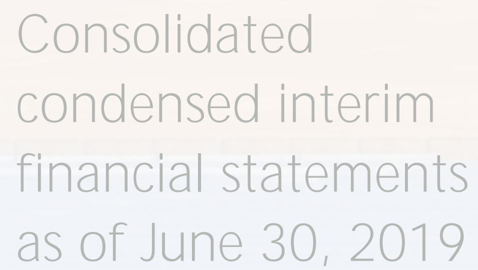

Consolidated condensed interim financial statements as of June 30, 2019

ABENGOA

Innovative technology solutions for sustainability

01. Limited
review report

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

LIMITED REVIEW REPORT ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of Abengoa, S.A.:

Introduction

We have performed a limited review of the accompanying condensed interim consolidated financial statements (hereinafter "the interim financial statements") of Abengoa, S.A. (hereinafter "the parent company") and its subsidiaries (hereinafter "the group"), which comprise the statement of financial position as at June 30, 2019, and the income statement, statement of other comprehensive income, statement of changes in equity, cash-flow statement and related ntoes, all condensed and consolidated, for the six-month period then ended. The parent company's directors are responsible for the preparation of these interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, "Interim Financial Reporting", as adopted by the European Union, for the preparation of condensed interim financial information, as provided in Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of the review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with legislation governing the audit practice in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our limited review, that cannot be considered as an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six months period ended June 30, 2019 have not been prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, "Interim Financial Reporting", as adopted by the European Union, for the preparation of condensed interim financial statements, as provided in Article 12 of Royal Decree 1362/2007.

Emphasis of matter

We draw attention to the accompanying consolidated statement of financial position that shows that at 30 June 2019 the Group presented negative consolidated equity of €1,933 million and that at that date, the Group's current liabilities exceeded its current assets by €1,394 million. Note 2 to the accompany interim financial statements describes, among other things, the significant limitations in terms of financial resources that the Group and its parent company have had to deal with in the past few years and how this situation has affected the performance of the operating business, resulting in the slow-down and deterioration of the Group's entire operation and the initiation of different insolvency or judicial bankruptcy proceedings in some of its subsidiaries.

Similarly, at the year end 31 December 2018 the parent company presented positive equity of €99 million after having recognised losses for the year of €432 million, as a result, among other things, of the significant impairment recognised on its investments in Group companies, based on estimates of the fair value of its subsidiaries. As indicated in Note 2, the fact that the main assumptions factored in those estimates would not be played out may substantially vary the value of the investments and, in this respect, affect the parent company's equity.

In light of the situation described and the strong pressure on liquidity experienced by the Group, in April 2019 the Group and its parent company agreed a new financial restructuring that was validated by the courts in June 2019 in accordance with the relevant requirements of the Bankruptcy Law, as described in Note 2 which also describes the main characteristics of the new financial instruments issued, including several bonds convertible into shares of the intermediate holding companies of the Group's operating businesses.

The Group's consolidated negative equity and consolidated negative working capital; the need for strict compliance of the 10 year feasibility plan approved by the parent company's directors and the remaining assumptions taken into account in the estimation of the fair value of the Group's subsidiaries, whose materialisation is subject to uncertainty and that has a direct effect on the parent company's equity, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore on the recovery of its assets and realisation of its liabilities and the fulfilment of the commitments covered by surety and guarantees for the amounts included in the accompanying interim financial statements.

The parent company's directors have prepared these interim financial statements on a going-concern basis, taking into account, as explained in Note 2, that the main assumptions of the feasibility plan approved with respect to the business and those assumptions affecting debt, will be met such that the Group's feasibility is not negatively affected. Our opinion has not been modified because of this matter.

We draw attention to accompanying Note 2 , which mentions that the accompanying interim financial statements do not include all the information that would be required for complete consolidated financial statements prepared in accordance with International Financial Reporting Standards adopted by the European Union and therefore they should be read together with the Group's consolidated annual accounts for the year December, 31, 2018 ended. Our opinion has not been modified for this matter.

Other matters

Interim consolidated directors´ Report

The accompanying interim consolidated directors' Report for the six-month period ended 30 June, 2019 contains the explanations which the parent company´s directors consider appropriate regarding the principal events of this period and their impact on the interim financial statements presented, of which it does not form part, as well as the information required under the provisions of Article 15 of Royal Decree 1362/2007. We have verified that the accounting information contained in this directors' Report is in agreement with that of the interim financial statements for the six months period ended June, 30, 2019 ended. Our work is limited to checking the interim consolidated directors' Report in accordance with the scope mentioned in this paragraph and does not include a review of information other than that obtained from Abengoa, S.A. and its subsidiaries´ accounting records.

Preparation of this review report

This report has been prepared at the request of the Directors of the Parent Company in relation to the publication of the half -year financial report required under Article 119 of Legislative Royal Decree 4/2015 which approved the Securities Market Law developed by Royal Decree 1362/2007 (19 October).

PricewaterhouseCoopers Auditores, S.L.

/s/ Gonzalo Sanjurjo Pose

23 September 2019

02. Consolidated condensed interim financial statements

02.1 Consolidated condensed statements of financial position as of June 30, 2019 and December 31, 2018

Consolidated Financial Statements as of June 30, 2019 and December 31, 2018

- Amounts in thousands of euros -

Assets	Note (1)	06/30/2019	12/31/2018
Non-current assets			
Goodwill		-	-
Other intangible assets		41,707	46,645
Intangible assets	8	41,707	46,645
Property, plant & equipment	8	148,284	141,733
Concession assets in projects		344,055	343,941
Other assets in projects		2,984	3,029
Fixed assets in projects (project finance)	9	347,039	346,970
Investments in associates carried under the equity method	10	19,331	15,266
Financial assets at fair value	11	1,463	1,143
Other receivable accounts	11	19,302	25,944
Derivative assets	12	510	939
Financial investments	11	21,275	28,026
Deferred tax assets		134,512	136,709
Total non-current assets		712,148	715,349
Current assets			
Inventories	13	54,685	60,445
Trade receivables		430,101	430,527
Credits and other receivables		181,485	172,288
Clients and other receivables	14	611,586	602,815
Financial assets at fair value	11	1,740	1,759
Other receivable accounts	11	119,936	127,949
Derivative assets	12	3	3
Financial investments	11	121,679	129,711
Cash and cash equivalents		195,090	204,600
		983,040	997,571
Assets held for sale	7	2,140,911	2,116,859
Total current assets		3,123,951	3,114,430
Total assets		3,836,099	3,829,779

(1) Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of June 30, 2019

Consolidated Financial Statements as of June 30, 2019 and December 31, 2018

- Amounts in thousands of euros -

Equity and liabilities	Note (1)	06/30/2019	12/31/2018
Equity attributable to owners of the Parent			
Share capital	15	35.866	35.866
Parent company reserves		63.517	495.063
Other reserves		(10.258)	(10.066)
Fully or proportionally consolidated entities		(1.199.104)	(1.180.636)
Associates		674	2.451
Accumulated currency translation differences		(1.198.430)	(1.178.185)
Retained earnings		(1.061.897)	(3.721.307)
Non-controlling Interest	16	238.522	127.613
Total equity		(1.932.680)	(4.251.016)
Non-current liabilities			
Project debt	17	149.140	95.015
Borrowings		169.950	62.252
Notes and bonds		438.299	1.116
Financial lease liabilities		10.775	6.864
Other loans and borrowings		111.596	129.418
Corporate financing	18	730.620	199.650
Grants and other liabilities		142.546	113.290
Provisions and contingencies		69.105	61.794
Deferred tax liabilities		144.729	125.058
Personnel liabilities	28	14.294	11.996
Total non-current liabilities		1.250.434	606.803
Current liabilities			
Project debt	17	425.500	224.671
Borrowings		207.442	1.777.016
Notes and bonds		98.550	1.907.228
Financial lease liabilities		9.632	7.127
Other loans and borrowings		476.798	516.128
Corporate financing	18	792.422	4.207.499
Trade payables and other current liabilities	21	1.306.825	1.360.509
Income and other tax payables		281.924	315.800
Derivative liabilities		-	-
Provisions for other liabilities and charges		19.252	20.372
		2.825.923	6.128.851
Liabilities held for sale	7	**1.692.422**	**1.345.141**
Total current liabilities		4.518.345	7.473.992
Equity and liabilities		3.836.099	3.829.779

(1) Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of June 30, 2019

02. Consolidated condensed interim financial statements

02.2 Consolidated income statements for the six-month period ended June 30, 2019 and 2018

Consolidated income statements as of June 30, 2019 and June 30, 2018

- Amounts in thousands of euros -

	Note (1)	2019	2018
Revenue	5	708,505	552,052
Changes in inventories of finished goods and work in progress		993	(1,359)
Other operating income		22,403	20,148
Raw materials and consumables used		(296,906)	(194,509)
Employee benefit expenses		(159,387)	(156,469)
Depreciation, amortization and impairment charges	5	(40,640)	(13,381)
Other operating expenses		(138,838)	(132,699)
Operating profit		96,130	73,783
Financial income	22	1,392	5,512
Financial expense	22	(150,823)	(237,930)
Net exchange differences		(24,833)	8,954
Other financial income/(expense), net	22	2,374,176	(35,040)
Financial expense, net		2,199,912	(258,504)
Share of profit (loss) of associates carried under the equity method	10	(30,007)	107,494
Profit (loss) before income tax		2,266,035	(77,227)
Income tax (expense) benefit	23	(33,094)	1,012
Profit for the year from continuing operations		2,232,941	(76,215)
Profit (loss) from discontinued operations, net of tax	7	1,857	(20,466)
Profit for the year		2,234,798	(96,681)
Profit attributable to non-controlling interests	16	(5,958)	(2,907)
Profit for the year attributable to the parent company		2,228,840	(99,588)
Weighted average numer of ordinary shares outstanding (thousands)	25	18,836,119	18,836,119
Basic earnings per share form continuing operations (€ per share)	25	0.12	(0.004)
Basic earnings per share from discontinued operations (€ per share)	25	0.00	(0.001)
Basic earnings per share attributable to the parent company (€ per share)		0.12	(0.01)
Wighted average numer of ordinary shares affecting the diluted earnings per share (thousands)	25	19,700,480	19,700,912
Diluted earnings per share form continuing operations (€ per share)	25	0.0012	(0.004)
Diluted earnings per share from discontinued operations (€ per share)	25	0.0000	(0.001)
Diluted earnings per share attributable to the parent company (€ per share)		0.0012	(0.01)

(1) Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of June 30, 2019

02. Consolidated condensed interim financial statements

02.3 Consolidated statements of comprehensive income for the six-month period ended June 30, 2019 and 2018

Consolidated statements of comprehensive income for the six month periods ended June 30, 2019 and June 30, 2018

- Amounts in thousands of euros -

	Six-month period ended	
	06/30/2019	06/30/2018
Profit for the period after income tax	2,234,798	(96,681)
Items that may be subject to transfer to income statement:		
Change in fair value of available for sale financial assets	-	84
Change in fair value of cash flow hedges	65	719
Currency translation differences	(19,703)	286,517
Tax effect	(16)	(669)
Net income/(expenses) recognized directly in equity	(19,654)	286,651
Cash flow hedges	143	(2,854)
Tax effect	(135)	714
Transfers to income statement for the year	8	(2,140)
Other comprehensive income	(19,646)	284,511
Total comprehensive income for the period	2,215,152	187,830
Total comprehensive income attributable to non-controlling interest	(6,749)	(186,894)
Total comprehensive income attributable to the parent company	2,208,403	936
Total comprehensive income attributable to the parent company from continuining operations	2,206,546	23,091
Total comprehensive income attributable to the parent company from discontinued operations	1,857	(22,155)

(1) Notes 1 to 29 are an integral part of these Consolidated condensed Interim financial statements as of June 30, 2019

02. Consolidated condensed interim financial statements

02.4 Consolidated statements of changes in equity as of June 30, 2019 and 2018

Consolidated statements of changes in equity for years ended June 30, 2019 and 2018

- Amounts in thousands euros -

	Attributable to the owners of the Company						
	Share capital	Parent company and other reserves	Accumulated currency translation differences	Retained earnings	Total	Non-controlling interest	Total equity
Balance at December 31, 2017	36,089	(5,890,132)	(1,187,518)	4,171,700	(2,869,861)	462,073	(2,407,788)
Profit for the year after taxes		-	-	(99,588)	(99,588)	2,907	(96,681)
Other comprehensive income (loss)	-	(1,988)	102,512	-	100,524	183,987	284,511
Total comprehensive income (loss)	-	(1,988)	102,512	(99,588)	936	186,894	187,830
Capital decrease	(223)	223	-		-	-	-
Distribution of 2017 profit	-	6,383,200	-	(6,383,200)	-	-	-
Transactions with owners	(223)	6,383,423	-	(6,383,200)	-	-	-
Scope variations and other movements	-	(124)	-	(11,269)	(11,393)	(531,300)	(542,693)
Scope variations, acquisitions and other movements	-	(124)	-	(11,269)	(11,393)	(531,300)	(542,693)
Balance at June 30, 2018	35,866	491,179	(1,085,006)	(2,322,357)	(2,880,318)	117,667	(2,762,651)
Balance at December 31, 2018	35,866	484,997	(1,178,185)	(3,721,307)	(4,378,629)	127,613	(4,251,016)
Profit for the year after taxes	-	-	-	2,228,840	2,228,840	5,958	2,234,798
Other comprehensive income (loss)	-	(192)	(20,245)	-	(20,437)	791	(19,646)
Total comprehensive income (loss)	-	(192)	(20,245)	2,228,840	2,208,403	6,749	2,215,152
Distribution of 2018 profit	-	(431,546)	-	431,546	-	-	-
Transactions with owners	-	(431,546)	-	431,546	-	-	-
Scope variations and other movements	-	-	-	(976)	(976)	104,160	103,184
Scope variations, acquisitions and other movements	-	-	-	(976)	(976)	104,160	103,184
Balance at June 30, 2019	35,866	53,259	(1,198,430)	(1,061,897)	(2,171,202)	238,522	(1,932,680)

Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of June 30, 2019

02. Consolidated condensed interim financial statements

02.5 Consolidated condensed cash flow statements for the six-month period ended June 30, 2019 and 2018

Consolidated condensed cash flow statements for the six month periods ended June 30, 2019 and 2018

- Amounts in thousands of euros -

	Six-months period ended 06/30/2019	Six-months period ended 06/30/2018
I. Profit for the period from continuing operations	2,232,941	(76,215)
Non-monetary adjustments (*)	(2,147,034)	145,487
II. Profit for the year from continuing operations adjusted by non monetary items	85,907	69,272
III. Variations in working capital and discontinued operations	(81,463)	(88,293)
Income tax paid/collected	(196)	438
Interest paid	(66,942)	(61,839)
Interest received	1,076	1,607
Discontinued operations	803	15,805
A. Net cash provided by operating activities from continuing operations	(60,815)	(63,010)
Intangible assets and property, plant & equipment	(32,542)	(83,984)
Other investments/disposals	5,255	579,575
Discontinued operations	7,345	(2,494)
B. Net cash used in investing activities from continuing operations	(19,942)	493,097
Underwritting Public Offering of subsidiaries		
Funds received from minority interest of Abengoa Yield for sale of assets (ROFO3)		
Other disposals and repayments	61,411	(486,850)
Discontinued operations	5,331	23,178
C. Net cash provided by financing activities from continuing operations	66,742	(463,672)
Net increase/(decrease) in cash and cash equivalents	(14,015)	(33,585)
Cash, cash equivalents and bank overdrafts at beginning of the year	204,600	195,870
Translation differences cash or cash equivalent	1,547	(1,100)
Elimination of cash and cash equivalents classified as assets held for sale during the year	2,958	4,479
Cash and cash equivalents at end of the year	195,090	165,664

(*) Corresponding, mainly, to the restructuration impact (see Note 2.1.3.).

02. Consolidated condensed interim financial statements

02.6 Notes to the Consolidated condensed interim financial statements as of June 30, 2019

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Notes to the Consolidated condensed interim financial statements as of June 30, 2019

Note 1.- General information

Abengoa, S.A. is the parent company of the Abengoa Group (referred to hereinafter as 'Abengoa', 'the Group' or 'the Company'), which as of June 30, 2019, was made up of 344 companies: the parent company itself, 311 subsidiaries, 12 associates and 20 joint ventures. Additionally, the Group held a number of interests, of less than 20%, in other entities

Abengoa, S.A. was incorporated in Seville, Spain on January 4, 1941 as a Limited Liability Company and was subsequently transformed into a Limited Liability Corporation ('S.A.' in Spain) on March 20, 1952. Its registered office is Campus Palmas Altas, 1 Energía Solar St., Seville, 41014.

The Group's corporate purpose is set out in Article 3 of its Bylaws. It covers a wide range of activities, although Abengoa is principally an applied engineering and equipment manufacturer, providing integrated project solutions to customers in the following sectors: energy, telecommunications, transport, water utilities, environmental, industrial and services.

Abengoa's shares are represented by class A and B shares which are listed the Madrid and Barcelona stock exchanges and on the Spanish Stock Exchange Electronic Trading System (Electronic Market). Class A shares have been listed since November 29, 1996 and class B shares since October 25, 2012.

Abengoa is an international company that applies innovative technology solutions for sustainability in the infrastructures, energy and water sectors. It specializes in the development of "turnkey" or Engineering, Procurement and Construction (EPC) projects for third parties in four fundamental areas: energy, water, services and transmission and infrastructure.

Abengoa has extensive experience in the power generation sector with open cycle technologies, combined cycle power plants, cogeneration technologies, wind farms, and solar thermal, photovoltaic and biomass power plants. As for the water industry, it offers integral solutions for industrial clients and public institutions in the areas of desalination, water treatment, wastewater treatment and reuse of urban and industrial wastewater, and hydraulic infrastructures (regulation, transport, distribution, irrigation, hydroelectric power plants and systems for hydrological management).

Abengoa has over 75 years of experience in industrial engineering, construction and maintenance of infrastructures for the energy, industry, environment, transport and communications sectors, covering the development of power transmission and distribution lines, railway electrification, installations and infrastructures for all types of plants and buildings, as well as auxiliary electric and electronic component and metal structure manufacturing. It also provides operation services and implementation of predictive, preventive and corrective maintenance of renewable, conventional and water treatment plants, with the aim of optimizing their reliability, performance and availability, minimizing the consumption of fuels, chemicals and consumables, as well as the emission of greenhouse gases (GHG) and maximize their production.

Abengoa`s business is organized under the following two activities:

› Engineering and construction: includes the traditional engineering activities in the energy and water sectors, with more than 75 years of experience in the market. Abengoa is specialized in carrying out complex turnkey projects for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuel plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others. In addition, it performs activities related to the development of solar thermal and water management technologies and innovative technological business activities such as hydrogen.

› Concession-type infrastructures: groups together the company's extensive portfolio of proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. These assets generate low demand risk and the Company focuses on operating them as efficiently as possible.

As a consequence of the sale processes opened given the discontinuance of Bioenergy and the transmission lines in Brazil based on the Updated Viability Plan of Abengoa approved by the Board of Directors on August 3, 2016, in line with the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and subsequently on January 21, 2019, and due to the significance of their activities developed by Abengoa, their Income Statement and Cash flow statements have been reclassified to discontinued operations in the Consolidated Income Statement and in the Consolidated cash flow statement as of June 30, 2019 and 2018. The classification has been done in accordance with the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations'.

These Consolidated condensed interim financial statements for the period ended June 30, 2019 have been formulated by the Board of Directors on September 23, 2019.

All public documents of Abengoa may be viewed at 'www.abengoa.com'.

These Consolidated condensed interim financial statements are a free translation of the Consolidated condensed interim financial statements originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union. In the event of a discrepancy, the Spanish-language version prevails.

Note 2.- Basis of presentation

The Group's Consolidated financial statements corresponding to the fiscal year ended December 31, 2018 were prepared by the Directors of the Company in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU), applying the principles of consolidation, accounting policies and valuation criteria described in Note 2 of the notes to the aforementioned Consolidated financial statements, so that they present the faithful image of the Group's equity and financial position as of December 31, 2018 and the consolidated results of its operations, the changes in the consolidated net equity and the consolidated cash flows for the financial year ending on that date.

The Group's consolidated financial statements corresponding to the 2018 financial year were approved by the General Shareholders' Meeting of the Abengoa, S.A. held on June 25, 2019.

These Consolidated condensed interim financial statements are presented in accordance with IAS (International Accounting Standard) 34, 'Interim Financial Reporting' approved by the European Union.

These Consolidated condensed interim financial statements have been prepared based on the accounting records of Abengoa S.A. and the subsidiary companies which are part of the Group, and include the adjustments and re-classifications necessary to achieve uniformity between the accounting and presentation criteria followed by all the companies of the Group (in all cases, in accordance with local regulations) and those applied by Abengoa, S.A.

In accordance with IAS 34, Consolidated condensed interim financial information is prepared solely in order to update the most recent annual Consolidated financial statements prepared by the Group, placing emphasis on new activities, occurrences and circumstances that have taken place during the six month period ended June 30, 2019 and not duplicating the information previously published in the annual Consolidated condensed financial statements for the year ended December 31, 2018. Therefore, the Consolidated condensed interim financial statements do not include all the information that would be required in complete Consolidated financial statements prepared in accordance with the International Financial Reporting Standards as issued by the European Union.

In view of the above, for an adequate understanding of the information, these Consolidated condensed interim financial statements must be read together with Abengoa's consolidated financial statements for the year ended December 31, 2018.

Given the activities in which the companies of the Group engage, their transactions are not of a cyclical or seasonal nature. For this reason, specific breakdowns are not included in these explanatory notes to the interim condensed consolidated financial statements corresponding to the six-month period ended June 30, 2019.

In determining the information to be disclosed in the notes to the Consolidated condensed financial statements, the Group, in accordance with IAS 34, has taken into account its materiality in relation to the Consolidated condensed financial interim statements.

The amounts included within the documents comprising the Consolidated condensed interim financial statements (Consolidated Statements of Financial Position, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Condensed Cash Flow Statement and notes herein) are, unless otherwise stated, all expressed in thousands of Euros

Likewise, and unless otherwise stated, any presented percentage of interest in subsidiaries, joint ventures (including temporary joint operations) and associates includes both direct and indirect ownership.

2.1. Restructuring process

2.1.1. Restructuring process situation update

Group restructuring process

As the Consolidated Financial Statements for the 2018 period set forth, the Company has been working on a new financial restructuring process of the Group.

In this regard, on December 31, 2018, Abengoa executed a Lock Up agreement (the "Lock-up Agreement") with a group of financial entities and investors that held the majority of New Money 2, the Syndicated Guarantee Facility and Senior Old Money, as well as with the entity insuring the new liquidity arrangement, whereby said creditors agreed on the following, among other matters: (i) to stay the exercise of certain rights and actions under such financing against the pertinent Group companies until any of these events took place, whichever occurred first: the date when the Lock-Up Agreement ended pursuant to its own terms or the Expiration Date, which was originally set for January 31, 2019 and subsequently extended on several occasions up to April 26, 2019 (the "Long-Stop Date"), (ii) to take all actions required to support, facilitate, implement, consummate or otherwise give effect to the financial restructuring proposal and, in particular, enter into negotiations with a view to agreeing on and executing a restructuring agreement not later than the Long-Stop Date, and (iii) to agree not to sell or otherwise transfer their debt until the Long-Stop Date or Lock-up Agreement end date, except under certain circumstances.

Upon execution of the Lock-Up contract, the remaining New Money 2 creditors, Old Money bonding providers and creditors, as well as the challengers were requested to accede to the Lock-Up agreement pursuant to the procedures established and communicated in the Relevant Event published in that regard on December 31, 2018.

The majority required for the Lock-Up Agreement to enter in effect was reached on January 28, 2019.

On February 22, 2019, the Company requested consent from the New Money 2, Senior Old Money and Junior Old Money bondholders to amend certain terms to the bonds and to sign an agreement named "Amendment and Restructuring Implementation Deed" (the "Restructuring Contract"), pursuant to the provisions set forth in the two documents named "Amendment and Restructuring Consent Requests" concerning each of the issuances (the "Novation and Restructuring Consent Documents").

