017 Abengoa recorded revenues of €1,100 million and EBITDA of €69 million, a considerable improvement in profitability in comparison to 2016. The increase in revenues in comparison to the same period in 2016 is due to an increase in engineering and construction activity in South America and the Middle East as well as an increment in the concession activity with plants entering commercial operation.

The significant increase in EBITDA during the first nine months has been affected by certain one-off adjustments such as the positive impact of €66 million from the sale of Norte III, construction cost provisions in certain projects for €(127) million, and costs related to the restructuring process which include, among others, €(52) million euros of fees and expenses from independent advisors; not taking into account these one-off adjustments, EBITDA would have reached €182 million in comparison to €78 million during the same period in 2016 These figures exclude the impact of the bioenergy activity and the Brazilian transmission lines, which are presented as results from discontinued activities.

Net result reached €4,733 million, mainly due to the one-off adjustments registered in the income statement derived from the financial restructuring.

The gross financial debt amounts to €5,491 million, in line with the figures presented in June after a substantial reduction in debt as a result of the financial restructuring (€12,258 million at the end of 2016). Out of the €5,491 million of gross financial debt, €1,801 million correspond to debt of companies classified as held for sale.

On October 30th the Mercantile Court of Seville Nº 2 issued a ruling discharging the complement to the ruling which was filed by the Company. As a result, the amount of debt which is not subject to the effects of the restructuring agreement is above the threshold indicated in the financing agreements and could potentially cause an event of default and mandatory prepayment. In relation to this potential event of default and mandatory prepayment, the Company had already solicited certain waivers and consents from the creditors as stipulated in the financing agreement, which were approved on October 27th, therefore cancelling the potential event of default. Given that the waivers were obtained after the September 30th accounting close, the Company has proceeded, in accordance with international accounting standards, to temporarily classify all of the long term restructured debt as short term debt. At year end, restructured debt which expected repayment is not in the short term will once again be reclassified as long term.

Results by segment

Engineering and construction activity

Revenues in the engineering and construction activity reached €976 million and EBITDA amounted to €(3) million, versus €934 million and €(157) million respectively in the first nine months of 2016. This revenue increase is mainly due to the development of EPC projects in South Africa and Middle East. In regards to EBITDA before one-off adjustments, the result of the activity reached €110 million, compared to €11 million during the same period in 2016. The final amount has been affected by a positive impact of €66 million from the sale of Norte III project in Mexico, and negative impacts such as construction cost provisions in certain projects for a total of €(127) million as well as €(52) million euros of fees and expenses from independent advisors related to the restructuring process.

The Company has obtained new bookings for a total approximate value of €1,150 million (€367 million during third quarter of 2017) in Morocco, Saudi Arabia, Chile, United States, Argentina, United Kingdom and Belgium, among others. Taking into account the recent bookings, the total backlog in engineering and construction as of September 30, 2017 amounts to €1,896 million.

Concession-type infrastructure activity

Revenues in the concession-type infrastructure activity reached €124 million and EBITDA amounted to €72 million in the first nine months of 2017, compared to €109 million and

€67 million, respectively, during the first nine months of 2016. This increase is mainly due to the commencement of commercial operations of the Khi and Xina solar plants in South Africa and the improved performance of certain assets such as SPP1 solar plant in Algeria.

	Revenues		Ebitda	
(Figures in € million)	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Engineering and Construction				
Engineering and Construction	976	934	(3)	(157)
Total	976	934	(3)	(157)
Concession-type Infrastructure				
Solar	46	26	29	16
Water	36	47	22	33
Transmission lines	-	2	-	-
Cogeneration and other	42	34	21	18
Total	124	109	72	67
Total	1,100	1,043	69	(90)

In order to keep all stakeholders up to date with regards to the financial restructuring process, Abengoa has dedicated a new section in the corporate website to this. We encourage all our stakeholders to visit:
http://www.abengoa.com/web/en/accionistas_y_gobierno_corporativo/proceso-restructuracion/

About Abengoa

Abengoa (MCE: ABG/P: SM) is an international company that applies innovative technology solutions for sustainable development in the infrastructure, energy and water sectors. www.abengoa.com

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