

01

Annual Report 2011

Summary of the report from the chairman

01

Summary of
the report from
the chairman

2011 was a good year for Abengoa. Our innovative technology solutions for sustainability enabled us to once again report double-digit growth in spite of the adverse conditions plaguing current financial markets. We continue to reinforce our commitment to technology, the key driver of the company's business today, in order to continue contributing to the enhancement of quality of life for all.

Our revenues increased by 46 % over 2010, totaling 7,089 M€; ebitda totaled 1,103 M€, climbing by 36 %, and net income rose by 24 % from last year's figure for a total of 257 M€.

Our objective in 2012 is to keep growing and strengthen our financial structure, while taking into consideration today's complicated global context. It was for this reason that, in 2011 we welcomed First Reserve as a shareholder. As one of the major international investment funds specializing in the energy industry, their investment of 300 M€ reflects unequivocal support of our strategy. We also secured a significant strategic alliance with the Companhia Energética de Minas Gerais (CEMIG), one of Brazil's largest electrical power companies, which will enable us to develop new projects together. This alliance generated 479 M€ in cash proceeds for Abengoa and a reduction in net consolidated debt of 642 M€. Finally, the sale of our stake in Telvent allowed us to decrease net debt by 725 M€ and this move also marked the successful culmination of our presence in the systems integration sector.



01

Summary of
the report from
the chairman

As an overall result of the above, at year-end 2011, net corporate debt dropped to 0.1 times our corporate ebitda, for a total of 120 M€, and total net debt, including non-recourse financing associated fundamentally with our concessions, was lowered to 5,510 M€, representing 5.0 times our consolidated ebitda. We ended the year with a cash position of 4,752 M€, which will allow us to meet our anticipated investment and debt commitments in 2012 with confidence.

The innovative spirit that inspired our founders more than 70 years ago is still alive today at Abengoa. We ended the year with a total of 190 patents, 43 granted and the others pending, thanks to the team of 682 people devoted to R&D+i under the direction of Abengoa Research.

We have always said that the future depends on the creativity of the present. An the present, in turn, depends on the training and dedication of the people who make up Abengoa, which today totals more than 22,000 professionals, up by 9 % over last year.

In 2011, we invested in more than of 1.4 M hours in training, and we introduced joint programs with renowned universities in various locations where we operate around the world.

We also unveiled the Loyola-Abengoa Research Center for the purpose of promoting the development of research activities and teaching focused on renewable energies and sustainable development.

Abengoa's commitment to sustainability is a priority in all of our actions. We strive to reduce the environmental impact of our business with the help of an integrated sustainability management system that makes it possible for us to measure and compare our activities footprint and set improvement targets.

We welcome all ideas or opinions that may help us improve and meet our objectives in upholding the commitment to sustainability we have undertaken. Feedback is welcome through the corporate social responsibility mailbox (csr@abengoa.com), our website (www.abengoa.com) and our corporate blog (blog.abengoa.com).

In summary, 2011 was a year of growth and accomplishments, which is a particularly significant given today's adverse economic environment. We are confident that 2012 will be a year of opportunities. We shall continue investing to solidify our businesses in high-growth sectors, contributing to the expansion of future options, and exploring new opportunities that allow us to create sustainable value.

Felipe Benjumea Llorente