On March 28, 2019, the Extraordinary General Shareholders' Meeting was held on second call, and all the items in the Agenda, described below, were approved:

One.- Approval, within the framework of Abengoa Group's debt restructuring operation, of several issuances of Convertible Notes by certain Group companies other than Abengoa, S.A. pursuant to article 160(f) of the Spanish Capital Companies Law (LSC) and the provision and ratification of guarantees.

Two. - Approval of amendments to the remuneration policy applicable to the 2019-2020 periods.

Three.- Delegation of powers to the Board of Directors to interpret, correct, execute, cause to be recorded as documents of public record and register the resolutions adopted.

On March 11, 2019, the Company signed, along with some of the Group subsidiaries and a significant group of financial creditors participating in the existing financial debt, the Amendment and Restructuring Implementation Deed (the "Restructuring Agreement") for the purpose of amending the terms of the existing financing and of restructuring the Group's financial debt (the "Restructuring").

As a condition for the Restructuring, the required majorities of creditors had to consent to and approve the amendment and restructuring of their existing debt under the terms set forth in the Restructuring Contract.

The Restructuring Agreement's accession period ended on March 29, 2019 and, on said date, the number of financial creditors required to accede to the agreement for the restructuring operation to be implemented was reached.

On April 25, 2019 the Company informed that, within the Restructuring Agreement framework, an agreement had been reached with the challengers to refinance said debt as part of the Senior Old Money instruments, all within the terms set forth in said Restructuring Agreement.

In certain cases, the real debt held so far by the challengers has been assumed by Abengoa Abenewco 2bis and subsequently exchanged for SOM (Senior Old Money) convertible notes for an approximate amount of USD 76.6 million and €77.0 million, plus an additional contingent amount to be determined in light of future eventualities. In other cases, the debt has been traded by applying payments or payment commitments, debt reliefs and debt payment extensions, for an approximate amount of €23 million. These negotiation agreements allow to eliminate the claims' risk that existed until then.

In addition, the Company informed on that same date that the Restructuring Effective Date had occurred. Likewise, all the restructuring documents were signed and the operation ended on April 26, 2019 with the issuance of the new instruments, as described below:

On May 7, 2019, the notes issued by Abengoa Abenewco 2, S.A.U. in relation to the Junior Old Money, the notes issued by Abengoa Abenewco 2 Bis, S.A.U. in relation to the Senior Old Money, as well as the notes issued by Abengoa Abenewco 1, S.A.U. were admitted to trading on the Vienna Stock Exchange (Third Market - MTF - of Wiener Boerse).

Subsequently, on June 28, 2019, the Head Judge of the Commercial Court No. 3 of Seville issued an order declaring the judicial approval of the restructuring agreement and declaring the agreement, as well as the transactions, acts, payments and guarantees resulting from its execution to be non-clawbackable.

The main terms to the Restructuring include, among others

(a) The injection of new money to the Group through the issuance, by the subsidiary A3T Luxco 2 S.A. ("A3T Luxco 2"), of convertible notes for a nominal value of €97 million, which entitle to convert into up to 99.99% the A3T Luxco 2 shares (the "A3T Issuance").

(b) Within the A3T Issuance framework and for the purposes of ensuring that it is fully repaid in the event that the amount obtained by the sale of the A3T Project does not allow to fully repay the amounts owed under the A3T Issuance (including the accumulated profitability up to the repayment date), non-repaid amounts will be assumed by the subsidiary company named Abengoa Abenewco 1, S.A.U. ("Abenewco 1") as debt ranking pari passu with the Refinanced NM2 Debt (as defined below). For said purposes, Abenewco 1 has granted a personal guarantee (prior to the notes' conversion) and a put option (put option agreement) (after the notes are converted) over the A3T Project, exercisable until December 2023, to the original subscriber of the A3T Issuance.

    On April 25, 2019 the Company informed that it had obtained a Fairness Opinion issued by an independent expert that confirmed that the A3T convertible note issuance transaction, considered as a whole, was reasonable for the parties involved from a financial perspective, considering the measurement of both the asset itself and the remaining related instruments.

(c) The provision of new liquidity to Abenewco 1 in the form of a new syndicated guarantee facility for a maximum amount of €140 million, with the guarantee of certain Group companies and under similar terms as those of the prior guarantee facility (the "New Guarantee Facility").

(d) The amendment of certain terms and conditions of the prior guarantee facility in favor of Abenewco 1.

(e) The assumption, by A3T Luxco 2, of Abenewco 1's debt consisting of (i) an amount equivalent to 45% of the debt of the so-called "new money 2" (New Money 2) (together with the related documents, the "NM2 Financing Documents") and (ii) the totality of the amounts due under the liquidity facility obtained by the Group in November 2017 and extended in May 2018 (jointly, the "Rolled-Over Debt") and the amendment of its financial conditions. The Rolled-Over Debt has the A3T Project as the only recourse.

(f) The amendment of certain terms and conditions of the remaining debt derived from the NM2 Financing Documents different from the Rolled-Over Debt, corresponding to approximately 55% of said debt, which remain in Abenewco 1 (the "Non-Rolled Over Debt"). This debt is secured by the personal guarantees of certain Group companies, as well as by certain collateral assets.

(g) The recognition, by Abenewco 1, of new debt ("Reinstated Debt") for an amount of €50.5 million to certain creditors of the Non-Rolled Over Debt and the New Guarantee Facility in consideration for their interest in the Restructuring Operation.

(h) The amendment of certain covenants of the agreement between Group creditors (Intercreditor Agreement) executed on March 28, 2017.

(i) Several issuances, by Abenewco 1, of compulsorily convertible notes for a total nominal value of €5 million, which entitle to convert into shares representing up to 22.5% of Abenewco 1's share capital (the "Abenewco 1 Convertible Notes") and which have been issued to the original subscriber of the A3T Issuance, to certain creditors under the Refinanced NM2 Debt, to members of the NM2 Ad Hoc Committee and members of the Senior Old Money Ad Hoc Committee, by swapping certain credit claims held by said creditors against Abenewco 1, in exchange for their participation in the restructuring operation; as well as an agreement between shareholders to regulate the relationship between Abenewco 1 shareholders derived from the conversion of Abenewco 1 Convertible Notes.

(j) The implementation of a corporate restructuring whereby Abengoa Abenewco 2, S.A.U. ("Abenewco 2") has contributed, through a non-monetary contribution, to Abengoa Abenewco 2 Bis, S.A.U. ("Abenewco 2 Bis") (a Spanish company fully owned by Abenewco 2), all of Abenewco 1 shares owned by Abenewco 2, which represent 100% of Abenewco 1's share capital. As a consequence of this contribution, the Company is the single shareholder of Abenewco 2, which is the single shareholder of Abenewco 2 Bis, which, in turn, owns all Abenewco 1 shares previously owned by Abenewco 2.

(k) The assumption by Abenewco 2 Bis of Abenewco 2 and other Group companies' debt derived from the Senior Old Money and, if applicable, from the Challengers (as described below) including, for clarification purposes, the Senior Old Money and Challengers debt regarded as contingent debt for the purposes of materializing the issuance of SOM Convertible Notes (as defined below).

(l) Several issuances by Abenewco 2 Bis of convertible notes to Senior Old Money creditors and to creditors who successfully challenged the judicial approval of the Group's debt approved in 2016 (the "Challengers"), by virtue of the agreements signed therewith, by offsetting the credit rights that said creditors held against the Group. Said issuances have reached a total nominal value of €1,148 million and USD 562 million, have an initial duration of 5 years (which may be extended up to 5 additional years), and are secured by the personal guarantee of certain Group companies and by collateral assets (the "SOM Convertible Notes"). The SOM Convertible Notes' principal will be totally or partially amortized with the Group's cash available above a certain threshold. At the moment that the SOM Convertible Notes are fully amortized, any outstanding amount which cannot be repaid in cash will be mandatorily converted into Abenewco 2 Bis shares representing up to a maximum of 100% its share capital, and thus the dilution practiced by the SOM Convertible Notes' possible conversion into capital is foreseeable to be very high. Additionally, the instrument expects that the mandatory conversion into shares may be required under other circumstances different from final maturity. Likewise, in the event that a series of events take place, the SOM Convertible Notes' bondholders are expected to have the right, at the moment of the conversion, to require Abenewco 2 to sell its shares in Abenewco 2 Bis to said bondholders.

(m) Several issuances of convertible notes by Abenewco 2 for a total value equivalent to a portion of the amount owed under the prior Junior Old Money instruments (plus the crystallized debt up to the transaction closure date) that have been issued to creditors under the agreement to finance and issue Junior Old Money (JOM) notes, by offsetting part of the credit rights that said creditors hold against the Group. These issuances have reached a nominal value of €806 million and USD 471 million, and have an initial duration of 5 years and 6 months (which may be extended up to 5 additional years). They are compulsorily convertible into 49% of Abenewco 2 shares and are secured by the personal guarantee of certain Group companies and by collateral assets. Additionally, the instrument expects that the mandatory conversion into shares may be required under other circumstances different from final maturity.

(n) Several issuances of convertible notes by Abenewco 2 for a nominal value equivalent to the other portion of the amount owed under the prior Junior Old Money instruments (plus the crystallized debt up to the transaction closure date) that have been issued to Junior Old Money creditors by offsetting part of the credit rights that said creditors hold against the Group, in such manner that said JOM Issuances fully refinance the prior Junior Old Money instruments. These issuances have reached a nominal value of €53 million and USD 31 million, and have an initial duration of 5 years and 6 months (which may be extended up to 5 additional years). Payment, when due, will be made with the Group's cash available above a certain threshold, and any outstanding amount which cannot be repaid in cash will be mandatorily converted into Abenewco 2 shares representing up to 100% its share capital. They are secured by the personal guarantees of certain Group companies, as well as by certain collateral assets. Additionally, the instrument expects that the mandatory conversion into shares may be required under other circumstances different from final maturity.

On the other hand, New Money 1 and 3 maintained its conditions unaltered, and was repaid in its entirety in April 2019 with the bridge financing on A3T entered into with a group of financial entities.

The financial conditions of the instruments issued in the restructuring operation described above have been summarized below:

Item	A3T Convertible Note	A3T Rolled-Over Debt	NM II Non-Rolled Over Debt	Reinstated Debt	Senior Old Money	Junior Old Money	ABN1 Convertible Notes	Bonds
Nominal value (in M€)	97	193	157	51	1,651	1,308	5	140
Cost	9% PIK	3% PIK + 3% PIYC	3% PIK + 3% Cash (*)	4.5% Cash	1.5% PIYC		(**)	5.74%
Contractual Maturity	Dec 2023	March 2021		Dec 2021	April 2024	Oct 2024	Dec 2022	March 2021
Issuing Entity	A3T Luxco 2	A3T Luxco 2	Abenewco 1	Abenewco 1	Abenewco 2 Bis	Abenewco 2	Abenewco 1	Abenewco 1

(*) The cost of the NM II Non-Rolled Over Debt will increase by 2% as of July 2020.
(**) Payment of dividends at the corresponding rate if declared by the company.

The financing conditions for Abenewco 1's new debt and those for the Senior Old Money described above, are subject to several restrictions, which are common in this type of agreements, such as limitations on the distribution of dividends, additional debt, provision of guarantees and disposal or procurement of assets, among others.

Likewise, several obligations have been established, which include:

- Liquidity ratio (historical and future) which must have a minimum threshold of €20 million. Said minimum threshold has been met at June 30, 2019 with a "Historic Liquidity" of €47.9 million and a "Future Liquidity" of €20.4 million.

- Total Leverage Ratio and Senior Secured Leverage Ratio. A series of ratios of total debt (as well as of senior debt, according to the financing contracts' definition) to Ebitda are established. These change every year and are verified every three months as of December 31, 2019.

Restructuring processes of subsidiaries

The following summary shows the relevant facts which took place during the year 2019 until the publication of the present Consolidated condensed interim financial statements, in relation with the financial restructuring processes which include several Group companies:

a) In relation to the Judicial Recovery process in Brazil related to the transmission line activity, on the occasion of the mentioned situation of Abengoa, it should be known that:

› On August 20, 2019 the Company's investment in Hospital Zona Norte (60%) was auctioned by the remaining partners for an amount of 50 million of Brazilian real. The partners SH and Magi were the successful bidders of said investment. Notwithstanding the above, the transfer is pending the approval of the banks financing the assets as well as of the Amazonas State Government's Ministry of Health.

› In addition, the Court, at the Company's request, approved the conduct of an auction to sale several Company-owned assets, which mainly include wires, steel structures and equipment to clean the construction sites. On August 22, 2019 the Court declared Alutech Aluminio Tecnologia Ltda. ("Alutech") as the successful bidder of said assets for 58.1 million of Brazilian real. The order to assign the assets to Alutech was issued on September 3, 2019. At present, the award decision is not final and thus, it might be appealed.

b) In relation to the Judicial Recovery process in Brazil on Abengoa Bioenergía Brasil Ltda., the following should be noted:

› On August 7, 2018 a first call for the meeting of creditors took place. Due to the lack of quorum, this meeting was suspended and held on second call on August 21, 2018, in which the creditors decided to keep open and postpone the vote on the potential recovery plan on several occasions during the second semester of 2018 and the first semester of 2019. On August 12, 2019, the plan was finally approved for all the companies (Abengoa Bioenergía Brasil, Abengoa Bioenergía Agroindustria Ltda, Abengoa Bioenergía Santa Fe Ltda, and Abengoa Bioenergia Trading Brasil Ltda), except for Abengoa Bioenergia Inovações Ltda. (ABIN), in whose particular case the voting of the plan was postponed for 35 days, and subsequently, on September 16, 2019, it was again adjourned for a maximum of 30 additional days, enabling the judicial administrator to set the most appropriate date within said period. After its approval in the creditors' meeting, the plan is now pending the mandatory judicial approval or ratification.

c) In relation to Abengoa México, S.A. de C.V.'s bankruptcy proceedings:

› Abengoa Mexico (hereinafter, Abemex) submitted means of challenge against the resolutions on the basis of which the Company was again declared to be in a bankruptcy status. Said means of challenge (amparo proceedings) were resolved by judgment dated May 29, 2019 by which the following was resolved, among other matters: (i) to declare the resolution whereby Abemex reverted to bankruptcy groundless; (ii) to issue a new ruling that considers that the approval of the insolvency agreement is not to be contingent upon the appeals against the Judgement for Allowance being resolved; and (iii) to pronounce in the new ruling with respect to the case made against the ruling to approve the Insolvency Agreement. Against the above resolution, Abemex filed an appeal for review with respect to item (iii); while one of Abemex creditors did the same with respect to items (i) and (ii).

› Abemex continues negotiating a restructuring process with most of its creditors which, if applicable, will be documented by means of an amendment to the Insolvency Agreement, so that said document and its approving ruling are the only document that governs the obligations between Abemex and its creditors.

d) In relation to Construcciones Metálicas Mexicanas, S.A. de C.V.'s procedures

› A creditor of Construcciones Metálicas Mexicanas (hereinafter, Comemsa) filed a motion, admitted on February 6, 2019, to change the backdating date for the purpose of challenging the judgement whereby the property was allocated to Autofin. On February 15, 2019, an additional creditor adhered to this request requesting the Court to adopt the resolution concerning the change of the backdating date; said motion is pending resolution.

› Within the bankruptcy proceedings, Autofin filed a motion to remove its assets that was admitted. The admission of said motion was challenged by Comemsa and said appeal was resolved in the sense that said incident was not appropriate. Autofin challenged said resolution, which is currently pending resolution.

e) Update of the Spanish bankruptcy proceedings:

› Abengoa PW I Investments, S.L. (hereinafter, "APWI") filed a request for voluntary bankruptcy on December 21, 2018. This request was admitted for processing on February 18, 2019 by the Commercial Court No.2 of Seville, which issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 117/2019). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.

› Abengoa Bioenergía Nuevas Tecnologías, S.A. (hereinafter, "ABNT") filed a request for voluntary bankruptcy on February 1, 2019. This request was admitted for processing on February 25, 2019 by the Commercial Court No.2 of Seville, which issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 122/2019). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.

› Gestión Integral de Recursos Humanos, S.A. (hereinafter, "GIRH") filed a request for voluntary bankruptcy on June 13, 2019. This request was admitted for processing on June 19, 2019 by the Commercial Court No.2 of Seville, which issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 413/2019). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.

At last, and in relation to the remaining financial restructuring processes of certain subsidiaries (US subsidiaries, and Abengoa Bioenergy Netherland) no significant event has occurred during the 2019 period in addition to those indicated in the Consolidated Financial Statements for the 2018 period.

2.1.2. Going concern

The situation of the Group during the last years, which has been affected by a strong limitation of financial resources for more than three years, has significantly influenced the evolution of the business not only in terms of a generalized slowdown and deterioration of the Group's operations but also as a result of numerous insolvency or bankruptcy proceedings involving companies not included in the Revised Viability Plan August 2016.

Consequently, the parent company, Abengoa, S.A., has incurred in losses since 2015, which has supposed a significant decrease in Equity and as a consequence at December 31, 2016 presented a negative net equity. In the parent company, Abengoa, S.A., the measures set forth in the effective application of the first Restructuring Agreement concluded in 2017 allowed to reestablish balance at the end of the accounting period on December 31, 2017, once the positive impact of the debt relief and of the capital increases performed was recognized in the income statement. At the end of June 2019, the parent company's equity remains positive and amounts to €122,605 thousand (€99,162 thousand in 2018). Additionally, in the first semester of 2019 the result of the parent company has been €23,443 thousand (€-431,546 thousand as of December 31, 2018).

Nonetheless, the normalization of the activity following the prior financial restructuring process concluded in March 2017 was slower than expected, resulting in a negative impact on business.

Therefore, in order to ensure the viability of the Group in the short and medium term and for it to be able to continue with its activity in a competitive and sustainable manner in the future, the following becomes necessary:

› To have a stable platform that allows access to the capital markets to finance its working capital.

› To Access new lines of guarantees to ensure the growth of its Engineering and Construction business.

› Maintain an adequate financial structure for the business model that it will develop in the future.

For the purpose of meeting these goals, the Company worked, throughout the 2018 period, on additional actions, and more specifically on a new 10-year Viability Plan, as well as on a financial restructuring process as described in Note 2.1.1., that would allow it to lay the foundations to ensure its viability in the short and medium term.

In this respect, the Board of Directors approved, at their meetings of December 10, 2018 and later on January 21, 2019, the Company's aforesaid 10-year Viability Plan which was published through a Relevant Event on January 24, 2019.

The main hypotheses in said Viability Plan include:

- Completion of the financial restructuring proposal in order to reestablish the liquidity and bonding position required by the Group, reducing the financial risk of the business.

- Reduction of the overhead up to a goal of 3% over sales as of 2020.

- A business plan based on EPC projects for third parties with a significant contribution derived from the strategic alliance with AAGEs

- Improvement in the Group's competitive position and in the markets and geographical locations that are key for the business.

- Execution of the divestment plan with no significant deviations in terms of deadlines and amounts.

- Execution of the provider payment plan with no significant deviations from the estimated forecast.

During the first semester of the 2019 period, the Company has been developing the aforesaid 10-Year Viability Plan, meeting the business forecasts and projected cash flows by way of new projects that allow it to meet its business plan, and by actively managing any potential deviation from the key hypotheses, more specifically the divestment plan and the supplier payment plan, for the purposes of minimizing any eventual impact thereon.

On the other hand, during the 2018 period the Parent Company (Abengoa, S.A.) requested an independent expert to perform an analysis of the fair value of Abengoa S.A.'s investment portfolio in its affiliated company Abenewco 2, S.A. (Sociedad Unipersonal) ("single-shareholder company"). To determine the fair value, certain hypotheses described below were defined:

a) Compliance with the Group's 10-year Viability Plan, whose main hypotheses have been described above.

b) Consolidation of the business at standard levels as of 2029.

c) Post-restructuring financial debt forecasts and determination of its fair value.

d) Valuation of cash flows directly attributable to Abengoa, according to the contracts signed by Abengoa, S.A. with its subsidiaries and to the restructuring agreement.

e) Completion of the financial restructuring process under the expected terms.

Should any of these hypotheses not materialize, the assessment results might be significantly affected.

The main method used to determine the business' fair value was the discounted cash flow to equity method for a 10-year period, applying the average cost of the Company's own resources, which the Company has estimated to be in a range of value between 11% and 12%, as the discount rate. The long-term growth rate has been of 2%. The compounded annual growth rate and the EBITDA considered for the 2019-2028 period have been 13.5% and 6.7%, respectively.

To determine the fair value of the Senior Old Money and Junior Old Money instruments, the discounted flow method was used pursuant to the issuance conditions included in the restructuring agreement and applying market discount rates based on a selection of comparable quoted bonds. The estimated discount rates for these financial instruments have resulted to be significantly higher than the current average rates of return and comparable to financial debt redemption operations conducted in the international market. The discount rates used for the Senior Old Money and the Junior Old Money range between 40-45% and 75-80% respectively, corresponding to discount rates that a participant in the financial market would consider in equivalent financial debt redemption operations.

Considering the above, Abengoa's Directors have deemed it appropriate to prepare these interim condensed consolidated financial statements at June 30, 2019 under the going concern principle, considering the fundamental aspects of the new 10-year Viability Plan approved and strengthened by the new Restructuring Agreement described above. Based on the application of said going concern principle, the Directors have applied the International Financial Reporting Standards homogeneously and consistently with those used in the interim condensed consolidated financial statements and in the consolidated financial statements from previous periods. For said purpose, pursuant to said International Accounting Standards, the Company Directors have used their best accounting estimates and judgements (see Note 3 of the Consolidated Financial Statements for the 2018 period) to record the assets, liabilities, income and expenses at June 30, 2019 in accordance with the information that existed when the interim condensed consolidated financial statements were prepared.

2.1.3. Accounting Impacts of the Restructuring Process

As Note 2.1.1. states, the Company has been working on additional actions to ensure the viability of the Group in the short and medium term, which include a new financial restructuring process.

One of the milestones of said restructuring process was the execution of a "Lock-Up Agreement" dated December 31, 2018 with several financial creditors, as the aforementioned Note 2.1.1. states, as well as the initiation of a period of accession to said agreement as a step prior to the signature of the restructuring agreement ("Restructuring Agreement"). The majority required for the Lock-Up Agreement to enter in effect was reached on January 28, 2019.

As set forth in said Lock-Up Agreement's clauses, the execution of said document, as it entailed the commencement of a negotiation process with a substantial part of its creditors to restructure its obligations therewith, constituted the non-compliance ("Event of Default") of the New Money 2, syndicated guarantee and Old Money (Senior Old Money and Junior Old Money) facilities.

Nonetheless, in the Lock-Up Agreement itself, the creditors, by acceding thereto, agreed on one hand to stay the exercise of certain rights and actions under such financing against the different Group companies, which include the exercise of enforcement actions and, on the other hand, to overlook the noncompliance derived from the signature of the Lock-Up Agreement until any of these events took place, whichever occurred first: the date when the Lock-Up Agreement ended pursuant to its own terms or the Expiration Date, which was originally set on January 31, 2019 and subsequently extended on several occasions up to April 26, 2019 (the "Long-Stop Date").

As a consequence of the above, and since the Company facilities which are subject of the Lock-Up Agreement (New Money 2, Guarantee Facility and Old Money) were in a transitional status of technical non-compliance as of December 31, 2018 which resulted from the execution itself of said Lock-Up Agreement, and since the consent to said non-compliance situation agreed-upon by financial creditors in the Agreement itself was established for up to the "Long Stop Date", this is, up to January 31, 2019, and subsequently extended on several occasions up to April 26, 2019, Abengoa applied the provisions set forth in IAS 1 "Presentation of Financial Statements" and proceeded to reclassify the Old Money debt from non-current liabilities to current liabilities of the Statement of Financial Position. As for New Money 2 financing, it did not entail any reclassification as it was already entered under current liabilities at December 31, 2017.

