

In the event of a discrepancy or inconsistency between the Spanish and English language versions of this report, the Spanish language version will prevail.

Abengoa, S.A.

Special report on the issue of warrants in accordance with the provisions of article 414.2 of the Corporate Enterprises Act

Madrid, 19 October 2016

SPECIAL REPORT ON THE ISSUE OF WARRANTS IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 414.2 OF THE CORPORATE ENTERPRISES ACT

To the Shareholders of **Abengoa, S.A.**

For the purposes set out in article 414.2 of the Corporate Enterprises Act (hereinafter, "CEA") and in accordance with the assignment received from Abengoa, S.A. (hereinafter, "Abengoa" or the "Company"), by appointment made by the Commercial Registrar number III of Seville, Mr. Juan Ignacio Madrid Alonso, under his dossier number 54/16, we issue the following Special Report on the proposed issue of warrants and the corresponding increase of share capital (hereinafter, the "Operation"), accompanied by the attached Report from the Company's Board of Directors (hereinafter, the "Report from the Board of Directors"), which are placed at the disposal of the Company's shareholders.

The Operation forms part of the process of restructuring the financial debt and recapitalisation of the group of companies headed by Abengoa (hereinafter, the "Abengoa Group"), a group of investors and a group of creditors that includes, amongst others, financial institutions and holders of debt securities issued by companies of the Abengoa Group (hereinafter, the "Restructuring Agreement"). As part of the commitments assumed, existing shareholders of the Company on the day immediately before the date on which the agreements to increase the share capital are executed will be entitled to receive warrants from Abengoa (hereinafter, the "Warrants"), which will allow them, once certain conditions laid down in the Restructuring Agreement have been met, to subscribe a number of new shares (A and B shares) of the Company equivalent to 5% of the Abengoa's total share capital resulting from the execution of the aforementioned increases of capital.

The number of Warrants to be issued is of 83,187,446 class A and 858,584,506 class B. Notwithstanding, the aforementioned numbers of Warrants may be modified in a number equal to the number of class A shares issued and outstanding that had been converted into class B shares. In addition, the number of class B Warrants may be increased by the number of class B shares resulting from Abengoa's share capital increases in order to meet the requests for the conversion of bonds issued by the Company in class B shares.

The subscription price of the new class A and class B shares in the Company when the rights incorporated into the Warrants are exercised will be the same as their respective face values of 0.02 euros and 0.0002 euros each, without a share premium. The Company's share capital is to increase in the amount necessary for the rights attached to the Warrants to be exercised and will total a maximum foreseen effective increase in capital of 1,835,465.83 euros, through the issue of up to a maximum of 83,187,446 new class A shares and a maximum of 858,584,506 new class B shares. In the event that the integration of the class A and class B shares of the Company, issued and outstanding, into a new and unique class of ordinary shares of Abengoa takes place, it will proceed to adjust the number of shares that may be subscribed in the exercise of the Warrants.

The purpose of our work is not that of certifying the price of issue or conversion of the Warrants, but exclusively to state, from the application of the procedures set out in the Technical Standard issued by the Institute of Accounting and Account Audits in connection with the preparation of this type of special reports relating to the provisions of article 414.2 of the CEA (hereinafter, the "Technical Standard"), whether the report formulated and approved by the Company's Board of Directors, in the meetings held on 10th and 17th October 2016, contains the required information, as set out in the aforementioned Technical Standard, which includes the explanation of the bases and forms relating to the conversion.

In accordance with article 414.2 and the Technical Standard, the procedures applied in order to carry out our work were the following:

- a. Obtaining and analysing the following information:
 - Document requesting the appointment of an auditor for preparing the special report filed on 19 May 2016 by Abengoa with the Seville's Commercial Registry.
 - Appointment made by the Commercial Registrar number III of Seville of BDO Auditores, S.L.P., dated 30 June 2016, for the preparation of the mandatory special report.
 - