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Abengoa awarded two CSP projects by South Africa's Department of Energy

- 1,416 MW announced at COP17 included 150 MW for Abengoa's 100 MW parabolic trough plant and 50 MW solar power tower plant
- Plants will bring economic benefits to the Northern Cape region while providing a clean energy resource

Seville, Spain.- December 7, 2011- Abengoa (MCE: ABG), the international company that applies innovative technology solutions for sustainable development in the energy and environment sectors, has been awarded the first two CSP projects in the country by the South African Department of Energy. These two projects contribute to South Africa's goal to introduce up to 17,800 MW of renewable energy by 2030 and reduce its dependence on oil and natural gas.

The announcement made at the United Nations Climate Change Conference COP 17 in Durban listed Abengoa's Khi Solar One (50 MW) and KaXu Solar One (100MW) as the only CSP projects. South Africa has one of the best solar resources in the world and the development of these two projects presents an excellent opportunity to become a leader in CSP solar energy generation.

Abengoa's two solar power projects, will not only provide a clean energy future for South Africa, but will also bring economic development to the region. Abengoa will own 51 % of each of the projects, with the remaining 49 % held by the state-owned Industrial Development Corporation (IDC). The Industrial Development Corporation is South Africa's largest development finance institution and has helped build the industrial capacity that fuels the country's economic growth.

Manuel Sanchez, Abengoa's CEO, stated "being awarded these two new projects is the best proof of the ongoing advances in CSP technology as a result of the important investments in R&D programs that the sector and specifically Abengoa are making. CSP will play a key role in the twenty-first century energy mix as it is clean, dispatchable, renewable and able to be stored."

Khi Solar One (50 MW) will be Abengoa's third commercial solar tower and its first outside of Spain. This plant represents important technological advances in efficiency as it uses higher temperatures during the generation process and has more than double the capacity than the last tower Abengoa built in Andalusia. It comes as a result of the latest generation of solar tower technology using superheated steam, which was developed by Abengoa in its R&D centers. The plant will also use the technologically advanced dry cooling, which dramatically reduces water consumption by 80%. The tower plant will be located on a 600 ha site close to Upington, also in the Northern Cape Province. An average of 600 construction jobs will be created during the construction period and around 35

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full-time plant operations employees. It will have 2 hours of thermal storage and will prevent approximately 183,000 tons of CO₂ emissions per year.

KaXu Solar One, 100 MW parabolic trough plant will have storage capability for 3 hours, and will be located on a 1,100 ha site near the town of Pofadder in the Northern Cape Province. The plant will prevent 315,000 tonnes of CO₂ emissions each year. About 800 jobs will be created during the construction period, with about 35 permanent plant operations jobs to follow. Around 200 direct and indirect full-time jobs per year will be created in the local community. This plant also uses the technologically advanced dry cooling system.

Abengoa's two CSP plants, deploying the newest, most efficient solar technologies, will be a part of the foundation for the future of South Africa's renewable energy growth, started by the 1,416 MWs awarded during this tender. The two plants will provide a dispatchable energy resource that will allow the deployment of more intermittent renewable sources to be used, such as wind and PV, thus increasing South Africa's clean energy sources.

Both projects represent a total investment of approximately 1 billion euros.

Abengoa is currently building 1,010 MW of solar plants all over the world, and with an additional 393 MW already operating, is the only company in the world building and operating both trough and power tower CSP plants. Construction on the South African concentrating solar projects is expected to begin in the second half of 2012, bringing the plants online in 2014.

About Abengoa

Abengoa (MCE: ABG) is an international company that applies innovative technology solutions for sustainable development in the energy and environment sectors, generating electricity from the sun, producing biofuels, desalinating sea water and recycling industrial waste. (www.abengoa.com)

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