As mentioned above, the Group's creditors agreed, by signing the Lock-Up Agreement, to temporarily stay the exercise of certain rights and actions under such facilities vis-à vis the different Group companies. Nonetheless, since said stay will not meet the minimum period of twelve months after the reporting period, as required in IAS 1, paragraphs 69 et seq., said classification was deemed convenient.

Additionally, and since both debts (Old Money and New Money 2) were measured at amortized cost using the effective interest rate, said value has been adjusted to reflect its corresponding settlement value.

Said adjustment entailed a negative impact on the Consolidated Income Statement as of December 31, 2018 for an amount of €1,060 million recognized under "Other finance costs – Finance expenses due to restructuring" (see Note 30.3. of the 2018 Consolidated Annual Accounts), counterbalanced by "Corporate Financing" of current liabilities of the Consolidated Statement of Financial Position at the end of the 2018 period.

In addition, the tax impact associated to said recognition entailed the recognition of income amounting to €265 million in the Group's corporate income tax for the year 2018, counterbalanced by a reversal of deferred tax liabilities of the Consolidated Statement of Financial Position at the end of the 2018 period.

It is important to highlight that the above negative impact that has occurred in the 2018 Consolidated Income Statement and, in consequence, in Abengoa's consolidated shareholders' equity, stems from applying the provisions set forth in the above-explained accounting regulations as concerns the classification and measurement of financial debt for those cases in which the company is in a non-compliance situation at the balance end date and has failed to obtain authorization by its creditors to refrain from early settlement actions for a minimum period of 12 months after the Financial Statement end date.

As Note 2.1.1. explains, the Restructuring Effective Date occurred on April 25, 2019, and the operation was completed on April 26, 2019 with the issuance of the new instruments, whose main characteristics have been described in said note.

In this regard, and once the operation was completed, the Company proceeded to recognize on said date the accounting impacts associated to the corresponding instruments, as described below.

For the restructured debt instruments, as their conditions have been substantially modified, the Company has applied the provisions set forth in IFRS 9 "Financial Instruments", derecognizing their carrying value (settlement value) and recognizing the new debt at fair value. The difference between both amounts has been recognized in the period's profit and loss, as set forth in the aforesaid standard.

The Company has also followed the IFRS-9 for the new debt that has arisen under the restructuring agreement, initially recognizing said debt at fair value.

In relation to the recognition of the notes compulsorily convertible into shares representing 22.5% of Abenewco 1, the Company has followed the provisions set forth in IAS 32 "Financial Instruments: Presentation", classifying it as equity pursuant to the requirements set forth in said standard (IAS 32.16 et.seq.).

To determine the fair value, the Company has been based on the measurements that independent experts have made for said (see Notes 2.1.1. and 2.1.2.).

All of the above has had a positive effect on the income statement for the first semester of the 2019 period, amounting to €2,411 million, which has been recorded as "Finance income/expense due to restructuring" under financial results (see Note 22.2.). The impact on equity has been of €2,516 million due to the recognition of Abenewco 1 convertible notes as "Non-controlling interest" under equity.

The corporate income tax expense of said positive impact of the Restructuring Agreement has not been significant in relation thereto, as a result of the characteristics of the convertible instruments issued pursuant to the agreed terms (see Note 23).

In relation to their subsequent measurement, as IFRS 9 sets forth, the aforesaid liabilities will be measured at amortized cost except for financial liabilities designated by the company at fair value through profit or loss. This last case applies to the Senior and Junior Old Money instruments as well as to the A3T convertible note, which have been designated by the Company at initial recognition as financial liabilities measured at fair value through profit or loss ("FVTPL") pursuant to the provisions set forth in section 4.2.2. of IFRS 9.

A summary detailing said impacts for each of the instruments issued in the Restructuring Agreement has been shown below:

Instruments	A3T Convertible Note	A3T Rolled-Over Debt	NM II Non-Rolled Over Debt	Reinstated Debt	Senior Old Money	Junior Old Money	ABN1 Convertible Notes
Debt carrying value, prior to Restructuring (in €M) (1)	n/a (*)	361		10 (*)	1,583 (**)	1,308	n/a (*)
Fair value of new instruments at the date of issuance (in €M) (2)	97	193	105	32	330	86	105
Impact of Restructuring in Income Stat. (in €M) (1-2)	n/a	63		(22)	1,253	1,222	(105)
Initial measurement of new instruments	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Subsequent measurement	FVTPL	Amortized cost	Amortized cost	Amortized cost	FVTPL	FVTPL	Remains unaltered

(*) New financial instruments generated in the Restructuring Agreement. Reinstated Debt includes the amounts accrued up to that date for the services received and agreed to be paid through this new debt.

(**) Includes the effect of the challengers' debt traded to SOM.

It is relevant to point out that the above positive impact on Abengoa's Consolidated Equity aims to reflect the economic impact of the restructuring of Abengoa's financial debt exclusively and, hence, does not aim to reflect Abengoa's future financial status which, at the Directors' discretion, and upon conclusion of the Restructuring Process, will be contingent upon the compliance of the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and January 21, 2019 and associated to the Group's ability to generate resources from its operations and to obtain sufficient liquidity as required by the recovery of the market to continue with its activity in a competitive and sustainable manner.

2.2. Application of New Accounting Standards

a) Standards, amendments and interpretations that have entered into force in the period started on January 1, 2019:

The following standards, whose application is mandatory, have been adopted by the Group:

› Adoption of IFRS 16 "Leases" which replaces IAS 17. The distinction between finance and operating leases is eliminated, hence, lessees will recognize all leases in the balance as if they were a financed purchase. This amendment is applicable for annual periods beginning January 1, 2019 under IFRS-EU.

Abengoa has conducted an assessment and estimation of the application of the IFRS 16 on the Group's interim condensed consolidated financial statements, and has decided to apply it invoking the exception set forth in paragraph C5.b) therein; thus, it has not restated the comparative information related to the 2018 period. Likewise, the Group has opted for the right-of-use asset measurement model, lease by lease, recognizing these for an amount equal to the lease liability, whose value is the present value of the lease payments that are not yet paid, discounted at the lessee's incremental borrowing rate at the initial application date. At January 1, 2019, the application of this standard has had an impact of €5.6 million which has been recorded as "Property, Plant and Equipment" and "Corporate Financing" in the Consolidated Statement of Financial Position. On the other hand, the Group has invoked the options to lessees contemplated in the standard, which allow them not to recognize lease liabilities and right-of-use assets corresponding to leases of low-value assets (amount in Euros equivalent to 5,000 USD) and short-term leases (leases for a period equal or lower than one year).

› Amendment of IFRS 9 "Prepayment Features with Negative Compensation". The amendment to the IFRS 9 clarifies that a party may pay or receive reasonable compensation for the early termination of the contract, which may allow these instruments to be measured at amortized cost or at fair value through "Other comprehensive income". This amendment is effective for annual periods beginning January 1, 2019.

› IFRIC 23, "Uncertainty over Income Tax Treatments": The interpretation provides requirements that add to the requirements in IAS 12 "Income Taxes", by specifying how to reflect the effects of uncertainty in accounting for income taxes. This interpretation clarifies how the recognition and measurement requirements of IAS 12 are applied where there is uncertainty over income tax treatments. The interpretation is effective for annual periods beginning January 1, 2019.

› IAS 28 (Amendment) "Long-term interests in Associates and Joint Ventures".

› Annual Improvements to IFRS Standards 2015–2017 Cycle. Amendments affecting IFRS 3, IFRS 11, IAS 12 and IAS 23.

› IAS 19 (Amendment) "Employee benefits". Plan amendment, curtailment or settlement.

The application of the aforesaid improvements, amendments and interpretations have not entailed a relevant impact on the interim condensed consolidated financial statements.

b) Standards, amendments and interpretations applied to existing standards that have not been adopted by the European Union on the date of preparation of these interim condensed consolidated financial statements:

› IFRS 10 (Amendment) "Consolidated Financial statements" and IAS 28 (Amendment) "Investments in Associates and Joint Ventures" in relation to the treatment of the sale or contribution of goods between an investor and its associate or joint venture. The application of these modifications has been delayed without a defined date of application.

› Amendment to IFRS 3 "Definition of a Business": These amendments will help to determine whether an entity has acquired a business or a group of assets and will be applicable to business combinations for which the acquisition date is later than the beginning of the first annual reporting period beginning on January 1, 2020, and to asset acquisitions that occur on or after the beginning of that period. Earlier application is permitted.

› Amendment to IAS 1 and IAS 8 "Definition of Material": These amendments clarify the definition of "material". They shall apply to annual periods beginning January 1, 2020, with earlier application permitted.

The Group is analyzing the impacts that the new regulations may have. However, it is estimated that there will be no significant impact in the interim condensed consolidated financial statements.

Note 3.- Critical accounting policies

These Consolidated condensed financial statements under IFRS-EU standards require estimates and assumptions that have an impact in assets, liabilities, income, expenses and disclosures related. Actual results could be shown differently than estimated. The most critical accounting policies, which show the most significant estimates and assumptions of the business to determine the amounts in these Consolidated condensed interim financial statements, are:

› Valuation of assets classified as held for sale.

› Revenue and expense from construction contracts.

› Service concession agreements.

› Income taxes and recoverable amount of deferred tax assets.

› Guarantees provided to third parties and contingent liabilities.

› Measurement of financial liabilities at fair value through profit or loss.

Some of these critical accounting policies require the development of significant judgment by The Board of Directors in order to determine appropriate assumptions of and estimates to determine these critical accounting policies. These estimates and assumptions of are not only based on historical experience of the Company, but also, on the advice of experts and consultants, as well as expectations and forecasts as of the end of the reporting period. Directors´ assessment has to be considered given the business environment of the industries and geographies in which the Group operates, taking into account the future development of the business. Provided its nature, these judgments and assumptions are subject to an inherent degree of uncertainty and, thus, the real results may materially differ from assumptions of and estimates used. Upon the occurrence of such event, assets and liabilities would be adjusted.

Based on what has been exposed in Note 2.1.2. regarding the application of the going concern accounting principle and during the accounting policies adaptation process, the best estimates and assumptions have been made by the Board of Directors in order to determine the impacts of that situation over the assets, liabilities, income and expenses recorded therein.

Upon the occurrence of a significant change in the facts and circumstances upon which estimates and assumptions have been made, management might be required the management to amend such estimates and assumptions in future periods. Changes in accounting estimates are recognized prospectively, in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Note 4.- Financial risk management

Abengoa's activities are undertaken through its operating segments and are exposed to various financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk.

Abengoa counts with a Risk Management Model which aims to minimize potential adverse effects on the Group's return of equity.

Risk is managed by the Group's Corporate Finance Department, which is responsible for identifying and evaluating financial risks in conjunction with the Group's operating segments, quantifying them by project, region and company, and diversifying the sources of finance in an attempt to prevent concentrations.

The internal management norms provide written policies to manage global risk and for other specific areas such as foreign exchange risk, credit risk, interest rate risk, liquidity risk, the use of hedging and derivative financial instruments and the investment of excess liquidity.

There are official written management regulations regarding key controls and control procedures for each company and the implementation of these controls is monitored through Internal Audit procedures.

These Consolidated condensed interim financial statements do not include all financial risk management information and disclosures required for annual financial statements, and should be read together with the information included in Note 4 to Abengoa's Consolidated financial statements as of December 31, 2018.

Note 5.- Financial information by segment

5.1. Information by business segment

- As indicated in Note 1, Abengoa's activity is grouped under the following two activities:
  - Engineering and construction: includes the traditional engineering activities in the energy and water sectors, with more than 75 years of experience in the market. Abengoa is specialized in carrying out complex turnkey projects for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuel plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others. In addition, it performs activities related to the development of solar thermal and water management technologies and innovative technological business activities such as hydrogen.
  - Concession-type infrastructures: groups together the company's extensive portfolio of proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. These assets generate low demand risk and the Company focuses on operating them as efficiently as possible.
- As a consequence of the sale processes opened given the discontinuance of Bioenergy and the transmission lines in Brazil based on the Updated Viability Plan of Abengoa approved by the Board of Directors on August 3, 2016, in line with the new 10-year Viability Plan approved by the Board of Directors at their meetings on December 10, 2018 and subsequently on January 21, 2019, and due to the significance of their activities developed by Abengoa, their Income Statement and Cash flow statements have been reclassified to discontinued operations in the Consolidated Income Statement and in the Consolidated cash flow statement as of June 30, 2019 and 2018. The classification has been done in accordance with the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations'.
- Abengoa's Chief Operating Decision Maker ('CODM') assesses the performance and assignment of resources according to the above identified segments. The CODM in Abengoa considers the revenues as a measure of the activity and the EBITDA (Earnings before interest, tax, depreciation and amortization) as measure of the performance of each segment. In order to assess the performance of the business, the CODM receives reports of each reportable segment using revenues and EBITDA. Net interest expense evolution is assessed on a consolidated basis given that the majority of the corporate financing is incurred at the holding level and that most investments in assets are held at project companies which are financed through project debt (non-recourse project financing). Amortization and impairment charges are assessed on a consolidated basis in order to analyse the evolution of net income and to determine the dividend pay-out ratio. These charges are not taken into consideration by CODM for the allocation of resources because they are non-cash charges.
- The process to allocate resources by the CODM takes place prior to the award of a new project. Prior to presenting a bid, the company must ensure that the project debt for the new project has been obtained. These efforts are taken on a project by project basis. Once the project has been awarded, its evolution is monitored at a lower level and the CODM receives periodic information (revenues and EBITDA) on each operating segment's performance.

a) The following table shows the Segment Revenues and EBITDA for the period ended June 30, 2019 and 2018:

	Revenue			Ebitda		
Item	For the six months period ended 06.30.19	For the six months period ended 06.30.18	Var (%)	For the six months period ended 06.30.19	For the six months period ended 06.30.18	Var (%)
Engineering and construction	545,663	458,402	19	37,366	32,129	16
Concession-Type infrastructure	162,842	93,650	74	99,404	55,035	81
Total	708,505	552,052	28	136,770	87,164	57

The reconciliation of segment EBITDA with the profit attributable to owners of the parent is as follows:

Item	For the six months period ended 06.30.19	For the six months period ended 06.30.18
Total segment EBITDA	136,770	87,164
Amortization and depreciation	(40,640)	(13,381)
Financial expenses net	2,199,912	(258,504)
Share in profits/ (losses) of associates	(30,007)	107,494
Income tax expense	(33,094)	1,012
Profit (loss) from discontinued operations, net of tax	1,857	(20,466)
Profit attributable to non-controlling interests	(5,958)	(2,907)
Profit attributable to the parent company	2,228,840	(99,588)

b) The assets and liabilities by segment as of June 30, 2019 and December 31, 2018 are as follows:

Item	Engineering & Construction	Concession-Type Infrastructure	Balance at 06.30.19 (1)
Allocated Assets			
Intangible Assets	41,707	-	41,707
Property, Plant and Equipment	148,284	-	148,284
Property, Plant and Equipment in Projects	1,641	345,398	347,039
Current Financial Investments	93,932	27,747	121,679
Cash and Cash Equivalents	151,579	43,511	195,090
Allocated Subtotal	437,143	416,656	853,799
Unallocated Assets			
Non-current Financial Investments	-	-	21,275
Deferred Tax Assets	-	-	134,512
Other Current and Non-current Assets	-	-	685,602
Assets Held for Sale and Discontinued Operations	-	-	2,140,911
Unallocated Subtotal			2,982,300
Total Assets			3,836,099

Item	Engineering & Construction	Concession-Type Infrastructure	Balance at 06.30.19 (1)
Allocated Liabilities			
Debt with Financial Institutions and Current and Non-current Bonds	1,471,114	51,928	1,523,042
LT & ST Non-recourse Financing	218,598	356,042	574,640
Allocated Subtotal	1,689,712	407,970	2,097,682
Unallocated Liabilities			
Grants and Other Liabilities	-	-	142,546
Provisions and Contingencies	-	-	69,105
Deferred Tax Liabilities	-	-	144,729
Employee Benefit Liabilities	-	-	14,294
Other Current Liabilities	-	-	1,608,001
Held-for-Sale Liabilities	-	-	1,692,422
Unallocated Subtotal			3,671,097
Total Liabilities			5,768,779
Unallocated Equity	-	-	(1,932,680)
Total Liabilities and Unallocated Equity			1,738,417
Total Liabilities			3,836,099

(1) See Note 7 for a better understanding of assets and liabilities classified as non-current liabilities held for sale given the compliance with the stipulations and requirements of IFRS 5, 'Non-Current Assets Held for Sale and Discontinued Operations'.

Item	Engineering & Construction	Concession-Type Infrastructure	Balance at 12.31.18 (1)
Allocated Assets			
Intangible Assets	46,645	-	46,645
Property, Plant and Equipment	141,733	-	141,733
Property, Plant and Equipment in Projects	1,682	345,288	346,970
Current Financial Investments	112,040	17,671	129,711
Cash and Cash Equivalents	171,470	33,130	204,600
Allocated Subtotal	473,570	396,089	869,659
Unallocated Assets			
Non-current Financial Investments	-	-	28,026
Deferred Tax Assets	-	-	136,709
Other Current and Non-current Assets	-	-	678,526
Assets Held for Sale and Discontinued Operations	-	-	2,116,859
Unallocated Subtotal			2,960,120
Total Assets			3,829,779

Item	Engineering & Construction	Concession-Type Infrastructure	Balance at 12.31.18 (1)
Allocated Liabilities			
Debt with Financial Institutions and Current and Non-current Bonds	4,356,058	51,091	4,407,149
LT & ST Non-recourse Financing	4,473	315,213	319,686
Allocated Subtotal	4,360,531	366,304	4,726,835
Unallocated Liabilities			
Grants and Other Liabilities	-	-	113,290
Provisions and Contingencies	-	-	61,794
Deferred Tax Liabilities	-	-	125,058
Employee Benefit Liabilities	-	-	11,996
Other Current Liabilities	-	-	1,696,681
Held-for-Sale Liabilities	-	-	1,345,141
Unallocated Subtotal			3,353,960
Total Liabilities			8,080,795
Unallocated Equity	-	-	(4,251,016)
Total Liabilities and Unallocated Equity			(897,056)
Total Liabilities			3,829,779

(1) See Note 7 for a better understanding of assets and liabilities classified as non-current liabilities held for sale given the compliance with the stipulations and requirements of IFRS 5, 'Non-Current Assets Held for Sale and Discontinued Operations'.

The criteria used to obtain the assets and liabilities per segment, are described as follows:

› With the objective of presenting liabilities by segment, net corporate debt has been allocated to the segment Engineering and Construction, as it will be the activity in which Abengoa will focus over the next few years as established in the new 10 years Viability Plan approved (see Note 2.1.2.) and in line with the prior Revised Viability Plan of August 2016.

c) The distribution of depreciation, amortization and impairment charges by segments for the six-month period ended June 30, 2019 and 2018 is as follows:

Item	Balance at 06.30.19	Balance at 06.30.18 (1)
Engineering and construction	(22,995)	(30,919)
Concession-type infrastructure	(17,645)	17,538
Total	(40,640)	(13,381)

(1) It includes reversal of impairment due to the agreement reached with suppliers for the sale of major equipment.

5.2. Information by geographic areas

The revenue distribution by geographical segments for the six-month period ended June 30, 2019 and 2018 is as follows:

Geographical region	Balance at 06.30.19	%	Balance at 06.30.18	%
- North America	155,527	22%	71,570	13%
- South America (except Brazil)	167,262	23%	122,555	22%
- Brazil	23,769	3%	22,606	4%
- Europe (except Spain)	40,747	6%	52,983	10%
- Africa	124,869	18%	79,119	14%
- Middle East	121,362	17%	135,253	24%
- Other regions	5,069	1%	4,447	1%
- Spain	69,900	10%	63,519	12%
Consolidated Total	708,505	100%	552,052	100%
Outside Spain amount	638,605	90%	488,533	88%
Spain amount	69,900	10%	63,519	12%

Note 6.- Changes in the composition of the Group

6.1. Changes in the consolidation group

During the first six months of the year 2019 a total of 1 subsidiary company and 5 joint-ventures were added to the consolidation perimeter of the Group.

In addition, 24 subsidiaries and 10 associated companies are no longer included in the consolidation group.

6.2. Main acquisitions and disposals

a) Acquisitions

During the six-month period ended June 30, 2019 there were no significant acquisitions

b) Disposals

› In the six-month period ended June 30, 2019, the disposal of the associate Rioglass Solar Holding, S.A. has been completed and progress has been made in the process to sell the subsidiary Tenés Lilmiyah SpA as part of the Divestment Plan included in the 10-Year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and January 21, 2019 which have been detailed below:

  › On May 31, 2019 Abener Energía, S.A.U. signed a purchase agreement with ABY Concessions Infrastructures, S.L.U. to sell their 15.12% stake in Rioglass Solar Holding, S.A.'s share capital. The selling price has been USD 7 million and it has entailed a negative impact of €6 million on the income statement.

  › On January 29, 2019, Abengoa Agua, S.A. signed a purchase agreement with ABY Concessions Infrastructures, S.L.U. on the 100% stake in the share capital of the company Holding Befesa Agua Tenés, S.L.U., owner of 51% of Tenés Lilmiyah SpA's share capital, concessionary company of a reverse osmosis desalination plant in Argelia. The price of this divestment amounts to USD 24.5 million, subject to potential adjustments at closure. An amount of USD 19.9 million has been received as advance payment.

    This operation will be fully completed once all the conditions precedent set forth in the agreement, which are normal in this type of operations, are met. The initial deadline on this regard is September 30, 2019.

  › Subsequently, on July 30, 2019, the subsidiary Abengoa Solar LLC has completed the sale of 100% of its stake in the company ASI Operations LLC to ABY Concessions Infrastructures USA LLC, with a sales price of USD 6 million.

6.3. Business combinations

During the six-month period ended June 30, 2019 there have not been further business combinations in the Group.

Note 7.- Assets held for sale and discontinued operations

The asset disinvestment plan started at the end of 2014 Abengoa's Board of Directors, on September 23, 2015, aimed to reinforce its financial structure through the implementation of the plan through the sale or partial divestment, in case of external equity partners, of certain assets through a new plan that involves the divestment of those assets included in the initial plan which had not been sold at that date, as well as the new assets which were incorporated. Based on this disinvestment plan, others assets have been incorporated given the situation of the Company and the Updated Viability Plan approved by the Board of Directors last August 3, 2016, as well as the new 10-year Viability Plan approved by the Board of Directors at their meetings on December 10, 2018 and subsequently on January 21, 2019 (see Note 2.1.) conforming the asset disinvestment plant of the company.

7.1. Assets in the asset disinvestment plan

The table below shows the included assets of such plan which as of June 30, 2019, were classified as non-current assets held for sale in the Consolidated statement of financial position because of the compliance of all the stipulations and requirements of IFRS 5, 'Non-Current Assets Held for Sale and Discontinued Operations':

Asset	Details	Capacity	Net book value of asset 06.30.19 (2)
Solar Power Plant One (SPP1) (1)	Combine cycle in Algeria	150 MW	147,937
Manaus Hospital (1)	Concession in Brazil	300 beds / 10,000 persons	114,898
Xina Solar One (1)	Solar plant in South Africa	100 MW	87,787
Tenés / Ghana / Chennai (1)	Desalination plants	360,000 m3/day	231,483
Zapotillo	Drinking Water Pipeline in Mexico	139 km	-
Abent 3T (A3T) and ACC4T (1)	Cogeneration plants in Mexico	840 MW	580,792
ATN 3, S.A. (1)	Transmission lines in Peru	355 km	83,592
ATE XVI-XXIV (1)	Transmission lines in Brazil	6,218 km	215,911
Bioetanol	Bioethanol plant in Brazil	235 ML	263,405
ASI Operations, LLC	O&M solar plants in USA	-	-
Inapreu, S.A.	Court concession in Spain	-	850

(1) Circumstances and events that have occurred outside the control of the company since last August 2015 are delaying the disinvestment process. However, the intention of the Management continues to be the disposal of such companies as established in the 10-year Viability Plan approved by the Board of Directors (see Note 2.1.).

(2) Net book value of asset includes Property plant and equipment, Fixed assets in projects and Investments in associates. Additionally, and in cases which it applies, accumulated impairments up to June 30, 2019 coinciding with the reasonable value of these assets. For further detail of the remaining assets and liabilities held for sale see Note 7.3.

7.2. Asset impairment analysis

a) Changes in the classification:

In the 2019 period, the drinking wager aqueduct San Antonio Water System ceased being classified under "Non-current assets and liabilities held for sale" as it no longer met the cases and requirements of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations" after the change in the realization of said asset once an operation to finance it was signed with Algonquín (see Note 17). In addition, and based on the aforementioned 10-Year Viability Plan, the company ASI Operations, LLC, engaged in the operation and maintenance of solar plants in the USA, has been classified under "Non-current assets and liabilities held for sale" as it meets the cases and requirements set forth in IFRS 5 (see Note 6.2.).

b) Impairment on the assets:

As of June 30, 2019, a negative net impact of assets classified as held for sale and discontinued operations for an amount of €9 million was recognized as a difference between their net book value and their fair value less costs to sell. The main negative impact corresponds to certain assets fair value update.

7.3 Detail of assets held for sale

As of June 30, 2019, and December 31, 2018, the details of assets and liabilities classified under assets and liabilities held for sale in the consolidated statement of financial position are as follow

Item	Balance at 06.30.19	Balance at 12.31.18
Property plant and equipment	7,417	8,222
Fixed assets in projects	1,628,061	1,577,905
Investments in associates	91,177	112,882
Financial investments	36,117	47,898
Deferred tax assets	29,423	32,134
Current assets	348,716	337,818
Project debt	(1,175,281)	(858,745)
Corporate financing	(45,360)	(70,114)
Other non-current liabilities	(192,887)	(208,226)
Other current liabilities	(278,894)	(208,056)
Total net assets and liabilities held for sale	448,489	771,718

The most significant change in "Project Debt" is due to the obtainment of bridge financing for the A3T power plant in Mexico in the second semester of 2019.

7.4. Details of discontinued operations

a) Brazilian transmission lines

› As of June 30, 2019 and 2018, the details of the companies which owned the concession assets of the Brazilian transmission lines which were restated under the heading of profit (loss) from discontinued operations on the income statement are as follows:

Item	Balance at 06.30.19	Balance at 06.30.18
Revenue	-	66,886
Other operating income	225	-
Operating expenses	(225)	(73,552)
I. Operating profit	-	(6,666)
II. Financial expense, net	-	28,050
III. Share of profit/(loss) of associates carried under the equity method	-	-
IV. Profit before income tax	-	21,384
V. Income tax benefit	-	-
VI. Profit for the period from continuing operations	-	21,384
VII. Profit attributable to minority interests	-	-
VIII. Profit for the period attributable to the parent company	-	21,384

› Additionally, the details of the Cash flow statements of the companies that own the concession assets of the Brazilian transmission lines as of June 30, 2019 and 2018, which were reclassified under the heading of discontinued operations are as follows:

Item	Balance at 06.30.19	Balance at 06.30.18
Profit for the year from continuing operations adjusted by non-monetary items	-	-
Variations in working capital	233	(18,158)
Interest and income tax received / paid	(235)	(14,672)
A. Net cash provided by operating activities	(2)	(32,830)
B. Net cash used in investing activities	-	4,426
C. Net cash provided by financing activities	-	(23,178)
Net increase/(decrease) in cash and cash equivalents	(2)	(51,582)
Cash, cash equivalents and bank overdrafts at beginning of the year	4	51,588
Elimination of Cash and Cash Equivalents of Discontinued Companies that Have Been Sold	-	-
Translation differences cash or cash equivalent	-	(2)
Cash and cash equivalents at end of the year	2	4

b) Bioenergy

› As of June 30, 2019 and 2018, the details of the bioenergy business companies, that was restated under the heading of profit (loss) from discontinued operations on the income statement, are as follows:

Item	Balance at 06.30.19	Balance at 06.30.18
Revenue	68,266	37,133
Other operating income	22,357	44,579
Operating expenses	(83,874)	(91,383)
I. Operating profit	6,749	(9,671)
II. Financial expense, net	(1,681)	(33,783)
III. Share of profit/(loss) of associates carried under the equity method	-	-
IV. Profit before income tax	5,068	(43,454)
V. Income tax benefit	(3,211)	1,603
VI. Profit for the period from continuing operations	1,857	(41,851)
VII. Profit attributable to minority interests	-	-
VIII. Profit for the period attributable to the parent company	1,857	(41,851)

› Additionally, the details of the Cash flow statements of the bioenergy business as of June 30, 2019 and 2018, which were reclassified under the heading of discontinued operations, are as follows:

Item	Balance at 06.30.19	Balance at 06.30.18
Profit for the year from continuing operations adjusted by non-monetary items	5,352	1,380
Variations in working capital	8,831	(5,550)
Interest and income tax received / paid	(568)	(1,134)
A. Net cash provided by operating activities	13,615	(5,304)
B. Net cash used in investing activities	(7,345)	(1,933)
C. Net cash provided by financing activities	(5,331)	-
Net increase/(decrease) in cash and cash equivalents	939	(7,237)
Cash, cash equivalents and bank overdrafts at beginning of the year	7,715	15,926
Translation differences cash or cash equivalent	136	(1,276)
Cash and cash equivalents at end of the year	8,790	7,413

Note 8.- Intangible assets and property, plant and equipment

8.1. The detail of the main categories included in intangible assets as of June 30, 2019 and December 31, 2018, is as follows:

Item	Goodwill	Development assets	Other	Total
Intangible assets cost	47,014	283,167	137,466	467,647
Amortization and impairment	(47,014)	(283,167)	(95,759)	(425,940)
Total as of June 30, 2019	-	-	41,707	41,707

Item	Goodwill	Development assets	Other	Total
Intangible assets cost	47,014	330,479	137,473	514,966
Amortization and impairment	(47,014)	(330,479)	(90,828)	(468,321)
Total as of December 31, 2018	-	-	46,645	46,645

There were no significant variations during the six-month period ended June 31, 2019.

8.2. The detail of the main categories included in Property, plant and equipment as of June 30, 2019 and December 31, 2018, is as follows:

Item	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Property, plant & equipment cost	230,347	89,093	467	40,251	360,158
Depreciation and impairment	(107,906)	(74,140)	-	(29,828)	(211,874)
Total as of June 30, 2019	122,441	14,953	467	10,423	148,284

Item	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Property, plant & equipment cost	233,828	88,268	401	39,986	362,483
Depreciation and impairment	(119,969)	(72,601)	-	(28,180)	(220,750)
Total as of December 31, 2018	113,859	15,667	401	11,806	141,733

The most significant variation that has occurred during the 2019 period corresponds mainly to the impact derived from the implementation of IFRS 16 (see Note 2.2.).

Note 9.- Fixed Assets in Projects

There are several companies which engage in the development of projects including the design, construction, financing, operation and maintenance of owned assets or assets under concession-type agreements.

9.1. The detail of concessional assets in projects as of June 30, 2019 and December 31, 2018 is as follows:

Item	Intangible and financial assets	Development assets	Total
Concession assets in projects cost	372,314	159,676	531,990
Amortization and impairment	(187,935)	-	(187,935)
Total as of June 30, 2019	184,379	159,676	344,055

Item	Intangible and financial assets	Development assets	Total
Concession assets in projects cost	366,152	159,311	525,463
Amortization and impairment	(181,522)	-	(181,522)
Total as of December 31, 2018	184,630	159,311	343,941

There were no significant variations during the six-month period ended June 31, 2019.

9.2. The detail of the main categories included in other assets in projects as of June 30, 2019 and December 31, 2018 is as follows:

Item	Land and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Other assets in projects cost	-	4,397	-	1,450	-	5,847
Depreciation and impairment	-	(2,769)	-	(94)	-	(2,863)
Total as of June 30, 2019	-	1,628	-	1,356	-	2,984

Item	Land and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Other assets in projects cost	-	4,088	-	1,449	99	5,636
Depreciation and impairment	-	(2,476)	-	(85)	(46)	(2,607)
Total as of December 31, 2018	-	1,612	-	1,364	53	3,029

Note 10.- Investments accounted for using the equity method

10.1. The detail of the main categories included in Investments accounted for using the equity method as of June 30, 2019 and December 31, 2018 is as follows:

Item	Balance at 06.30.19	Balance at 12.31.18
Associates	18,622	13,643
Joint Ventures	709	1,623
Total Investments accounted for using the equity method	19,331	15,266

The most significant changes that have occurred during the first semester of the 2019 period in the investments in associates correspond to the reclassification of the San Antonio Water System project from Assets held for sale (see Note 7.2.), partially offset with the decrease for the sale of the stake in the company Rioglass Solar Holding (see Note 6.2.).

"Share of profit/(loss) of associates carried under the equity method" in the consolidated Income Statement for the six-month period ended June 30, 2019 mainly includes the estimated loss for the company's investment in certain construction projects executed by joint ventures, as well as the impact of the sale in the company Rioglass Solar Holding.

Note 11.- Financial investments

The detail of the main categories included in financial investment as of June 30, 2019 and December 31, 2018 is as follows:

Item	Balance at 06.30.19	Balance at 12.31.18
Available for sale financial assets	1,463	1,143
Other receivable accounts	19,302	25,944
Derivative assets	510	939
Total non-current financial investments	21,275	28,026

Item	Balance at 06.30.19	Balance at 12.31.18
Available for sale financial assets	1,740	1,759
Other receivable accounts	119,936	127,949
Derivative assets	3	3
Total current financial investments	121,679	129,711
Total financial investments	142,954	157,737

The most significant changes in current financial investments during the first semester of the 2019 period mainly corresponds to the financial account receivables due to the partial release of the amount retained after the sale of 16.47% of Atlantica Yield in November 2018 after certain guarantees were released.

Note 12.- Derivative financial instruments

The fair value of derivative financial instruments as of June 30, 2019 and 2018 is as follows:

	Balance at 06.30.19		Balance at 12.31.18	
Item	Assets	Liabilities	Assets	Liabilities
Exchange rate derivatives – cash flow hedge	27	-	35	-
Exchange rate derivatives – non-hedge accounting	486	-	907	-
Total	513	-	942	-
Non-current part	510	-	939	-
Current part	3	-	3	-

The fair value amount transferred to the Consolidated Income Statement as of June 30, 2019 concerning the financial instruments derivatives designated as hedging instruments is a loss of €143 thousand (loss of €2,854 thousand as of June 30, 2018).

The net amount of derivatives fair value transferred directly to the Consolidated Income Statement as of June 30, 2019 as a result of not meeting all the requirements of IAS 9 to be designated as accounting hedges represents a loss of €420 thousand (profit of €3,852 thousand as of June 30, 2018).

Note 13.- Inventories

Inventories as of June 30, 2019 and December 31, 2018 are as follows:

Item	Balance at 06.30.19	Balance at 12.31.18
Goods for sale	2,469	2,344
Raw materials and other supplies	27,518	27,972
Work in progress and semi-finished products	106	195
Projects in progress	10,630	8,618
Advance Payments to suppliers	13,962	21,316
Total	54,685	60,445

Note 14.- Clients and other receivable accounts

The breakdown of Clients and other receivable accounts as of June 30, 2019 and December 31, 2018 is as follows:

Item	Balance at 06.30.19	Balance at 12.31.18
Customer receivables	271,020	314,160
Unbilled revenues	169,983	125,240
Bad debt provisions	(83,137)	(84,910)
Tax receivables	179,740	170,745
Other debtors	73,980	77,580
Total	611,586	602,815

The decrease in Trade Receivables corresponds to the payments collected from industrial engineering and construction mainly in Brazil, Morocco and Saudi Arabia.

The increase in Unbilled Revenues corresponds to the progress of the construction projects in the Energy and Water sectors.

At the six-month period ended June 30, 2019, Abengoa has non-recourse factoring lines, of which €23 million had been factored (€22 million in 2018).

Note 15.- Share capital

As of June 30, 2019, the share capital amounts to €35,865,862.17 corresponding to 18,836,119,300 shares completely subscribed and disbursed, divided into two distinct classes, as follows:

- 1,621,143,349 class A shares with a nominal value of €0.02 each, all in the same class and series, each of which grants the holder a total of one hundred (100) voting rights ('Class A Shares').
- 17,214,975,951 class B shares with a nominal value of €0.0002 each, all in the same class and series, each of which grants One (1) voting right and which affords its holder privileged economic rights established as stated in article 8 of the Company's by-laws ('Class B Shares' and, together with class A shares, 'Shares with Voting Rights').

Abengoa's shares are represented by class A and class B, shares which are listed on the Madrid and Barcelona stock exchanges and on the Spanish Stock Exchange Electronic Trading System (Electronic Market). Class A shares have been listed since November 29, 1996 and class B shares since October 25, 2012. The Company presents mandatory financial information quarterly and semi-annually.

In accordance with notifications received by the company and in compliance with reporting requirements to communicate shareholding percentages (voting rights), shareholders with a significant holding as of June 30, 2019 are as follows:

	Significant shares	
Shareholders	Direct Share %	Indirect Share %
Secretaría de Estado de Comercio - Ministerio de Economía Industria y Competitividad	3.15	-

The application of the parent company's profit in the 2018 period approved by the General Meeting of Shareholders on June 25, 2019 has been charged to Compensation of losses from previous years.

Note 16.- Non-controlling interest

The changes in Non-controlling interest in the six-month period ended June 30, 2019 mainly corresponds to the impact of the Notes compulsorily convertible into shares representing 22.5% of Abenewco 1's share capital that have been recognized as a result of the Restructuring Agreement (see Note 2.1.3.).

Note 17.- Project debt

The details of project debt applied to projects, for both non-current and current liabilities, as of June 30, 2019 and December 31, 2018 is as follows:

Project debt	Balance at 06.30.19	Balance at 12.31.18
Project finance (Non-recourse project financing)	574,640	319,686
Total project debt	574,640	319,686
Non-current	149,140	95,015
Current	425,500	224,671

The most significant changes in project debt during the first six months of the 2019 period mainly correspond to the new "A3T Rolled-Over Debt" generated on the basis of the Restructuring Agreement (see Note 2.1.1.), as well as to the disbursement of the financing for a water desalination plant in Agadir (Morocco).

Additionally, on May 1, 2019 an agreement was signed with Algonquín Power & Utilities Corp. that has entailed the inflow of financing on the San Antonio Water System asset (see Note 7.2.).

Note 18.- Corporate financing

As Note 4 of the Consolidated Financial Statements for 2018 states, corporate financing is used to finance the activities of the remaining companies which are not financed under the project debt financing model and is guaranteed by either Abengoa, S.A. and, in some cases, jointly guaranteed by certain group subsidiaries, or by the Group's company that has received said corporate financing itself.

18.1. The breakdown of the corporate financing as of June 30, 2019 and December 31, 2018 is as follows:

Non-current	Balance at 06.30.19	Balance at 31.12.18
Credit facilities with financial entities	169,950	62,252
Notes and bonds	438,299	1,116
Finance lease liabilities	10,775	6,864
Other loans and borrowings	111,596	129,418
Total non-current	730,620	199,650

Current	Balance at 06.30.19	Balance at 31.12.18
Credit facilities with financial entities	207,442	1,777,016
Notes and bonds	98,550	1,907,228
Finance lease liabilities	9,632	7,127
Other loans and borrowings	476,798	516,128
Total current	792,422	4,207,499
Total corporate financing	1,523,042	4,407,149

The decrease in corporate financing is due to the implementation of the Restructuring Agreement after its effectiveness, and it has impacted the recognition and measurement of the instruments issued (see Notes 2.1.1. and 2.1.3.). The main changes have been described in notes 18.2. and 18.3. below.

Among the financing conditions of Abenewco 1 and the Senior Old Money several compliance obligations have been established which include a current ratio (historical and future). The minimum threshold established (€20 million) has been met at June 30, 2019 with a "Historic Liquidity" of €47.9 million and a "Future Liquidity" of €20.4 million. In addition, a series of ratios of total debt (as well as of senior debt, according to the financing contracts' definition) to Ebitda are established. These change every year and are verified every three months as of December 31, 2019.

18.2. Credit facilities with financial entities

Credit facilities with financial entities as of June 30, 2019 and December 31, 2018 are as follow:

	Balance at 06.30.19	Balance at 12.31.18
New Money 1	-	156,767
New Money 2	(*) 86,097	228,635
New syndicated funding	-	82,436
Old Money	-	1,052,233
Reinstated Debt	32,958	-
Centro Tecnológico Palmas Altas financing	77,361	76,946
Other credit facilities	180,976	242,251
Total	377,392	1,839,268
Non-current	169,950	62,252
Current	207,442	1,777,016

(*) "NM II Non-Rolled Over Debt", post restructuring (see Note 2.1.1.).

In relation to New Money 1 financing, the decrease corresponds to the amortization carried out once the bridge financing on A3T has been completed (see Note 7.3.).

In relation to New Money 2 debt, the decrease is due to the restructuring thereof into "A3T Rolled-Over Debt" (see Note 17) and "NM II Non-Rolled Over Debt".

As regards the new syndicated funding, the decrease is due to the restructuring of said debt along with the "A3T Rolled Over-Debt" (see Note 17).

In relation to the Old Money, the decrease is due to the issuance of convertible notes to Old Money creditors (see Notes 2.1.1. and 18.3.).

As concerns the Reinstated Debt, it corresponds to the debt recognized in favor of certain creditors in exchange for their participation in the restructuring operation (see Note 2.1.1.).

The most significant change in "Other credit facilities" corresponds to the decrease of the debt held with the challengers of the 2017 Restructuring Agreement, once an agreement was reached to settle said debt through the issuance of Senior Old Money bonds (see Note 2.1.1.).

18.3. Notes and bonds

The notional value of notes and bonds as of June 30, 2019 and December 31, 2018 is as follow:

	Balance at 06.30.19	Balance at 12.31.18
Ordinary notes Abengoa	1,463	3,551
New Money 1	-	210,770
New Money 2	23,823	32,508
Old Money	413,018	1,661,515
Convertible notes A3T	98,545	-
Total	536,849	1,908,344
Non-current	438,299	1,116
Current	98,550	1,907,228

In relation to the Old Money, the decrease is due to the recognition of the new bonds issued after the execution of the Restructuring Agreement (see Notes 2.1.1. and 2.1.3.). As concerns the decrease of New Money 1, it corresponds to the amortization following the obtainment of bridge financing on A3T. The Convertible Note A3T corresponds to the injection of new liquidity within the Restructuring Agreement framework (see Note 2.1.1.).

18.4. Other loans and borrowings

The breakdown of current and not current other loans and borrowings as of June 30, 2019 and December 31, 2018 is the following:

Item	Balance at 06.30.19	Balance as of 12.31.18
Low interest loans	18,231	11,556
Non-recourse confirming due and unpaid (group and not group)	14,739	15,055
Implementation of financial guarantees	215,280	253,203
Overdue and not paid derivatives	21,110	21,140
Insolvency agreement Mexico	229,424	216,022
Guarantees	42,145	85,088
Loans with public institutions and others	47,465	43,482
Total	588,394	645,546

At June 30, 2019 the main change corresponds to the decrease of the debt held with the challengers of the 2017 Restructuring Agreement, once an agreement was reached to settle said debt through the issuance of Senior Old Money bonds (see Note 2.1.1.).

Note 19.- Provisions and contingencies

- Authority (Autoridad de Energía Eléctrica, "AEE") of Puerto Rico which terminated the agreement that both parties had entered into in relation to an EPC project for the construction of an electricity power station in Puerto Rico, in which the AEE was the main contractor, the Special Commissioner acting as judge in the case has again postponed without date the possible hearings, if needed.

- Concerning an inspection during 2013 by the European Commission of Abengoa and the companies that were directly or indirectly under its control, with regard to their possible participation in anti-competitive agreements or actions allegedly aimed at manipulating the results of the valuation of the Platts daily closing price (CDD), and to deny access to one or more companies wishing to participate in the valuation process of the CDD price, the hearing is still pending to be scheduled.

- In relation to the arbitration proceeding against the client of a combined cycle power plant being built in Poland, Elektrocieplownia Stalowa Wola, S.A., (hereinafter, "ESCW"), a notification of the award in favor of the Group for an approximate amount of €77.7 million, plus arbitration costs, was received on April 30, 2019. The award is considered final and may not be appealed.

  On June 27, 2019 ECSW filed a motion to vacate judgement and stay execution before the ordinary court. The company received the notification of said motion on August 9, 2019. On this regard, the court has set the deadline to submit a response to October 9, 2019.

  On July 1, 2019, Abener filed a request before the ordinary court (Appeal Court in Rzeszow) for the award to be declared enforceable. On July 29, 2019 ECSW filed its response to Abener's request. The Court has ordered the stay of the declaration of enforceability of the award until the procedure to vacate judgment is resolved, and has set a deadline on September 9, 2019 for Abener to file a reply to ECSW's response, which has been submitted in due time and proper form.

- In addition to the above procedure, on January 28, 2019, Abener submitted a request for new arbitration for PLN 147 million and €537 thousand plus interest for the damage caused by the illegal enforcement of the bond provided by Abener under the construction contract for the Stalowa Wola Plant.

  With pleadings dated March 29 and April 14, 2049, ECSW responded to Abener's request, opposing to it and requesting that the procedure was suspended until the main arbitration is resolved. As the primary arbitration has already been resolved, this second arbitration has been resumed. The Arbitration Court was established on May 10, 2019 with the same members as in the Primary Arbitration between ECSW and Abener.

On June 25, 2019 the Arbitration Court issued a ruling rejecting ECSW's request to exclude the Court members from the arbitration. On July 1, 2019, ECSW filed a new claim before the ordinary court requesting the exclusion of the court members.

On July 26, 2019 the Parties have submitted comments to the Court's draft procedural order concerning the schedule for the proceeding. On that same date, ECSW requested again the suspension of the procedure and, on August 19, 2019, submitted again a request to remove the Court members. Abener submitted a response to both the request to suspend the procedure and the request to remove the members on August 26, 2019 and August 28, 2019, respectively.

› In relation to the commencement of the inspection by the Spanish National Commission on Markets and Competition (hereinafter, "CNMC") against the industry manufacturers and some companies (that included Nicsa and its parent company, Abengoa, S.A.), Nicsa was notified, on May 21, 2019, that the Solicitor General of Spain had filed a response to the lawsuit. The evidence submitted by Nicsa was accepted and Nicsa was allowed a period of 10 days to submit a closing brief, which was submitted on June 4, 2019.

› As concerns the information requirement sent by the Spanish National Commission on Markets and Competition to several companies of the rail industry, which included Inabensa, S.A., a Decision from the National Commission on Markets and Competition Board was received on March 22, 2019 which imposed two sanctions that together reached €11.6 million. The appeal and the Application for Interim Relief was submitted before the Spanish High Court (Audiencia Nacional) on May 22, 2019. Both were admitted. The company was summoned to bring a claim on June 14, 2019. The contentious-administrative claim was filed on July 11, 2019. On July 18 the requested interim relief (payment of the infraction and prohibition to contract) was granted. An appeal against the request to provide a bond for the acceptance of the interim relief (payment of the infraction) was filed on July 25. An appeal from the Solicitor General of Spain against the relief concerning the suspension of the prohibition to contract was received on July 26.

› As concerns Inabensa's arbitration procedure in Denmark under the contract for the execution of installations for the University of Copenhagen, Inabensa is preparing a response to the counterclaim with a deadline set for October 13, 2019, along with the request of new expert reports that pronounce on the many change orders that strengthen that the project was deficient, that there were incidents during the execution and errors in the schedule of the works.

› In relation to the proceedings with Zurich Insurance, PLC (hereinafter, Zurich) which submitted a claim in ordinary proceedings against Abener Energía, S.A. and Abengoa, S.A. claiming an amount of €38.5 million derived from a high risk surety bond, a negotiated agreement with Zurich was reached in March 2019 whereby it was agreed to offset the credit rights that they held against the Group basically through the issuance of Senior Old Money convertible notes within the Group's financial restructuring process. Additionally, the appeal of the interim relief was provisionally classified as the parties had not requested the procedure to be resumed. On July 18, 2019 the notices of withdrawal from the main lawsuit, the interim relief and the appeal were submitted. The closure and classification of this proceeding has been notified.

› In January 2019, Export-Import Bank of the United States (hereinafter, US EXIM) filed a suit against Abengoa, S.A., Abener Energía, S.A., Teyma, Gestión de Contratos de Construcción e Ingeniería, S.A. (absorbed by Abener Energía) and Instalaciones Inabensa, S.A. claiming an amount of USD 75 million. Additionally, US Exim sought legal remedies consisting of the pretrial attachment of the defendants' property and rights. The hearing of said legal remedies was held on February 22, 2019. Following the hearing, a Court Order accepting the requested legal remedies was received. These remedies would not come into force until US Exim presented the bond for €4 million requested by the Court. Concurrently, a response to the claim in ordinary proceedings was submitted in due time and in proper form, and an appeal against the sustained Interim Relief was filed. In March 2019, an agreement was reached with Exim Bank whereby the parties have agreed, among other matters, to submit a joint written statement to suspend the legal remedy and to set-off the receivables held against the Group, basically through the issuance of Senior Old Money convertible notes within the Group's financial restructuring process. Said written statement was submitted on March 29, 2019. As concerns the ordinary procedure, its suspension was also presented. At last, the parties have requested the judicial approval of the agreements by joint written statement.

› As concerns the arbitration initiated by Dead Sea Works Ltd (hereinafter, DSW) against Abener Energía S.A., Abener Ghenova Engineering, S.L. (at present, Abeinsa Engineering, S.L) and Abengoa, S.A. for an amount of €74 million for costs associated to finishing work in the plant, payments to subcontractors made by Dead Sea Works, liquidated damages, amortization of a loan and the enforcement of bonds, the company submitted an answer to the request for arbitration on January 30, 2019 and an arbitrator is pending to be appointed by the PCA (Permanent Court of Arbitration) pursuant to the UNCITRAL rules. On July 29, 2019 DSW submitted a written statement before the Permanent Court of Arbitration requesting On August 15, 2019, Abener and DSW submitted written statements on the arbitrator's required experience and qualifications. At present, the list of candidates and the procedures for their election is expected to be received from the Court.

- In relation to the claim in ordinary proceedings submitted by Zurich Insurance PLC Niederlassung für Deutschland (hereinafter, Zurich) against Instalaciones Inabensa, S.A., Abener Energía, S.A., y Teyma Gestión de Contratos e Ingeniería, Unión Temporal de Empresas Ley 18/1982, Norte III, Abener Energía, S.A., Abengoa, S.A. and Abener Energía, S.A. e Instalaciones Inabensa, S.A. Nuevo Pemex Tabasco II for an amount of €11 million, it should be noted that Abengoa companies have submitted a plea to the jurisdiction in due time and in proper form. A negotiated agreement was reached in March 2019 with Zurich, whereby it was agreed to set-off the receivables that the latter held against the Group, basically through the issuance of Senior Old Money convertible notes within the Group's financial restructuring process. A notice of withdrawal from the lawsuit was submitted on July 18, 2019.
- In relation to the claim in ordinary proceedings initiated by Zurich Insurance PLC Niederlassung für Deutschland (hereinafter, Zurich) against Abengoa, S.A. for €17 million, a negotiated agreement with Zurich was reached in March 2019 whereby it was agreed to offset the credit rights that they held against the Group basically through the issuance of Senior Old Money convertible notes within the Group's financial restructuring process. A notice of withdrawal from the lawsuit was submitted on July 18, 2019. The closure and classification of this proceeding has been notified.
- Within the Expedited Procedure no. 159/2016 framework followed by the Examining Magistrates' court no. 2 of Almeria ("Operación Poniente"), its Magistrate Judge issued an Order to proceed to trial, dated November 29, 2017 that established a €49.8 million deposit to be provided by the Company, as a party vicariously liable, to be made in the event that the parties having direct responsibility, as determined by the Order, failed to provide the deposit that they were required to provide. 50 natural persons have been charged in said Order, of which 35 have been required to make a deposit. Likewise, a total of 27 companies have been held vicariously liable. In December 2017 certain companies that had been held vicariously liable submitted an amended pleading as arithmetical errors had been found in the calculation of the deposits required as vicarious liabilities, requesting a reduction of said deposits by €14.5 million, albeit said amendment was rejected by the order dated July 20, 2018. Likewise the Company, along with Abengoa, S.A., submitted on September 3, 2018 an appeal against the Order to proceed to trial dated November 29, 2017, requesting a reduction of the required €49.8 million deposit by €14.5 million. Said appeal had been admitted by means of an Interlocutory Order dated June 25, 2019 and is pending resolution.

  The Company has provided to the lawsuit the insurance policies that cover the monetary liabilities for an amount of up to €49.8 million, established for the defendant directors of the Company's corporate group, although the Company takes responsibility only in a secondary manner Notwithstanding the above, the establishment of the amount to be provided as result of the vicarious liability charge will depend on the deposits and guarantees provided by those held directly liable. Notwithstanding the above, by way of the Order dated May 20, 2019 the Examining Magistrates' court no. 2 of Almería issued an order for the preventive attachment of the Company's positive balances in bank accounts and tax refunds. On May 28, 2019 the Company submitted, against said preventive attachment, an appeal which is currently pending resolution.

  The Company has appointed a lawyer and the mandatory representative in court and has appeared in the legal proceeding, having submitted the pertaining statement of defense on November 27, 2018. Finally, by way of the Order dated July 25, 2019 the 3rd Section of the Provincial Court of Almeria resolved the admission of the evidence proposed by the different parties and set the dates to hold the hearing between November 4, 2019 and July 16, 2020.
- On August 27, 2019 the company was notified of the award issued in connection with the arbitration proceedings initiated by its subsidiary Instalaciones Inabensa, S.A. against Ketraco (Kenya Electricity Transmission Company Limited) in Kenya under the Uncitral regulations (United Nations Comission on International Trade Law, Arbitration Rules 2010) before the IEK (Institution of Engineers of Kenya) regarding the Kenya-Uganda interconnection project (Part A of the Lines and Part B of the Substation). The award has been issued in favor of Instalaciones Inabensa, S.A., recognizing in its favor an amount of €37 million plus the proceeding's costs for a total amount of €38.2 million approximately. Although the award is final and binding on the parties in accordance with the rules of the arbitration procedure, appeals for annulment may be filed before the local jurisdiction (Kenia) based only on certain formal or public order reasons that do not affect the matter under discussion.
- Arbitration claim filed before the Stockholm Chamber of Commerce by CSP Equity Investment, S.a.r.l. (former indirect shareholder of the project companies Helioenergy Electricidad Uno, S.A., Helioenergy Electricidad Dos, S.A., Solacor Electricidad Uno, S.A., Solacor Electricidad Dos, S.A., Solaben Electricidad Dos, S.A., and Solaben Electricidad Tres, S.A.), against the Kingdom of Spain claiming damages for €907.8 million (€1,188.2 million including the tax gross-up claim) due to breach of the Energy Charter Treaty. It is currently pending the hearings which have been scheduled for the week of October 21-25, 2019.

On September 17, 2019, the Company informed that it has reached an initial agreement with certain reputable funds for the partial monetization of the arbitral claim that CSP Equity Investments, S.a.r.l. initiated against the Kingdom of Spain before the Stockholm Chamber of Commerce under number SCC 094/2013 and consequently, the Company has requested from its creditors the necessary consents to proceed with the transaction. The Transaction is expected to be structured through a funding participation in the credit rights that may be recognized in such arbitral proceedings in favor of CSP Equity Investments, S.a.r.l. in exchange for an initial price of up to €75 million plus an additional amount, once the investors' costs have been covered, which percentage will depend on the amount recognized in the award and recovered. For avoidance of doubt, it must be noted that this is only an initial agreement and that the formalization of the same is subject to certain conditions including, among others, obtaining the necessary consents referred to above.

Note 20.- Third-party guarantees and commitments

- At the end of the first semester of 2019, the Group deposited to third parties (clients, financial entities, Public Entities and other third parties), directly by the group or by the parent company to other Group companies, various Bank Bond and Surety Insurances as guarantee to certain commitments (Bid bonds, financing performance and others) amounted to €739,955 thousand (€706,430 thousand as of December 31, 2018).

  In addition, the Group deposited to third parties (clients, financial entities, Public Entities and other third parties), directly by the group or by the parent company to other Group companies, various guarantees through the declarations of intention and documented commitments undertaken as guarantee of certain commitments (Bid Bonds, performance, financing and others) amounted to €3,188,180 thousand (€2,526,046 thousand as of December 31, 2018).

The following table details the guarantees undertaken by the Company classified by commitment type as of June 30, 2019:

Typology	Guarantees/ Surety Insurance	Guarantees	Total at 06.30.19	Total at 12.31.18
Bid Bond	2,067	5,837	7,904	16,901
Performance:	2,067	5,837	7,904	16,901
Materials supply	4,320	204,821	209,141	245,934
Advance payments	50,642	-	50,642	31,801
Execution (construction/collection/payments)	666,712	2,973,716	3,640,428	2,911,605
Quality	2,893	-	2,893	3,319
Operation and maintenance	10,876	3,806	14,682	12,855
Dismantling	32	-	32	3,400
Other	2,413	-	2,413	6,661
Subtotal	739,955	3,188,180	3,928,135	3,232,476
Group Company financing guarantees	-	750,318	750,318	746,922
Total	739,955	3,938,498	4,678,453	3,979,398

Additionally, the breakdown includes the amounts of bank guarantees and guarantees related to companies classified as held for sale amounted to €14 and €84 million respectively, being the amount associated to Bioenergy €66 million (€14 million bank guarantees and €25 million of guarantees) and the associated to transmission lines in Brazil €59 million (entirely related to guarantees).

The most significant variations in guarantees assumed with third parties related to the information presented on the 2018 Consolidated financial statements correspond to the performance guarantees submitted for the new construction contracts that have commenced during this period.

Note 21.- Trade payables and other current liabilities

Trade payables and other current liabilities as of June 30, 2019 and December 31, 2018 are shown in the following table:

Item	Balance at 06.30.19	Balance at 12.31.18
Trade payables for purchases of goods	764,585	788,518
Trade payables for services	308,318	338,342
Billings in excess and advance payments from clients	97,506	124,586
Remunerations payable to employees	20,750	24,844
Suppliers of intangible assets current	2,126	2,212
Other accounts payables	113,540	82,007
Total	1,306,825	1,360,509

At June 30, 2019, the total amount of due and unpaid Trade payables and other current liabilities (principal and interest) amounted to €518 million.

The table below shows the details of the non-recourse confirming carried out with external and group suppliers as of June 30, 2019 and December 31, 2018:

Item	Balance at 06.30.19	Balance at 31.12.18
Non-group amounts payable through Confirming	37,850	41,242
Group amounts payable through Confirming	1,277	1,254
Total	39,127	42,496

Related to these amounts, there are no deposits and cash recorded under assets in the Consolidated Condensed Statement of Financial Position associated with payment of "non-recourse confirming" neither to June 2019 nor to December 2018.

Finally, it has been reclassified as corporate financing an amount of €15 million relating to due and not paid confirming transactions (principal and interests). The remaining amount of €24 million corresponds to companies held for sale.

Note 22.- Financial results

22.1. Finance income and expenses

The following table sets forth our Finance income and expenses for the six-month period ended June 30, 2019 and 2018:

Finance income	06.30.19	06.30.18
Interest income from loans and credits	1,392	1,141
Interest rates benefits derivatives: cash flow hedges	-	517
Interest rates benefits derivatives: non-hedging	-	3,854
Total	1,392	5,512

Finance expenses	06.30.19	06.30.18
Expenses due to interest:		
- Loans from credit entities and bonds	(95,616)	(131,865)
- Other debts	(54,644)	(95,624)
Interest rates losses derivatives: cash flow hedges	(143)	(10,439)
Interest rates losses derivatives: non-hedging	(420)	(2)
Total	(150,823)	(237,930)
	-	-
Net financial loss	(149,431)	(232,418)

Finance income has decreased at the end of the first semester of 2019 compared to the previous year, mainly due to transfer to the gains/losses in 2018 of the paid interest rate hedging derivatives.

At the end of the first semester of 2019, financial expenses have decreased, mainly due to lower expenses to interest as a result of the restructuring of the financial debt following the implementation of the Restructuring Agreement and the full amortization of the New Money 1 and 3 throughout the 2018 period and in the second quarter of 2019 (see Note 18.2.).

22.2. Other net finance income and expenses

The following table sets out ‘Other net finance income and expenses’ for the six-month period ended June 30, 2019 and 2018:

Other finance income	06.30.19	06.30.18
Profits from the sale of financial assets	111	317
Income on financial assets	119	9,181
Finance income for restructuring	2,537,992	17,613
Other finance income	17,022	6,727
Total	2,555,244	33,838

Other finance expenses	06.30.19	06.30.18
Loss from sale of financial assets	(1,174)	(1)
Outsourcing of payables	5	(333)
Restructuring financial costs	(127,163)	-
Other financial losses	(52,736)	(68,539)
Loss derived from commodity price derivatives: non-hedge	-	(5)
Total	(181,068)	(68,878)
Other net finance income/expenses	2,374,176	(35,040)

The main variation in ‘Other financial income’ corresponds to the positive impact of €2,411 million of the financial restructuring of the Group's financial debt (see Note 2.1.3.).

The net amount of ‘Other net finance income and expenses’ related to companies with project finance is an expense of €200 thousand (€1,000 thousand as of June 30, 2018).

Note 23.- Income tax

23.1. The effective tax rate as of June 30, 2019 has been established based on Management’s best estimates (see Note 3).

23.2. Corporate income tax has resulted in a €33 million expense at June 30, 2019, compared against the €1 million income recognized for the same period in 2018, mainly due to the €16 million Corporate income tax expense recognized in the period due to the impact on the income statement derived from the adjustment at fair value in the recognition of the New Money II restructured debts. The remaining positive impacts of the Restructuring Agreement (see Note 2.1.3.) have not entailed the recognition of a corporate income tax expense since, due to the characteristics of the instruments issued pursuant to the agreed terms and the tax treatment applicable to said instruments, they have been considered a permanent adjustment to the accounting profit for the purposes of calculating the aforesaid corporate income tax expense.

Note 24.- Fair value of financial instruments

The information on the financial instruments measured at fair value, is presented in accordance with the following:

- Level 1: assets or liabilities listed on active markets.
- Level 2: Measured on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Measured on inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following is a breakdown of the Group's assets and liabilities measured at fair value as of June 30, 2019 and December 31, 2018 (except the non-quoted equity instruments measured at cost):

2019	Level 1	Level	Level 3	Balance at 06.30.19
Non-hedging derivatives	-	486	-	486
Hedging derivatives	-	27	-	27
Available-for-sale	-	-	3,203	3,203
Fair value of financial assets	-	513	3,203	3,716

2019	Level 1	Level	Level 3	Balance at 06.30.19
Notes and bonds (Note 18.3.)	-	511,563	-	511,563
Fair value of financial liabilities	-	511,563	-	511,563

2018	Level 1	Level	Level 3	Balance at 12.31.18
Non-hedging derivatives	-	907	-	907
Hedging derivatives	-	35	-	35
Available-for-sale	-	-	2,902	2,902
Fair value of financial assets	-	942	2,902	3,844

Level 2 Financial assets at fair value correspond to the finance derivative portfolio designated as cash flow hedges, within which the most significant type is the interest rate cap (see Note 12).

Level 2 financial liabilities at fair value include the debt instruments issued in the restructuring process and classified by the company as financial liabilities at fair value on initial recognition, which correspond to the Old Money debt and to the A3T Convertible Note (see Note 2.1.3.).

Under the heading "Non- hedging derivatives" the fair value of certain derivative financial instruments is included that, being derivatives contracted with the aim of hedging certain market risks (interest rates, currency and inventories), do not fulfilling all the requirements of IFRS 9 to be deemed a hedging instrument from an accounting perspective.

The following table shows the changes in the fair value of level 3 assets for the six-month period ended June 30, 2019 and December 31, 2018:

Movements	Amount
Beginning balance as of December 31, 2017	4,824
Gains and losses recognized in Equity	-
Change in consolidation, reclassifications and translation differences	(1,922)
Total as of December 31, 2018	2,902
Gains and losses recognized in Equity	-
Change in consolidation, reclassifications and translation differences	301
Total as of June 30, 2019	3,203

During the years considered in these Consolidated condensed interim financial statements, there have not been any significant reclassifications amongst the three levels presented above.

Note 25.- Earnings per share

25.1. Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding during the period.

Item	06.30.19	06.30.18
(Losses) / Profit from continuing operations attributable to equity holders of the company	2,226,983	(79,122)
(Losses) / Profit from discontinuing operations attributable to equity holders of the company	1,857	(20,466)
Average number of ordinary shares outstanding (thousands)	18,836,119	18,836,119
(Losses) / Earnings per share from continuing operations (€ per share)	0.118	(0.004)
(Losses) / Earnings per share from discontinuing operations (€ per share)	0.000	(0.001)
(Losses) / Earnings per share from profit for the year (€ per share)	0.118	(0.005)

25.2. Diluted earnings per share

To calculate the diluted earnings per share, the average weighted number of ordinary shares issued and outstanding is adjusted to reflect the conversion of all the potential diluting ordinary shares.

The potential diluting ordinary shares held by Abengoa, S.A. correspond to the warrants on Class A and Class B shares issued in the capital increase carried out on March 28, 2017 on the 2017 financial restructuring. The assumption is that all warrants are exercised and a calculation is made to determine the number of shares that may have been acquired at fair value based on the monetary value of the subscription rights of the warrants still to be exercised. The difference between the number of shares issued assuming the exercise of the warrants, and the number of shares calculated based on the above, is included in the calculation of the diluted earnings per share.

Item	06.30.19	06.30.18
Profit for the year		
- (Loss)/Profit from continuing operations attributable to equity holders of the company	23,432	(79,122)
- (Loss)/Profit from discontinuing operations attributable to equity holders of the company	-	(20,466)
Profit for the year attributable to the parent company	23,432	(99,588)
Average weighted number of ordinary shares outstanding (thousands)	18,836,119	18,836,119
- Warrants adjustments (average weighted number of shares in outstanding since issue)	864,361	864,793
Average weighted number of ordinary shares affecting the diluted earnings per share (thousands)	19,700,480	19,700,912
Diluted (losses) / earnings per share from continuing operations (€ per share)	0.0012	(0.004)
Diluted (losses) / earnings per share from discontinuing operations (€ per share)	0.0000	(0.001)
Diluted (losses) / earnings per share to the profit for the year (€ per share)	0.0012	(0.005)

As Note 2.1.1. explains, convertible instruments over the shares of the Abenewco 2 and Abenewco 2 Bis subsidiaries have been issued to Old Money creditors within the Restructuring Process, and it is expected that they may have a significant dilutive effect for the parent company when converted.

Note 26.- Average number of employees

The average number of employees classified by category during the six-month period ended June 30, 209 and 2018 is as follows:

	Average number of employees for the six months ended 06.30.19			Average number of employees for the six months ended 06.30.18		
Categories	Female	Male	% Total	Female	Male	% Total
Directors	23	186	1.5	27	225	1.9
Management	134	670	5.7	162	691	6.4
Engineers	446	1,016	10.3	474	1,187	12.5
Assistants and professionals	340	606	6.7	410	703	8.4
Operators	583	10,087	75.4	558	8,829	70.5
Interns	26	40	0.4	16	32	0.3
Total	1,552	12,605	100	1,647	11,667	100

During the first semester of 2019 the average number of employees is 19% in Spain and 81% abroad.

Note 27.- Transactions with related parties

No dividends have been distributed to related parties during the first six-month period of 2019, neither in the year 2018.

On March 31, 2017, the 2017 Restructuring Completion Date took place, leading to significant changes in the Company's shareholder structure (see Note 2.2.1. of the Consolidated annual accounts for the 2017 period).

As of June 30, 2019, according to information received by the Company in compliance with the regulations with respect to shareholder percentages and according to information facilitated by related companies as well, the most significant shareholders are:

	Significant shares
Shareholders	Direct Share %
Secretary of State for Trade - Ministry of industry, trade and tourism	3.15

a) As of June 30, 2019, the exposures to related parties are, in euros:

	Exposures to related parties	
Shareholders	Old Money (debt)	New Money (debt)
ICO	7,7	41,3

b) During the period 2019 there were no transactions related to related parties.

Note 28.- Employee remuneration and other benefits

- Directors are remunerated as established in article 39 of the Bylaws. Directors' remuneration shall consist of all or some of the following concepts, for a total combined amount that shall be agreed by the General Shareholders' Meeting, pursuant to the directors' remuneration policy and conditional, when required by law, on the prior approval of the General Shareholders' Meeting: (a) a fixed fee; (b) expenses for attendance; (c) variable remuneration based on general benchmark indicators or parameters; (d) remuneration through the provision of shares or share options or amounts that are linked to the Company's share price; (e) severance payments, provided that the director is not relieved of office on grounds if failing to fulfill the responsibilities attributable to him/her; and (f) savings or pension systems considered to be appropriate.

- The General Shareholders' Meeting held on June 25, 2019 on second called approved, among other matters, to maintain the maximum annual Board Member remuneration amount for the 2019 period which, pursuant to the provisions set forth in the remunerations policy applicable to said period and approved in the Ordinary General Shareholders' Meeting of June 30, 2017, will amount to €1,160,000.

- During the first semester of the 2019 period the remuneration accrued by the Company's Senior Management (Senior Management members who do not concurrently hold an executive director role and with the instruction to receive total remuneration during the period) has reached for all concepts, be it fixed or variable, €2,885 thousand (€2,838 thousand at June 30, 2018). Likewise, during that same period, the gross remuneration accrued by the board members both in the capacity of board members and for the performance of their executive role, has reached €1,609 thousand (€1,450 thousand on June 30, 2018) for all concepts.

- There are no advances or loans granted to all the members of the Board of Directors, nor any obligations assumed with them.

Note 29.- Subsequent events

After-closure of June 30, 2019, no events have occurred that might significantly influence the financial information detailed in this report, nor has there been any event of significance to the Group as a whole.

03. Consolidated condensed interim management report as of June 30, 2019

Consolidated Condensed Interim Management Report as of June 30, 2019

1.- Organizational structure and activities

Abengoa, S.A. is the parent company of the Abengoa Group (referred to hereinafter as 'Abengoa', 'the Group' or 'the Company'), which as of June 30, 2019, was made up of 344 companies: the parent company itself, 311 subsidiaries, 12 associates and 20 joint ventures. Additionally, the Group held a number of interests, of less than 20%, in other entities

Abengoa, S.A. was incorporated in Seville, Spain on January 4, 1941 as a Limited Liability Company and was subsequently transformed into a Limited Liability Corporation ('S.A.' in Spain) on March 20, 1952. Its registered office is Campus Palmas Altas, 1 Energía Solar St., Seville, 41014.

The Group's corporate purpose is set out in Article 3 of its Bylaws. It covers a wide range of activities, although Abengoa is principally an applied engineering and equipment manufacturer, providing integrated project solutions to customers in the following sectors: energy, telecommunications, transport, water utilities, environmental, industrial and services.

Abengoa's shares are represented by class A and B shares which are listed the Madrid and Barcelona stock exchanges and on the Spanish Stock Exchange Electronic Trading System (Electronic Market). Class A shares have been listed since November 29, 1996 and class B shares since October 25, 2012.

Abengoa is an international company that applies innovative technology solutions for sustainability in the infrastructures, energy and water sectors. It specializes in the development of "turnkey" or Engineering, Procurement and Construction (EPC) projects for third parties in four fundamental areas: energy, water, services and transmission and infrastructure.

Abengoa has extensive experience in the power generation sector with open cycle technologies, combined cycle power plants, cogeneration technologies, wind farms, and solar thermal, photovoltaic and biomass power plants. As for the water industry, it offers integral solutions for industrial clients and public institutions in the areas of desalination, water treatment, wastewater treatment and reuse of urban and industrial wastewater, and hydraulic infrastructures (regulation, transport, distribution, irrigation, hydroelectric power plants and systems for hydrological management).

Abengoa has over 75 years of experience in industrial engineering, construction and maintenance of infrastructures for the energy, industry, environment, transport and communications sectors, covering the development of power transmission and distribution lines, railway electrification, installations and infrastructures for all types of plants and buildings, as well as auxiliary electric and electronic component and metal structure manufacturing. It also provides operation services and implementation of predictive, preventive and corrective maintenance of renewable, conventional and water treatment plants, with the aim of optimizing their reliability, performance and availability, minimizing the consumption of fuels, chemicals and consumables, as well as the emission of greenhouse gases (GHG) and maximize their production.

Abengoa`s business is organized under the following two activities:

- Engineering and construction: includes the traditional engineering activities in the energy and water sectors, with more than 75 years of experience in the market. Abengoa is specialized in carrying out complex turnkey projects for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuel plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others. In addition, it performs activities related to the development of solar thermal and water management technologies and innovative technological business activities such as hydrogen.

- Concession-type infrastructures: groups together the company's extensive portfolio of proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. These assets generate low demand risk and the Company focuses on operating them as efficiently as possible.

As a consequence of the sale processes opened given the discontinuance of Bioenergy and the transmission lines in Brazil based on the Updated Viability Plan of Abengoa approved by the Board of Directors on August 3, 2016, in line with the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and subsequently on January 21, 2019, and due to the significance of their activities developed by Abengoa, their Income Statement and Cash flow statements have been reclassified to discontinued operations in the Consolidated Income Statement and in the Consolidated cash flow statement as of June 30, 2019 and 2018. The classification has been done in accordance with the IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations'.

These Consolidated condensed interim financial statements for the period ended June 30, 2019 have been formulated by the Board of Directors on September 23, 2019.

Unless otherwise noted, the figures shown in this Consolidated Condensed Interim Management Report have been expressed in millions of Euro.

All public documents of Abengoa may be viewed at 'www.abengoa.com'.

2.- Evolution and business results

2.1. Restructuring process

2.1.1. Restructuring process situation update

Group restructuring process

As the Consolidated Financial Statements for the 2018 period set forth, the Company has been working on a new financial restructuring process of the Group.

In this regard, on December 31, 2018, Abengoa executed a Lock Up agreement (the "Lock-up Agreement") with a group of financial entities and investors that held the majority of New Money 2, the Syndicated Guarantee Facility and Senior Old Money, as well as with the entity insuring the new liquidity arrangement, whereby said creditors agreed on the following, among other matters: (i) to stay the exercise of certain rights and actions under such financing against the pertinent Group companies until any of these events took place, whichever occurred first: the date when the Lock-Up Agreement ended pursuant to its own terms or the Expiration Date, which was originally set for January 31, 2019 and subsequently extended on several occasions up to April 26, 2019 (the "Long-Stop Date"), (ii) to take all actions required to support, facilitate, implement, consummate or otherwise give effect to the financial restructuring proposal and, in particular, enter into negotiations with a view to agreeing on and executing a restructuring agreement not later than the Long-Stop Date, and (iii) to agree not to sell or otherwise transfer their debt until the Long-Stop Date or Lock-up Agreement end date, except under certain circumstances.

Upon execution of the Lock-Up contract, the remaining New Money 2 creditors, Old Money bonding providers and creditors, as well as the challengers were requested to accede to the Lock-Up agreement pursuant to the procedures established and communicated in the Relevant Event published in that regard on December 31, 2018.

The majority required for the Lock-Up Agreement to enter in effect was reached on January 28, 2019.

On February 22, 2019, the Company requested consent from the New Money 2, Senior Old Money and Junior Old Money bondholders to amend certain terms to the bonds and to sign an agreement named "Amendment and Restructuring Implementation Deed" (the "Restructuring Contract"), pursuant to the provisions set forth in the two documents named "Amendment and Restructuring Consent Requests" concerning each of the issuances (the "Novation and Restructuring Consent Documents").

On March 28, 2019, the Extraordinary General Shareholders' Meeting was held on second call, and all the items in the Agenda, described below, were approved:

One.- Approval, within the framework of Abengoa Group's debt restructuring operation, of several issuances of Convertible Notes by certain Group companies other than Abengoa, S.A. pursuant to article 160(f) of the Spanish Capital Companies Law (LSC) and the provision and ratification of guarantees.

Two. - Approval of amendments to the remuneration policy applicable to the 2019-2020 periods.

Three.- Delegation of powers to the Board of Directors to interpret, correct, execute, cause to be recorded as documents of public record and register the resolutions adopted.

On March 11, 2019, the Company signed, along with some of the Group subsidiaries and a significant group of financial creditors participating in the existing financial debt, the Amendment and Restructuring Implementation Deed (the "Restructuring Agreement") for the purpose of amending the terms of the existing financing and of restructuring the Group's financial debt (the "Restructuring").

As a condition for the Restructuring, the required majorities of creditors had to consent to and approve the amendment and restructuring of their existing debt under the terms set forth in the Restructuring Contract.

The Restructuring Agreement's accession period ended on March 29, 2019 and, on said date, the number of financial creditors required to accede to the agreement for the restructuring operation to be implemented was reached.

On April 25, 2019 the Company informed that, within the Restructuring Agreement framework, an agreement had been reached with the challengers to refinance said debt as part of the Senior Old Money instruments, all within the terms set forth in said Restructuring Agreement.

In certain cases, the real debt held so far by the challengers has been assumed by Abengoa Abenewco 2bis and subsequently exchanged for SOM (Senior Old Money) convertible notes for an approximate amount of USD 76.6 million and €77.0 million, plus an additional contingent amount to be determined in light of future eventualities. In other cases, the debt has been traded by applying payments or payment commitments, debt reliefs and debt payment extensions, for an approximate amount of €23 million. These negotiation agreements allow to eliminate the claims' risk that existed until then.

In addition, the Company informed on that same date that the Restructuring Effective Date had occurred. Likewise, all the restructuring documents were signed and the operation ended on April 26, 2019 with the issuance of the new instruments, as described below:

On May 7, 2019, the notes issued by Abengoa Abenewco 2, S.A.U. in relation to the Junior Old Money, the notes issued by Abengoa Abenewco 2 Bis, S.A.U. in relation to the Senior Old Money, as well as the notes issued by Abengoa Abenewco 1, S.A.U. were admitted to trading on the Vienna Stock Exchange (Third Market - MTF - of Wiener Boerse).

Subsequently, on June 28, 2019, the Head Judge of the Commercial Court No. 3 of Seville issued an order declaring the judicial approval of the restructuring agreement and declaring the agreement, as well as the transactions, acts, payments and guarantees resulting from its execution to be non-clawbackable.

The main terms to the Restructuring include, among others:

(a) The injection of new money to the Group through the issuance, by the subsidiary A3T Luxco 2 S.A. ("A3T Luxco 2"), of convertible notes for a nominal value of €97 million, which entitle to convert into up to 99.99% the A3T Luxco 2 shares (the "A3T Issuance").

(b) Within the A3T Issuance framework and for the purposes of ensuring that it is fully repaid in the event that the amount obtained by the sale of the A3T Project does not allow to fully repay the amounts owed under the A3T Issuance (including the accumulated profitability up to the repayment date), non-repaid amounts will be assumed by the subsidiary company named Abengoa Abenewco 1, S.A.U. ("Abenewco 1") as debt ranking pari passu with the Refinanced NM2 Debt (as defined below). For said purposes, Abenewco 1 has granted a personal guarantee (prior to the notes' conversion) and a put option (put option agreement) (after the notes are converted) over the A3T Project, exercisable until December 2023, to the original subscriber of the A3T Issuance.

On April 25, 2019 the Company informed that it had obtained a Fairness Opinion issued by an independent expert that confirmed that the A3T convertible note issuance transaction, considered as a whole, was reasonable for the parties involved from a financial perspective, considering the measurement of both the asset itself and the remaining related instruments.

(c) The provision of new liquidity to Abenewco 1 in the form of a new syndicated guarantee facility for a maximum amount of €140 million, with the guarantee of certain Group companies and under similar terms as those of the prior guarantee facility (the "New Guarantee Facility").

(d) The amendment of certain terms and conditions of the prior guarantee facility in favor of Abenewco 1.

(e) The assumption, by A3T Luxco 2, of Abenewco 1's debt consisting of (a) an amount equivalent to 45% of the debt of the so-called "new money 2" (New Money 2) (together with the related documents, the "NM2 Financing Documents") and (ii) the totality of the amounts due under the liquidity facility obtained by the Group in November 2017 and extended in May 2018 (jointly, the "Rolled-Over Debt") and the amendment of its financial conditions. The Rolled-Over Debt has the A3T Project as the only recourse.

(f) The amendment of certain terms and conditions of the remaining debt derived from the NM2 Financing Documents different from the Rolled-Over Debt, corresponding to approximately 55% of said debt, which remain in Abenewco 1 (the "Non-Rolled Over Debt"). This debt is secured by the personal guarantees of certain Group companies, as well as by certain collateral assets.

(g) The recognition, by Abenewco 1, of new debt ("Reinstated Debt") for an amount of €50.5 million to certain creditors of the Non-Rolled Over Debt and the New Guarantee Facility in consideration for their interest in the Restructuring Operation.

(h) The amendment of certain covenants of the agreement between Group creditors (Intercreditor Agreement) executed on March 28, 2017.

(i) Several issuances, by Abenewco 1, of compulsorily convertible notes for a total nominal value of €5 million, which entitle to convert into shares representing up to 22.5% of Abenewco 1's share capital (the "Abenewco 1 Convertible Notes") and which have been issued to the original subscriber of the A3T Issuance, to certain creditors under the Refinanced NM2 Debt, to members of the NM2 Ad Hoc Committee and members of the Senior Old Money Ad Hoc Committee, by swapping certain credit claims held by said creditors against Abenewco 1, in exchange for their participation in the restructuring operation; as well as an agreement between shareholders to regulate the relationship between Abenewco 1 shareholders derived from the conversion of Abenewco 1 Convertible Notes.

(j) The implementation of a corporate restructuring whereby Abengoa Abenewco 2, S.A.U. ("Abenewco 2") has contributed, through a non-monetary contribution, to Abengoa Abenewco 2 Bis, S.A.U. ("Abenewco 2 Bis") (a Spanish company fully owned by Abenewco 2), all of Abenewco 1 shares owned by Abenewco 2, which represent 100% of Abenewco 1's share capital. As a consequence of this contribution, the Company is the single shareholder of Abenewco 2, which is the single shareholder of Abenewco 2 Bis, which, in turn, owns all Abenewco 1 shares previously owned by Abenewco 2.

(k) The assumption by Abenewco 2 Bis of Abenewco 2 and other Group companies' debt derived from the Senior Old Money and, if applicable, from the Challengers (as described below) including, for clarification purposes, the Senior Old Money and Challengers debt regarded as contingent debt for the purposes of materializing the issuance of SOM Convertible Notes (as defined below).

(l) Several issuances by Abenewco 2 Bis of convertible notes to Senior Old Money creditors and to creditors who successfully challenged the judicial approval of the Group's debt approved in 2016 (the "Challengers"), by virtue of the agreements signed therewith, by offsetting the credit rights that said creditors held against the Group. Said issuances have reached a total nominal value of €1,148 million and USD 562 million, have an initial duration of 5 years (which may be extended up to 5 additional years), and are secured by the personal guarantee of certain Group companies and by collateral assets (the "SOM Convertible Notes"). The SOM Convertible Notes' principal will be totally or partially amortized with the Group's cash available above a certain threshold. At the moment that the SOM Convertible Notes are fully amortized, any outstanding amount which cannot be repaid in cash will be mandatorily converted into Abenewco 2 Bis shares representing up to a maximum of 100% its share capital, and thus the dilution practiced by the SOM Convertible Notes' possible conversion into capital is foreseeable to be very high. Additionally, the instrument expects that the mandatory conversion into shares may be required under other circumstances different from final maturity. Likewise, in the event that a series of events take place, the SOM Convertible Notes' bondholders are expected to have the right, at the moment of the conversion, to require Abenewco 2 to sell its shares in Abenewco 2 Bis to said bondholders.

(m) Several issuances of convertible notes by Abenewco 2 for a total value equivalent to a portion of the amount owed under the prior Junior Old Money instruments (plus the crystallized debt up to the transaction closure date) that have been issued to creditors under the agreement to finance and issue Junior Old Money (JOM) notes, by offsetting part of the credit rights that said creditors hold against the Group. These issuances have reached a nominal value of €806 million and $471 million, and have an initial duration of 5 years and 6 months (which may be extended up to 5 additional years). They are compulsorily convertible into 49% of Abenewco 2 shares and are secured by the personal guarantee of certain Group companies and by collateral assets. Additionally, the instrument expects that the mandatory conversion into shares may be required under other circumstances different from final maturity.

(n) Several issuances of convertible notes by Abenewco 2 for a nominal value equivalent to the other portion of the amount owed under the prior Junior Old Money instruments (plus the crystallized debt up to the transaction closure date) that have been issued to Junior Old Money creditors by offsetting part of the credit rights that said creditors hold against the Group, in such manner that said JOM Issuances fully refinance the prior Junior Old Money instruments. These issuances have reached a nominal value of €53 million and $31 million, and have an initial duration of 5 years and 6 months (which may be extended up to 5 additional years). Payment, when due, will be made with the Group's cash available above a certain threshold, and any outstanding amount which cannot be repaid in cash will be mandatorily converted into Abenewco 2 shares representing up to 100% its share capital. They are secured by the personal guarantees of certain Group companies, as well as by certain collateral assets. Additionally, the instrument expects that the mandatory conversion into shares may be required under other circumstances different from final maturity.

On the other hand, New Money 1 and 3 maintained its conditions unaltered, and was repaid in its entirety in April 2019 with the bridge financing on A3T entered into with a group of financial entities.

The financial conditions of the instruments issued in the restructuring operation described above have been summarized below:

Item	A3T Convertible Note	A3T Rolled-Over Debt	NM II Non-Rolled Over Debt	Reinstated Debt	Senior Old Money	Junior Old Money	ABN1 Convertible Notes	Bonds
Nominal value (in M€)	97	193	157	51	1,651	1,308	5	140
Cost	9% PIK	3% PIK + 3% PIYC	3% PIK + 3% Cash (*)	4.5% Cash	1.5% PIYC		(**)	5.74%
Contractual Maturity	Dec 2023	March 2021		Dec 2021	April 2024	Oct 2024	Dec 2022	March 2021
Issuing Entity	A3T Luxco 2	A3T Luxco 2	Abenewco 1	Abenewco 1	Abenewco 2 Bis	Abenewco 2	Abenewco 1	Abenewco 1

(*) The cost of the NM II Non-Rolled Over Debt will increase by 2% as of July 2020.

(**) Payment of dividends at the corresponding rate if declared by the company.

The financing conditions for Abenewco 1's new debt and those for the Senior Old Money described above, are subject to several restrictions, which are common in this type of agreements, such as limitations on the distribution of dividends, additional debt, provision of guarantees and disposal or procurement of assets, among others.

Likewise, several obligations have been established, which include:

- Liquidity ratio (historical and future) which must have a minimum threshold of €20 million. Said minimum threshold has been met at June 30, 2019 with a "Historic Liquidity" of €47.9 million and a "Future Liquidity" of €20.4 million.
- Total Leverage Ratio and Senior Secured Leverage Ratio. A series of ratios of total debt (as well as of senior debt, according to the financing contracts' definition) to Ebitda are established. These change every year and are verified every three months as of December 31, 2019.

Restructuring processes of subsidiaries

The following summary shows the relevant facts which took place during the year 2019 until the publication of the present Consolidated condensed interim financial statements, in relation with the financial restructuring processes which include several Group companies:

a) In relation to the Judicial Recovery process in Brazil related to the transmission line activity, on the occasion of the mentioned situation of Abengoa, it should be known that:

› On August 20, 2019 the Company's investment in Hospital Zona Norte (60%) was auctioned by the remaining partners for an amount of 50 million of Brazilian real. The partners SH and Magi were the successful bidders of said investment. Notwithstanding the above, the transfer is pending the approval of the banks financing the assets as well as of the Amazonas State Government's Ministry of Health.

› In addition, the Court, at the Company's request, approved the conduct of an auction to sale several Company-owned assets, which mainly include wires, steel structures and equipment to clean the construction sites. On August 22, 2019 the Court declared Alutech Aluminio Tecnologia Ltda. ("Alutech") as the successful bidder of said assets{j} for €58.1 million of Brazilian real. The order to assign the assets to Alutech was issued on September 3, 2019. At present, the award decision is not final and thus, it might be appealed.

b) In relation to the Judicial Recovery process in Brazil on Abengoa Bioenergía Brasil Ltda., the following should be noted:

› On August 7, 2018 a first call for the meeting of creditors took place. Due to the lack of quorum, this meeting was suspended and held on second call on August 21, 2018, in which the creditors decided to keep open and postpone the vote on the potential recovery plan on several occasions during the second semester of 2018 and the first semester of 2019. On August 12, 2019, the plan was finally approved for all the companies (Abengoa Bioenergía Brasil, Abengoa Bioenergía Agroindustria Ltda, Abengoa Bioenergía Santa Fe Ltda, and Abengoa Bioenergia Trading Brasil Ltda), except for Abengoa Bioenergia Inovações Ltda. (ABIN), in whose particular case the voting of the plan was postponed for 35 days, and subsequently, on September 16, 2019, it was again adjourned for a maximum of 30 additional days, enabling the judicial administrator to set the most appropriate date within said period. After its approval in the creditors' meeting, the plan is now pending the mandatory judicial approval or ratification.

c) In relation to Abengoa México, S.A. de C.V.'s bankruptcy proceedings:

› Abengoa Mexico (hereinafter, Abemex) submitted means of challenge against the resolutions on the basis of which the Company was again declared to be in a bankruptcy status. Said means of challenge (amparo proceedings) were resolved by judgment dated May 29, 2019 by which the following was resolved, among other matters: (i) to declare the resolution whereby Abemex reverted to bankruptcy groundless; (ii) to issue a new ruling that considers that the approval of the insolvency agreement is not to be contingent upon the appeals against the Judgement for Allowance being resolved; and (iii) to pronounce in the new ruling with respect to the case made against the ruling to approve the Insolvency Agreement. Against the above resolution, Abemex filed an appeal for review with respect to item (iii); while one of Abemex creditors did the same with respect to items (i) and (ii).

› Abemex continues negotiating a restructuring process with most of its creditors which, if applicable, will be documented by means of an amendment to the Insolvency Agreement, so that said document and its approving ruling are the only document that governs the obligations between Abemex and its creditors.

d) In relation to Construcciones Metálicas Mexicanas, S.A. de C.V.'s procedures

› A creditor of Construcciones Metálicas Mexicanas (hereinafter, Comemsa) filed a motion, admitted on February 6, 2019, to change the backdating date for the purpose of challenging the judgement whereby the property was allocated to Autofin. On February 15, 2019, an additional creditor adhered to this request requesting the Court to adopt the resolution concerning the change of the backdating date; said motion is pending resolution.

› Within the bankruptcy proceedings, Autofin filed a motion to remove its assets that was admitted. The admission of said motion was challenged by Comemsa and said appeal was resolved in the sense that said incident was not appropriate. Autofin challenged said resolution, which is currently pending resolution.

e) Update of the Spanish bankruptcy proceedings:

› Abengoa PW I Investments, S.L. (hereinafter, "APWI") filed a request for voluntary bankruptcy on December 21, 2018. This request was admitted for processing on February 18, 2019 by the Commercial Court No.2 of Seville, which issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 117/2019). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.

› Abengoa Bioenergía Nuevas Tecnologías, S.A. (hereinafter, "ABNT") filed a request for voluntary bankruptcy on February 1, 2019. This request was admitted for processing on February 25, 2019 by the Commercial Court No.2 of Seville, which issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 122/2019). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.

› Gestión Integral de Recursos Humanos, S.A. (hereinafter, "GIRH") filed a request for voluntary bankruptcy on June 13, 2019. This request was admitted for processing on June 19, 2019 by the Commercial Court No.2 of Seville, which issued an order declaring the voluntary bankruptcy of the company agreeing the processing of the same through the channels of the ordinary procedure (number 413/2019). Likewise, Ernst & Young was appointed as a Bankruptcy Administration. The Company has been intervened by the Bankruptcy Administration, but it retains the faculties of administration and disposition of its assets with all its duties and responsibilities.

At last, and in relation to the remaining financial restructuring processes of certain subsidiaries (US subsidiaries, and Abengoa Bioenergy Netherland) no significant event has occurred during the 2019 period in addition to those indicated in the Consolidated Financial Statements for the 2018 period.

2.1.2. Going concern

The situation of the Group during the last years, which has been affected by a strong limitation of financial resources for more than three years, has significantly influenced the evolution of the business not only in terms of a generalized slowdown and deterioration of the Group's operations but also as a result of numerous insolvency or bankruptcy proceedings involving companies not included in the Revised Viability Plan August 2016.

Consequently, the parent company, Abengoa, S.A., has incurred in losses since 2015, which has supposed a significant decrease in Equity and as a consequence at December 31, 2016 presented a negative net equity. In the parent company, Abengoa, S.A., the measures set forth in the effective application of the first Restructuring Agreement concluded in 2017 allowed to reestablish balance at the end of the accounting period on December 31, 2017, once the positive impact of the debt relief and of the capital increases performed was recognized in the income statement. At the end of June 2019, the parent company's equity remains positive and amounts to €122,605 thousand (€99,162 thousand in 2018). Additionally, in the first semester of 2019 the result of the parent company has been €23,443 thousand (€-431,546 thousand as of December 31, 2018).

Nonetheless, the normalization of the activity following the prior financial restructuring process concluded in March 2017 was slower than expected, resulting in a negative impact on business.

Therefore, in order to ensure the viability of the Group in the short and medium term and for it to be able to continue with its activity in a competitive and sustainable manner in the future, the following becomes necessary:

› To have a stable platform that allows access to the capital markets to finance its working capital.

› To Access new lines of guarantees to ensure the growth of its Engineering and Construction business.

› Maintain an adequate financial structure for the business model that it will develop in the future.

For the purpose of meeting these goals , the Company worked, throughout the 2018 period, on additional actions, and more specifically on a new 10-year Viability Plan, as well as on a financial restructuring process as described in Note 2.1.1., that would allow it to lay the foundations to ensure its viability in the short and medium term.

In this respect, the Board of Directors approved, at their meetings of December 10, 2018 and later on January 21, 2019, the Company's aforesaid 10-year Viability Plan which was published through a Relevant Event on January 24, 2019.

The main hypotheses in said Viability Plan include:

- Completion of the financial restructuring proposal in order to reestablish the liquidity and bonding position required by the Group, reducing the financial risk of the business.
- Reduction of the overhead up to a goal of 3% over sales as of 2020.
- A business plan based on EPC projects for third parties with a significant contribution derived from the strategic alliance with AAGEs.
- Improvement in the Group's competitive position and in the markets and geographical locations that are key for the business.
- Execution of the divestment plan with no significant deviations in terms of deadlines and amounts.
- Execution of the provider payment plan with no significant deviations from the estimated forecast.

During the first semester of the 2019 period, the Company has been developing the aforesaid 10-Year Viability Plan, meeting the business forecasts and projected cash flows by way of new projects that allow it to meet its business plan, and by actively managing any potential deviation from the key hypotheses, more specifically the divestment plan and the supplier payment plan, for the purposes of minimizing any eventual impact thereon.

On the other hand, during the 2018 period the Parent Company (Abengoa, S.A.) requested an independent expert to perform an analysis of the fair value of Abengoa S.A.'s investment portfolio in its affiliated company Abenewco 2, S.A. (Sociedad Unipersonal) ("single-shareholder company"). To determine the fair value, certain hypotheses described below were defined:

a) Compliance with the Group's 10-year Viability Plan, whose main hypotheses have been described above.

b) Consolidation of the business at standard levels as of 2029.

c) Post-restructuring financial debt forecasts and determination of its fair value.

d) Valuation of cash flows directly attributable to Abengoa, according to the contracts signed by Abengoa, S.A. with its subsidiaries and to the restructuring agreement.

e) Completion of the financial restructuring process under the expected terms.

Should any of these hypotheses not materialize, the assessment results might be significantly affected.

The main method used to determine the business' fair value was the discounted cash flow to equity method for a 10-year period, applying the average cost of the Company's own resources, which the Company has estimated to be in a range of value between 11% and 12%, as the discount rate. The long-term growth rate has been of 2%. The compounded annual growth rate and the EBITDA considered for the 2019-2028 period have been 13.5% and 6.7%, respectively.

To determine the fair value of the Senior Old Money and Junior Old Money instruments, the discounted flow method was used pursuant to the issuance conditions included in the restructuring agreement and applying market discount rates based on a selection of comparable quoted bonds. The estimated discount rates for these financial instruments have resulted to be significantly higher than the current average rates of return and comparable to financial debt redemption operations conducted in the international market. The discount rates used for the Senior Old Money and the Junior Old Money range between 40-45% and 75-80% respectively, corresponding to discount rates that a participant in the financial market would consider in equivalent financial debt redemption operations.

Considering the above, Abengoa's Directors have deemed it appropriate to prepare these interim condensed consolidated financial statements at June 30, 2019 under the going concern principle, considering the fundamental aspects of the new 10-year Viability Plan approved and strengthened by the new Restructuring Agreement described above. Based on the application of said going concern principle, the Directors have applied the International Financial Reporting Standards homogeneously and consistently with those used in the interim condensed consolidated financial statements and in the consolidated financial statements from previous periods. For said purpose, pursuant to said International Accounting Standards, the Company Directors have used their best accounting estimates and judgements (see Note 3 of the Consolidated Financial Statements for the 2018 period) to record the assets, liabilities, income and expenses at June 30, 2019 in accordance with the information that existed when the interim condensed consolidated financial statements were prepared.

2.1.3. Accounting Impacts of the Restructuring Process

As Note 2.1.1. states, the Company has been working on additional actions to ensure the viability of the Group in the short and medium term, which include a new financial restructuring process.

One of the milestones of said restructuring process was the execution of a "Lock-Up Agreement" dated December 31, 2018 with several financial creditors, as the aforementioned Note 2.1.1. states, as well as the initiation of a period of accession to said agreement as a step prior to the signature of the restructuring agreement ("Restructuring Agreement"). The majority required for the Lock-Up Agreement to enter in effect was reached on January 28, 2019.

As set forth in said Lock-Up Agreement's clauses, the execution of said document, as it entailed the commencement of a negotiation process with a substantial part of its creditors to restructure its obligations therewith, constituted the non-compliance ("Event of Default") of the New Money 2, syndicated guarantee and Old Money (Senior Old Money and Junior Old Money) facilities.

Nonetheless, in the Lock-Up Agreement itself, the creditors, by acceding thereto, agreed on one hand to stay the exercise of certain rights and actions under such financing against the different Group companies, which include the exercise of enforcement actions and, on the other hand, to overlook the noncompliance derived from the signature of the Lock-Up Agreement until any of these events took place, whichever occurred first: the date when the Lock-Up Agreement ended pursuant to its own terms or the Expiration Date, which was originally set on January 31, 2019 and subsequently extended on several occasions up to April 26, 2019 (the "Long-Stop Date").

As a consequence of the above, and since the Company facilities which are subject of the Lock-Up Agreement (New Money 2, Guarantee Facility and Old Money) were in a transitional status of technical non-compliance as of December 30, 2018 which resulted from the execution itself of said Lock-Up Agreement, and since the consent to said non-compliance situation agreed-upon by financial creditors in the Agreement itself was established for up to the "Long Stop Date", this is, up to January 31, 2019, and subsequently extended on several occasions up to April 26, 2019, Abengoa applied the provisions set forth in IAS 1 "Presentation of Financial Statements" and proceeded to reclassify the Old Money debt from non-current liabilities to current liabilities of the Statement of Financial Position. As for New Money 2 financing, it did not entail any reclassification as it was already entered under current liabilities at December 31, 2017.

As mentioned above, the Group's creditors agreed, by signing the Lock-Up Agreement, to temporarily stay the exercise of certain rights and actions under such facilities vis-à vis the different Group companies. Nonetheless, since said stay will not meet the minimum period of twelve months after the reporting period, as required in IAS 1, paragraphs 69 et seq., said classification was deemed convenient.

Additionally, and since both debts (Old Money and New Money 2) were measured at amortized cost using the effective interest rate, said value has been adjusted to reflect its corresponding settlement value.

Said adjustment entailed a negative impact on the Consolidated Income Statement as of December 31, 2018 for an amount of €1,060 million recognized under "Other finance costs – Finance expenses due to restructuring" (see Note 30.3. of the 2018 Consolidated Annual Accounts), counterbalanced by "Corporate Financing" of current liabilities of the Consolidated Statement of Financial Position at the end of the 2018 period.

In addition, the tax impact associated to said recognition entailed the recognition of income amounting to €265 million in the Group's corporate income tax for the year 2018, counterbalanced by a reversal of deferred tax liabilities of the Consolidated Statement of Financial Position at the end of the 2018 period.

It is important to highlight that the above negative impact that has occurred in the 2018 Consolidated Income Statement and, in consequence, in Abengoa's consolidated shareholders' equity, stems from applying the provisions set forth in the above-explained accounting regulations as concerns the classification and measurement of financial debt for those cases in which the company is in a non-compliance situation at the balance end date and has failed to obtain authorization by its creditors to refrain from early settlement actions for a minimum period of 12 months after the Financial Statement end date.

As Note 2.1.1. explains, the Restructuring Effective Date occurred on April 25, 2019, and the operation was completed on April 26, 2019 with the issuance of the new instruments, whose main characteristics have been described in said note.

In this regard, and once the operation was completed, the Company proceeded to recognize on said date the accounting impacts associated to the corresponding instruments, as described below.

For the restructured debt instruments, as their conditions have been substantially modified, the Company has applied the provisions set forth in IFRS 9 "Financial Instruments", derecognizing their carrying value (settlement value) and recognizing the new debt at fair value. The difference between both amounts has been recognized in the period's profit and loss, as set forth in the aforesaid standard.

The Company has also followed the IFRS-9 for the new debt that has arisen under the restructuring agreement, initially recognizing said debt at fair value.

In relation to the recognition of the notes compulsorily convertible into shares representing 22.5% of Abenewco 1, the Company has followed the provisions set forth in IAS 32 "Financial Instruments: Presentation", classifying it as equity pursuant to the requirements set forth in said standard (IAS 32.16 et.seq.).

To determine the fair value, the Company has been based on the measurements that independent experts have made for said (see Notes 2.1.1. and 2.1.2.).

All of the above has had a positive effect on the income statement for the first semester of the 2019 period, amounting to €2,411 million, which has been recorded as "Finance income/expense due to restructuring" under financial results (see Note 22.2.). The impact on equity has been of €2,516 million due to the recognition of Abenewco 1 convertible notes as "Non-controlling interest" under equity.

The corporate income tax expense of said positive impact of the Restructuring Agreement has not been significant in relation thereto, as a result of the characteristics of the convertible instruments issued pursuant to the agreed terms (see Note 23).

In relation to their subsequent measurement, as IFRS 9 sets forth, the aforesaid liabilities will be measured at amortized cost except for financial liabilities designated by the company at fair value through profit or loss. This last case applies to the Senior and Junior Old Money instruments as well as to the A3T convertible note, which have been designated by the Company at initial recognition as financial liabilities measured at fair value through profit or loss ("FVTPL") pursuant to the provisions set forth in section 4.2.2. of IFRS 9.

A summary detailing said impacts for each of the instruments issued in the Restructuring Agreement has been shown below:

Instruments	A3T Convertible Note	A3T Rolled-Over Debt	NM II Non-Rolled Over Debt	Reinstated Debt	Senior Old Money	Junior Old Money	ABN1 Convertible Notes
Debt carrying value, prior to Restructuring (in €M) (1)	n/a (*)	361		10 (*)	1,583 (**)	1,308	n/a (*)
Fair value of new instruments at the date of issuance (in €M) (2)	97	193	105	32	330	86	105
Impact of Restructuring in Income Stat. (in €M) (1-2)	n/a	63		(22)	1,253	1,222	(105)
Initial measurement of new instruments	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Subsequent measurement	FVTPL	Amortized cost	Amortized cost	Amortized cost	FVTPL	FVTPL	Remains unaltered

(*) New financial instruments generated in the Restructuring Agreement. Reinstated Debt includes the amounts accrued up to that date for the services received and agreed to be paid through this new debt.

(**) Includes the effect of the challengers' debt traded to SOM.

It is relevant to point out that the above positive impact on Abengoa's Consolidated Equity aims to reflect the economic impact of the restructuring of Abengoa's financial debt exclusively and, hence, does not aim to reflect Abengoa's future financial status which, at the Directors' discretion, and upon conclusion of the Restructuring Process, will be contingent upon the compliance of the new 10-year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and January 21, 2019 and associated to the Group's ability to generate resources from its operations and to obtain sufficient liquidity as required by the recovery of the market to continue with its activity in a competitive and sustainable manner.

2.2. Financial position

2.2.1. Changes in the composition of the Group

During the first six months of the year 2019 a total of 1 subsidiary company and 5 joint-ventures were added to the consolidation perimeter of the Group.

In addition, 24 subsidiaries and 10 associated companies are no longer included in the consolidation group.

2.2.2. Main acquisitions and disposals

a) Acquisitions

During the six-month period ended June 30, 2019 there were no significant acquisitions.

b) Disposals

- In the six-month period ended June 30, 2019, the disposal of the associate Rioglass Solar Holding, S.A. has been completed and progress has been made in the process to sell the subsidiary Tenés Lilmiyah SpA as part of the Divestment Plan included in the 10-Year Viability Plan approved by the Board of Directors at their meetings of December 10, 2018 and January 21, 2019 which have been detailed below:
  - On May 31, 2019 Abener Energía, S.A.U. signed a purchase agreement with ABY Concessions Infrastructures, S.L.U. to sell their 15.12% stake in Rioglass Solar Holding, S.A.'s share capital. The selling price has been USD 7 million and it has entailed a negative impact of €6 million on the income statement.
  - On January 29, 2019, Abengoa Agua, S.A. signed a purchase agreement with ABY Concessions Infrastructures, S.L.U. on the 100% stake in the share capital of the company Holding Befesa Agua Tenés, S.L.U., owner of 51% of Tenés Lilmiyah SpA's share capital, concessionary company of a reverse osmosis desalination plant in Argelia. The price of this divestment amounts to USD 24.5 million, subject to potential adjustments at closure. An amount of USD 19.9 million has been received as advance payment.

    This operation will be fully completed once all the conditions precedent set forth in the agreement, which are normal in this type of operations, are met. The initial deadline on this regard is September 30, 2019.
  - Subsequently, on July 30, 2019, the subsidiary Abengoa Solar LLC has completed the sale of 100% of its stake in the company ASI Operations LLC to ABY Concessions Infrastructures USA LLC, with a sales price of USD 6 million.

2.2.3. Main figures

Financial data

- Revenues of €709 million, a 28% higher to the same period of 2018.
- EBITDA of €137 million, an increase of 57% compared to the same period of 2018.

Item	06.30.19	06.30.18	Var (%)
Income Statement (in million euros)			
Revenue	709	552	28
EBITDA	137	87	57
EBITDA Margin	19%	16%	19
Net Income	2,229	(100)	2,329
Balance Sheet (*)			
Total Assets	3,836	3,830	0
Equity	(1,933)	(4,251)	55
Corporate Net Debt	1,229	4,096	(70)
Share Information (in million euros)			
Last price (€ per B share)	0.0103	0.0100	3
Capitalization (A+B share) (€ million)	212	220	(4)
Daily trading volume (€ million)	3	2	50

* The Balance Sheet amounts are referenced as of December 31, 2018.

Operating figures

- The international activity represents 90% of the consolidated revenues.
- The main operating figures as of June 30, 2019 and 2018 are the following:

Key operational	June 2019	June 2018
Transmission lines (km)	-	-
Water Desalination (Cap. ML/day)	475	475
Cogeneration (GWh)	360	163
Solar Power Assets (MW)	300	300
Biofuels Production (ML/year)	235	235

- The main contract and portfolio figures at the end of the first semester of 2019 are as follows:

Item	Amount
Contract	644
Portfolio	1,806

Corporate debt conciliation

The following table sets out the conciliation of the Net Corporate Debt with the information included in the Statement of financial position as of June 30, 2019 and December 31, 2018 (in million euros):

Item	Balance at 06.30.19	Balance at 12.31.18
+ Corporate financing	1,523	4,407
- Financial investments	(122)	(130)
- Cash and cash equivalents	(195)	(205)
+ Financial investments and cash from project companies	23	24
Total Net Debt	1,229	4,096

2.2.4. Consolidated income statement

The following summary shows the Consolidated Income Statement of Abengoa as of June 30, 2019 and December 31, 2018, with an explanation of the main variations between both periods (in million euros):

Item	06.30.19	06.30.18	Var (%)
Revenue	709	552	28
Operating revenues and expenses	(572)	(465)	(23)
EBITDA	137	87	57
Depreciation and amortization	(41)	(13)	(215)
I. Net Operating Profit	96	74	30
Financial incomes and expenses	(149)	(232)	36
Net Exchange rates differences and other financial incomes / expenses	2,349	(26)	9,135
II. Financial results, net	2,200	(258)	953
III. Share of profit/(loss) of associates	(30)	107	(128)
IV. Profit (loss) before income tax	2,266	(77)	3,043
V. Income tax (expense) benefit	(33)	1	(3,400)
VI. Profit for the year from continuing operations	2,233	(76)	3,038
Profit (loss) from discontinued operations, net of tax	2	(21)	110
Profit for the year	2,235	(97)	2,404
VII. Non-controlling interests	(6)	(3)	(100)
Net income attributable to the parent company	2,229	(100)	2,329

Revenues

Revenue has increased €709 million, which is an increase of €157 million from €552 million in the same period of the previous year. This increase in revenues is mainly attributed to the Engineering and Construction sector implementation following the start of construction of projects contracted during 2018 and the beginning of 2019, as well as to the concessions segment due to the start of operation of the A3T Cogeneration Project in Mexico.

EBITDA

EBITDA has increased 57% reaching €137 million, which suppose an increase of €50 million compared to the €87 million of the same period of the previous year. The increase in EBITDA is mainly attributable to the Engineering and Construction generated by the performance of the projects, the start of operation of the A3T project mentioned above, as well as the reduction of structure costs initiated in previous years.

Operating profit

Operating profit has increased 30%, from a benefit of €74 million in 2018 to €96 million in June 2019. This increase in the operating profit is mainly attributable to the EBITDA improvement previously mentioned.

Net Financial Expense

Net Finance expenses have reached an income of €2,200 million, which entail a significant improvement as compared with the €258 million net expense registered in the same period last year. This change is mainly attributed to the positive impact occurred on the restructuring of the Group's financial debt during 2019 as well as to the finance expense registered in 2018 in relation of the New Money and Old Money financing contracts.

Share of profit (loss) of associates carried under the equity method

The share of profit /(loss) of associated carried under the equity method has decreased from a €107 million income in June 2018 to a €30 million loss in June 2019. This decrease is mainly due to the sale of the 41.47% stake in Atlantica Yield during 2018 as well as to the estimated losses by reason of the company's participation in certain projects under construction executed by joint ventures, and of the impact on the sale of Rioglass Solar Holding, S.A.'s stake in 2019.

Income tax expense

Corporate income tax decreased from a net income of €1 million in June 2018 to a net expense of €33 million in June 2019. This decrease is mainly attributable to the income tax expense recognized in the period generated by the impact on the income statement derived from the adjustment at fair value in the recognition of the New Money II restructured debts. The remaining positive impacts of the Restructuring Agreement (see Note 2.1.3.) have not entailed the recognition of a corporate income tax expense since, due to the characteristics of the instruments issued pursuant to the agreed terms and the tax treatment applicable to said instruments, they have been considered a permanent adjustment to the accounting profit for the purposes of calculating the aforesaid corporate income tax expense.

Profit (loss) for the year from continuing operations

Due to all of the above, profit (loss) from Abengoa's continuing operations has significantly improved from a €76 million loss in June 2018 to a €2,233 million profit in June 2019.

Profit (loss) from discontinued operations, net of tax

Profit (loss) for the period from discontinued operations, net of tax, has improved from a loss of €21 million in June 2018 to a €2 million profit in June 2019. This improvement is mainly attributable to the expense registered in 2018 related to Bioenergy's continuing activities.

Profit (loss) for the period attributable to the parent company

Profit (loss) for the period attributable to the parent company has improved from a €100 million loss in June 2018 to a €2,229 million profit in June 2019 as a consequence of the changes described in the paragraphs below.

2.2.5. Results by activities

The following table shows the distribution of sales and consolidated EBITDA per business activity at June 30, 2019 and 2018, with a description of the main changes occurred between both periods (in millions of euro), appears below:

	Sales			Ebitda			Margin	
Item	06.30.19	06.30.18	Var (%)	06.30.19	06.30.18	Var (%)	06.30.19	06.30.18
Engineering and Construction	546	458	19	37	32	16	7%	7%
Concession-type infrastructure	163	94	73	100	55	82	61%	59%
Total	709	552	28	137	87	57	19%	16%
Restructuring advisory expenses	-	-		-	-			
Total	709	552	28	137	87	57	19%	16%

Engineering and Construction

Revenue in the Engineering and Construction line of activity has increased 19% to €546 million. This entails a €88 million increase as compared to the €458 million revenue registered in the same period last year. This increase is mainly attributable to a higher progress in the execution of the projects in Chile, Morocco, USA and Saudi Arabia.

EBITDA in the Engineering and Construction activity has improved to €37 million, which entails a €5 million increase against the €32 million EBITDA registered in the same period last year. This increase is mainly attributable to the margin generated by the aforementioned execution progress as well as to a reduction in overhead costs.

Concession-Type Infrastructures

Revenue in the concession-type activity has increased 73% to €163 million. This entails a €69 million increase as compared to the €94 million revenue registered in the same period last year. This increase mainly corresponds to the commencement of the operation of concession assets; specifically the A3T cogeneration project in Mexico.

EBITDA in the concession-type activity has increased by 82% to €100 million. This entails an approximate increase of €45 million in comparison to the €55 million value registered in the same period last year. This increase is due to the aforementioned entry of the A3T project in Mexico into operation, as well as to an improvement in the production of certain concession assets.

2.2.6. Consolidated Statement of Financial Position

Consolidated Statement of Financial Position

A summary of the assets in Abengoa's consolidated financial statement at June 30, 2019 and December 31, 2018, with a description of the main changes occurred (in millions of euro), appears below:

Item	06.30.19	12.31.18	Var (%)
Intangible assets and fixed assets	190	188	1
Fixed assets in projects	347	347	0
Associates under the equity method	19	15	27
Financial investments	21	28	(25)
Deferred tax assets	135	137	(1)
Non-current assets	712	715	(0)
Inventories	55	60	(8)
Clients and other receivable accounts	611	603	1
Financial investments	122	130	(6)
Cash and cash equivalents	195	205	(5)
Assets held for sale	2,141	2,117	1
Current assets	3,124	3,115	0
Total assets	3,836	3,830	0

- Non-current assets have decreased by 0.4% to €712 million. This entails a €3 million decrease in comparison to the €715 million value registered at December 31 of the previous period.

- Current assets have increased by 0.3% to €3,124 million. This entails a €9 million increase in comparison to the €3,115 million value registered at December 31 of the previous period. This increase in current assets is mainly attributable to the increase of the asset held for sale A3T in Mexico as it started commercial operation, partially offset by San Antonio Water's classification from Assets held for sale to Investments in associates carried under the equity method as a consequence of the new financing operation entered into with Algonquin Power & Utilities Corp.

A summary of the liabilities in Abengoa's consolidated financial statement at June 30, 2019 and December 31, 2018, with a description of the main changes occurred between both periods (in million of euros), appears below:

Item	06.30.19	12.31.18	Var (%)
Capital and reserves	(2,172)	(4,379)	50
Non-controlling interest	239	128	87
Total Equity	(1,933)	(4,251)	55
Project debt	149	95	57
Corporate financing	731	200	266
Grants and other liabilities	143	113	27
Provisions and Contingencies	69	62	11
Deferred tax liabilities and Personnel liabilities	159	137	16
Total non-current liabilities	1,251	607	106
Project debt	426	225	89
Corporate financing	792	4,207	(81)
Trade payables and other current liabilities	1,307	1,361	(4)
Current tax liabilities	282	316	(11)
Provisions for other liabilities and expenses	19	20	(5)
Liabilities held for sale	1,692	1,345	26
Total current liabilities	4,518	7,474	(40)
Total Shareholders' Equity and Liabilities	3,836	3,830	-

- Equity has increased by 55% to €-1,933 million. This entails a €2,318 million increase in comparison to the €-4,251 million value registered at December 31 of the previous period. This increase in Equity is mainly attributable to the profit for the period that results from the restructuring process described in notes 2.1.1. and 2.1.3., as well as to the increase of non-controlling interest derived from the issuance of convertible notes of 22.5% of Abenewco 1's share capital within the restructuring framework (see Note 2.1.3.).

- Non-current liabilities have increased by 106% to €1,251 million. This entails a €644 million increase in comparison to the €607 million value registered at December 31 of the previous period. This increase in non-current assets is mainly attributable to the implementation of the Group's corporate financial debt restructuring process described above, which has resulted in its terms changing significantly, affecting both its measurement and amortization period, with a special emphasis on the impact on the Old Money debt (see Note 2.1.3.). Under "Project Debt", special emphasis should be placed on the new availability of financing for the Agadir project in Morocco and on the San Antonio Water financing operation as a result of the agreement signed with Algonquin Power & Utilities Corp.

- Current liabilities have decreased by 40% to €4,518 million. This entails a €2,956 million decrease in comparison to the €7,474 million value registered at December 31 of the previous period. This decrease in current liabilities is mainly attributable to the aforementioned restructuring of the Old Money financing and to the amortization of New Money 1 and 3, partially offset by the new bridge financing on A3T Mexico registered as "Liabilities held for sale".

2.2.7. Consolidated Cash Flow Statement

A summary of Abengoa's Consolidated Cash Flow Statement at June 30, 2019 and 2018 with a description of the main cash flows (in millions of euro) appears below:

Item	Balance at 06.30.19	Balance at 06.30.18	Var (%)
Profit for the year from continuing operations	2,233	(76)	3,038
Non-monetary adjustments	(2,147)	145	(1,581)
Variations in working capital	(82)	(88)	7
Taxes and interest received / paid	(66)	(60)	(10)
Discontinued operations	1	16	(94)
A. Net Cash Flows from operating activities	(61)	(63)	3
Intangible assets and property, plant & equipment	(32)	(84)	62
Other investments/disposals	5	580	(99)
Discontinued operations	7	(2)	450
B. Net Cash Flows from investing activities	(20)	494	(104)
Other disposals and repayments	62	(487)	113
Discontinued operations	5	23	(78)
C. Net Cash Flows from financing activities	67	(464)	114
Net increase/(decrease of cash and equivalent	(14)	(33)	5
Cash or equivalent at beginning of year	205	196	5
Translation differences cash or equivalent	1	(1)	200
Cash or equivalent held for sale and discontinued operations	3	4	(25)
Cash and cash equivalent at end of year	195	166	17

- At June 30, 2019, cash outflows from operating activities amount to €61 million compared to the €63 million cash outflow registered in the same period last year. The improvement in cash flows from operating activities occurs after the improvement of EBITDA, partially offset by the outflow of cash for the payment of interest.

- As concerns the cash flows from investment activities, there is a €20 million net cash outflow occurred in the first semester of 2019 as compared with the €494 million net cash inflow from the same period last year. This change in the cash flows from investment activities resulted from the sale of a 25% stake in Atlantica Yield plc in 2018 and of the transmission lines under operation in Brazil.

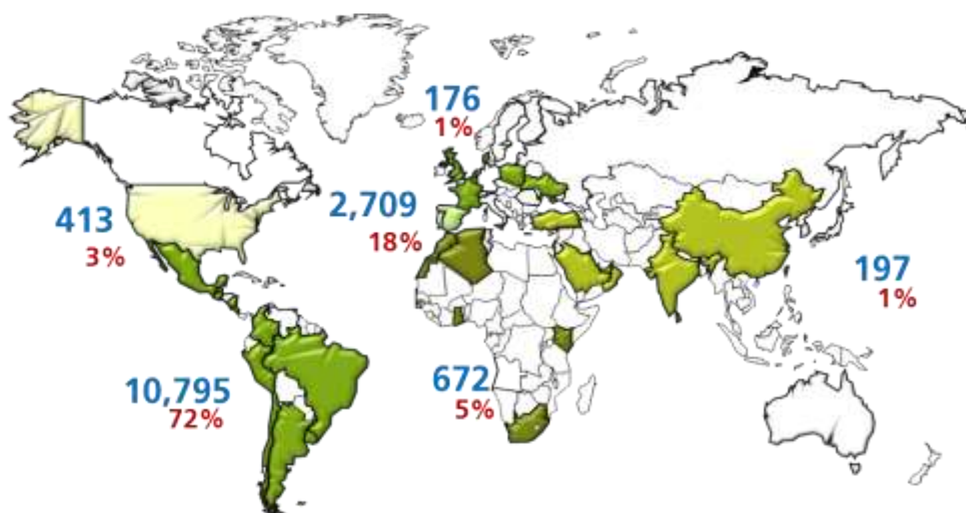
- As for the cash flows from financing activities, a €67 million net cash inflow was registered in the first semester of 2019, compared with the €464 million cash outflow registered in the previous period. This variation in the cash flows from financing activities mainly result from the partial amortization in 2018 of the New Money 1 and 3 debt with the sale of a 25% stake in Atlantica Yield Plc. and of the transmission lines in Brazil. In the period ended June 30, 2019, this item mainly includes the net inflow of the new liquidity facility ("A3T Convertible Note") within the Group's financial restructuring framework, as well as the new availability of financing for the Agadir project in Morocco.

2.2.8. Human resources

Abengoa's workforce is formed by 14,962 people as of June 30, 2019, which is an increase of 5% compared to the end of the previous year (14,226 people).

Geographical distribution of the workforce

The 18% people are located in Spain while the remaining 82% are abroad. The total number of employees as of June 30, 2019 by geographical area, and the relevance over the entire staff is shown below:



Distribution by professional groups

The total number of employees by categories as of June 31, 2019, is as follows:

	Number of employees as of 30.06.2019			Number of employees as of 30.06.2018		
Categories	Female	Male	Total %	Female	Male	Total %
Directors	23	183	1.4	27	218	1.7
Management	124	650	5.2	150	666	5.7
Engineers	445	1,010	9.7	451	1,163	11.3
Assistants and professionals	344	607	6.4	382	692	7.6
Operators	581	10,928	76.9	696	9,727	73.3
Interns	28	39	0.4	19	35	0.4
Total	1,545	13,417	100.0	1,725	12,501	100.0

2.2.9. Main Performance KPIs

Main performance KPI's

Responsible Management Balance Sheet						
Financial Capital	2019 (2Q)	2018 (2Q)	2017 (2Q)	2018 (3)	2017 (3)	2016 (3)
Revenue (M€) (1)	709	552	691	1,303	1,480	1,510
Significant financial support received from goverments (€k)	-	928	3,307	-	4,882	12,031
Natural Capital	**2019 (2Q)**	**2018 (2Q)**	**2017 (2Q)**	**2018**	**2017**	**2016**
Energy						
Energy consumption (GJ) (primary, electrical, thermal)	10,574,730	8,242,592	5,980,091	24,579,329	24,853,762	33,692,874
Energy consumption intensity (GJ) / Sales	14.9	15.0	8.7	18.9	16.8	22.3
Emissions						
Direct emissions (t CO2eq)	308,811	307,872	326,166	738,458	652,332	1,044,098
Direct emissions from biomass (t CO2eq)	394,324	218,376	551,508	1,331,008	1,103,015	2,025,292
Indirect emissions (tCO2eq)	146,843	54,666	157,643	313,746	315,286	418,938
GHG emissions intensity (tCO2eq) / Sales (€k)	1.2	1.1	1.5	1.8	1.4	3.8
Water withdrawal						
Desalinated water produced (m3)	63,536,442	66,539,663	73,222,309	133,079,325	146,444,617	154,690,622
Seawater withdrawal (m3)	157,072,823	162,932,239	178,269,094	324,125,592	356,538,188	336,653,375
Water withdrawn from other sources (m3)	2,753,909	3,446,615	2,924,993	7,687,386	6,351,911	8,648,659
Waste						
Waste	25,248	51,848	16,932	93,462	45,474	41,645
Human capital	**2019 (2Q)**	**2018 (2Q)**	**2017 (2Q)**	**2018**	**2017**	**2016**
Job creation(%)	5.10	2.76	(18.69)	7.88	(21.97)	(31.10)
Total voluntary turnover (%)	4.79	3.45	4.35	7.69	8.69	18.22
Female staff members						
In senior management positions (%)	11.02	11.02	10.13	11.52	10.04	10.38
In middle management positions (%)	16.02	18.38	21.01	17.34	18.24	21.97
Training						
No. of hours of training, per employee	14.55	9.30	8.40	35.69	20.60	6.21
Work-Related Accident Rate (2)						
Frequency rate IFG	6.62	6.16	11.57	7.50	13.31	14.22
Frequency rate IFCB	3.00	2.44	5.19	3.20	0.12	0.23
Severity Rate	0.04	0.05	0.11	0.11	0.12	0.23
No. of fatal accidents	1	-	-	-	-	1
Social and Relationship Capital	**2019 (2Q)**	**2018 (2Q)**	**2017 (2Q)**	**2018**	**2017**	**2016**
Suppliers						
Purchases to local suppliers (%)	78.84	88.01	89.14	77.40	87.30	ND
Compliance	**2019 (2Q)**	**2018 (2Q)**	**2017 (2Q)**	**2018**	**2017**	**2016**
Analyses conducted to meet FCPA compliance	227	191	360	446	539	1,412

(1) Economic figures from de Consolidated Financial Statements.
(2) Own and outsourced staff.
(3) KPIs audited by an independent external auditor.

3.- Anticipated future trends of the group

As explained above and in the Consolidated Financial Statements for the 2018 period, the Company has been working on a new 10-year Viability Plan that, along with the aforementioned Restructuring Agreement, will allow it to lay the foundations to ensure its viability in the short and medium term.

On April 25, 2019, the Company informed on that same date that the Restructuring Effective Date had occurred. Likewise, all the restructuring documents were signed and the operation ended on April 26, 2019 with the issuance of the new instruments.

Subsequently, on June 28, 2019, the Head Judge of Commercial Court No. 3 of Seville issued an order declaring the judicial approval of the Restructuring Agreement and declaring the agreement, as well as the transactions, acts, payments and guarantees resulting from its execution to be non-clawbackable.

All of the above entails a significant milestone for the implementation and completion of the Company's restructuring process - fundamental for the stabilization of its business -, in order to ensure its viability in the short and medium term.

During the first semester of the 2019 period, the Company has been developing the aforesaid 10-Year Viability Plan, meeting the business forecasts and projected cash flows by way of new projects that allow it to meet its business plan, and by actively managing any potential deviation from the key hypotheses, more specifically the divestment plan and the supplier payment plan, for the purposes of minimizing any eventual impact thereon.

At the end of June 2019 the portfolio amounted to €1,806 million.

In addition, the 10-year Viability Plan approved anticipates a portfolio of €1,752 million for 2019 (similar to the one reached in 2018) and of €2,075 million for 2020.

Likewise, Project Execution in the Engineering and Construction segment, which has been projected in €1,151 million for 2019 (similar to that achieved in 2018 which amounted to €1,112 million) and in €1,781 million for 2020, is noteworthy. Said execution counts with associated Ebitda levels which go from 5.1% in 2019 to 6.9% in 2020, ranging from 6.6% to 6.9% throughout the period considered in the Viability Plan.

4.- Financial risk management

Abengoa's activities are undertaken through its operating segments and are exposed to various financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk.

The Risk Management Model used by Abengoa has always attempt to minimize the potential adverse impact of such risks upon the Group's financial performance.

Risk is managed by the Group's Corporate Finance Department, which is responsible for identifying and evaluating financial risks in conjunction with the Group's operating segments, quantifying them by project, region and company, and diversifying the sources of finance in an attempt to prevent concentrations.

Written internal risk management policies exist for global risk management, as well as for specific areas of risk, such as foreign exchange risk, credit risk, interest rate risk, liquidity risk, the use of hedging instruments and derivatives and the investment of cash surpluses.

There are official written management regulations regarding key controls and control procedures for each company and the implementation of these controls is monitored through Internal Audit procedures.

These Consolidated condensed interim financial statements do not include all financial risk management information and disclosures required for annual financial statements, and should be read together with the information included in Note 4 to Abengoa's Consolidated financial statements as of December 31, 2018.

5.- Information on research and development activities

R&D investments during the first semester of 2019 have been null, (€0,3 million as of June 30, 2018), mainly due to the situation of the Company during the year 2019.

6.- Stock exchange evolution

According to data provided by Bolsas y Mercados Españoles (BME), during the first semester of 2019 a total of 1,889,766,568 Class A shares and 37,568,911,926 Class B shares in the company were traded, equivalent to an average daily trading volume of 15,118,133 Class A shares and 300,551,295 Class B shares. The average daily traded cash volume was €0.4 million for Class A shares and €2.8 million for Class B shares.

Share evolution	A Shares		B Shares	
	Total	Daily	Total	Daily
Volume (thousands of shares)	1,889,767	15,118	37,568,912	300,551
Volume (M€)	45.5	0.4	353.9	2.8

Quotes	A Share	Data	B Share	Data
Last	0.0211	28-June	0.0103	28-June
Maximum	0.0300	09-Apr	0.0147	29-Apr
Minimum	0.0142	02-Jan	0.0033	02-Jan

The last price of Abengoa's shares at the end of the first semester of 2019, was €0.0211 for Class A shares, an 45.5% higher than at the end of 2018; and €0.0103 per Class B share, a 202.9% higher than at the end of 2018.

Since its IPO in the Spanish stock exchange on November 29, 1996, the value of the Company has increased by 3%. The selective IBEX-35 index has risen by 97% during the same period.

7.- Information on the purchase of treasury shares

Abengoa, S.A. and its subsidiaries have complied with all legal requirements regarding companies and treasury stock.

The parent company has not pledged its shares in any type of mercantile transaction or legal business, nor are any of Abengoa, S.A. shares held by third parties which could act on its behalf or on behalf of group companies.

It should be noted that potential reciprocal shareholdings established with Group companies are temporary and comply with the requirements of the consolidated text of the Spanish Capital Companies Act.

On November 19, 2007, the company entered into a liquidity agreement for Class A shares with Santander Investment Bolsa, S.V. On January 8, 2013, the company entered into a liquidity agreement for Class A shares with Santander Investment Bolsa, S.V., replacing the initial agreement, in compliance with the conditions established in CNMV Circular 3/2007 of December 19. On November 8, 2012, the company entered into a liquidity agreement for Class B shares with Santander Investment Bolsa, S.V. in compliance with the conditions established in CNMV Circular 3/2007 of December 19. This liquidity agreement for Class B shares was effective on April 21, 2015. On September 28, 2015, has been temporarily suspended the operations under the liquidity agreement that in respect of its Class A shares was entered into by the Company with Santander Investment Bolsa, Sociedad de Valores, S.A.U. on 10 January 2013. On 5 June 2017 the Liquidity Agreement that in respect of its Class A shares has been terminated with because the Company does not have the intention to continue to operate with treasury shares.

As of June 30, 2019 treasury stock amounted to 5,519,106 Class A shares in full.

No operations for the acquisition or disposal of the Company's Class A and/or B Shares have been performed during the first semester of 2019.

8.- Corporate governance

On May 13, 2019, the Board of Directors agreed to call an Ordinary General Shareholders' Meeting to be held at the corporate headquarters, Campus Palmas Altas, in Seville, on June 24, 2019, at 12:00 noon, at first call and, in its case, if not reaching the necessary quorum, in second call, on June 25, 2019 at the same time.

On June 25, 2019, with a quorum of 12.691% of the company's capital stock, the General Meeting of Shareholders of the Company was held on second call, according to the following order of business:

One.- Annual accounts and management of the Board of Directors.

1.1 Examination and approval, as appropriate, of the individual annual financial statements (balance sheet, income statement, statement of changes in equity, the statement of cash flows and explanatory notes) and the individual management report corresponding to 2018 of the company, and the consolidated annual financial statements (consolidated statements of financial position, consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated cash flow statements and notes to the consolidated financial statements) and consolidated management report corresponding to 2018 of its consolidated group.

1.2. Approval of the proposal to distribute the profit/apply the losses from the Company's individual financial statements.

1.3. Approval of the management of the Company during the 2018 period.

Two.- Submission of the Annual Report on the Remuneration of Abengoa's Directors for approval, on a consultation basis.

Three.- Remuneration of the Board of Directors.

Four.- Delegation of powers to the Board of Directors for the interpretation, correction, implementation, formalization and registration of the resolutions adopted.

All the proposed resolutions were adopted by the majorities required by laws and according to the Bylaws.

9.- Dividends

The terms and conditions included in the financial agreements entered into as part of the Restructuring Agreement include a prohibition on the distribution of dividends until all of the new money financing and old money financing is repaid in full. Therefore, we expect that no dividend payments will be made until the amounts owed under the preexisting debt are met. The prohibition on dividends also affects "Abengoa Abenewco 1, S.A.U." ("Abenewco 1"), "Abengoa Abenewco 2 Bis S.A.U." and "Abengoa Abenewco 2, S.A.U." ("Abenewco 2 bis" and "Abenewco 2"), the holding companies recently incorporated by Abengoa in the context of the Group's corporate restructuring. Whilst distribution of dividends within the companies of Abenewco 1's consolidation perimeter are generally permitted, distributions of dividends in favour of the Company, Abenewco 2 and Abenewco 2 bis, and any shareholders thereof are prohibited, except for distributions required to attend scheduled debt service payments and, up to a certain cap, distributions required to attend the Company's general corporate expenses, as well as payments expressly agreed and authorized by creditors.

10.- Relevant events reported to the CNMV

Detail of written communications to the CNMV corresponding to the first semester of 2019 and until this consolidated condensed interim financial statements date:

- Written Communication of 01/15/2019.- Abengoa announces the extension of the accession period for the Lock up Agreement.
- Written Communication of 01/21/2019.- Abengoa announces the extension of the accession period for the Lock up Agreement.
- Written Communication of 01/24/2019.- Abengoa releases its 10 year Viability Plan.
- Written Communication of 01/29/2019.- Abengoa announces occurrence of the Effective Date under the Lock-Up Agreement.
- Written Communication of 01/31/2019.- Abengoa announces the extension of the longstop date of the Lock-up Agreement.

- Written Communication of 02/22/2019.- Abengoa announces Noteholders´ Assemblies and beginning of accession period of New Money 2, Senior Old Money and Junior Old Money instruments.
- Written Communication of 02/26/2019.- Abengoa announces changes in the Appointments and Remunerations Committee.
- Written Communication of 02/26/2019.- Abengoa presents 2018 results.
- Written Communication of 02/26/2019.- Abengoa will present the 2018 results in a conference call.
- Written Communication of 02/27/2019.- Abengoa announces an Extraordinary General Shareholders' Meeting.
- Written Communication of 02/27/2019.- 2018 Results Presentation.
- Written Communication of 03/11/2019.- Abengoa announces the execution of the Restructuring Agreement and the beginning of the accession period.
- Written Communication of 03/14/2019.- Abengoa announces the extension of the termination date of the Lock-up Agreement.
- Written Communication of 03/14/2019.- Abengoa will hold an investors´ call to update on the financial restructuring process.
- Written Communication of 03/20/2019.- Financial Restructuring Status Update.
- Written Communication of 03/26/2019.- Abengoa announces results of noteholders´ meeting of new money 2.
- Written Communication of 03/26/2019.- Abengoa announces results of noteholders´ meeting of senior old money.
- Written Communication of 03/26/2019.- Abengoa announces results of noteholders´ meeting of junior old money.
- Written Communication of 03/28/2019.- Abengoa announces resolutions passed in the Extraordinary Shareholders Meeting held today.
- Written Communication of 03/29/2019.- Abengoa announces results following the end of the accession period to the Restructuring Agreement.
- Written Communication of 03/31/2019.- Abengoa announces the extension of the longstop date for completing the Restructuring.
- Written Communication of 04/12/2019.- Abengoa announces the extension of the longstop date for completing the restructuring.
- Written Communication of 04/25/2019.- Abengoa announces the extension of the longstop date for completing the Restructuring.
- Written Communication of 04/25/2019.- Abengoa announces the occurrence of the Effective Date under the Restructuring Agreement and the execution of all Restructuring Documents.
- Written Communication of 04/26/2019.- Abengoa announces completion of its Restructuring.
- Written Communication of 04/30/2019.- Abengoa announces the Stalowa Wola arbitration award.
- Written Communication of 05/09/2019.- Abengoa announces the listing of the instruments issued as part of the restructuring.
- Written Communication of 05/13/2019.- Abengoa announces start of works of the Taweelah plant.
- Written Communication of 05/13/2019.- Abengoa presents 2019 first quarter results.
- Written Communication of 05/13/2019.- Abengoa will present the 2019 first quarter results in a conference call.
- Written Communication of 05/14/2019.- Q1 2019 Results Presentation.
- Written Communication of 05/16/2019.- Abengoa calls its 2019 General Shareholders´ Meeting.
- Written Communication of 06/25/2019.- Abengoa announces the resolutions passed at the GSM 2019.
- Written Communication of 07/01/2019.- Abengoa announces the judicial homologation of the restructuring agreement.
- Written Communication of 08/28/2019.- Abengoa informs about the arbitral proceedings against Ketraco.
- Written Communication of 09/17/2019.- Abengoa informs about a waiver request sent to its creditors.

11.- Alternative performance measures

Abengoa presents the Income Statement in accordance to the International Financial Reporting Standards (IFRS). Additionally, uses some alternative performance measures (APMs) to provide additional information to assist the comparison and comprehension of the financial information, facilitate decision-making and the assessment of group´s performance.

The most significant APM are the following:

- EBITDA;
  - Definition: operating profit + amortization and charges due to impairments, provisions and amortizations.
  - Reconciliation: the Company presents the EBITDA calculation in section 2 of this Consolidated condensed management´s report and Note 5 to the Consolidated condensed interim financial statements.
  - Explanation of use: EBITDA is considered by the Company as a measure of performance of its activity given that provides an analysis of the operating results (excluding depreciation and amortization, which do not represent cash) as an approximation of the operating cash flows that reflects the cash generating before variations in working capital. Additionally, EBITDA is an indicator widely used by investors when valuing corporations, as well as by rating agencies and creditors to assess the indebtedness comparing EBITDA with Net Debt.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate EBITDA is the same than the used the previous year.
- Operating margin;
  - Definition: EBITDA / revenue.
  - Reconciliation: the Company presents the operating margin calculation in section 2 of this Consolidated condensed management´s report.
  - Explanation of use: operating margin is a measure of business profitability itself before the amortization, impairment, financial results and taxes impact. It measures the monetary units earned per units sold.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the operating margin is the same than the used the previous year.
- Net corporate debt;
  - Definition: corporate financing – cash and cash equivalents (excluding project companies) – current financial investments (excluding project companies).
  - Reconciliation: the Company presents the net corporate debt calculation in section 2 of this Consolidated condensed management´s report.
  - Explanation of use: net corporate debt is a financial indicator which measures the indebtedness position of a company at a corporate level. Additionally, it is an indicator widely used by investors when valuing the financial indebtedness of a company, as well as by rating agencies and creditors when valuing the level of indebtedness.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the net corporate debt is the same than the used the previous year.
- Net cash provided by operating activities;
  - Definition: variations in cash arisen as the difference between collections and payments caused by trade transactions in the Group during the period.
  - Reconciliation: the Company presents the Net Cash Provided by Operating Activities calculation in the Cash flow statement in the Consolidated condensed financial statements and in section 2 of this Consolidated condensed management´s report.
  - Explanation of use: net cash provided by operating activities is a financial indicator which measures the cash generation of business itself during the period.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the net cash provided by operating activities is the same than the used the previous year.

- Net cash used in investing activities;
  - Definition: variations in cash arisen as the difference between collections and payments caused by divestment and investment transactions in the Group during the period.
  - Reconciliation: the Company presents the Net Cash Used in Investing Activities calculation in the Cash flow statement in the Consolidated condensed financial statements and in section 2 of this Consolidated condensed management´s report.
  - Explanation of use: net cash used in investing activities is a financial indicator which measures the investing effort of the Company in a period net of divestments in the Company during the period.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the Net Cash Used in Investing Activities is the same than the used the previous year.
- Net cash provided by financing activities;
  - Definition: variations in cash arisen as the difference between collections and payments caused by financing transactions in the Group during the period.
  - Reconciliation: the Company presents the Net Cash Provided by Financing Activities calculation in the Cash Flow Statement in the Consolidated condensed financial statements and in section 2 of this Consolidated condensed management´s report.
  - Explanation of use: net cash provided by financing activities is a financial indicator which measures both the cash generated from new financing closed during the period and the use of cash in the same period to repay its financial creditors (financial entities, investors, partners and shareholders).
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the net cash provided by financing activities is the same than the used the previous year.
- Earnings per share (EPS);
  - Definition: profit for the year attributable to the parent company / number of ordinary shares outstanding.
  - Reconciliation: the Company presents the EPS calculation in the Consolidated income statement and in the Note 25 to of the Consolidated condensed interim financial statements.
  - Explanation of use: earning per share is a financial indicator which measures the portion of profit that corresponds to each share of the Company. It is an indicator widely used by investors when valuing the performance of a Company.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the earnings per share is the same than used the previous year.
- Market capitalization;
  - Definition: number of shares at the end of the period x quote at the end of the period.
  - Reconciliation: the Company presents the market capitalization in the section 2 of this Consolidated condensed management´s report.
  - Explanation of use: market capitalization is a financial indicator to measure the size of a Company. It is the total market value of a company.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the market capitalization is the same than the used the previous year.
- Backlog
  - Definition: value of construction contracts awarded and pending to execute.
  - Reconciliation: the Company presents the backlog in the section 2 of this Consolidated condensed management´s report.
  - Explanation of use: backlog is a financial indicator which measures the capacity of future revenue generation of the Company.
  - Comparative: the Company presents comparative information with the previous period.
  - Consistency: the standard used to calculate the backlog is the same than the used the previous year.

- Contracting:
  - Definition: value of the construction contracts awarded and signed during the period.
  - Reconciliation: the Company has presented the calculation of the portfolio in section 2 of this Consolidated condensed management Report.
  - Explanation of use: Contracting is a financial indicator that measures the Company's capacity to generate future income.
  - Comparative: the Company has presented a comparison with the previous period.
  - Consistency: the criteria followed to calculate the portfolio is the same as the one used in the Company's management systems.

12.- Subsequent events

After-closure of June 30, 2019, no events have occurred that might significantly influence the financial information detailed in this report, nor has there been any event of significance to the Group as a whole.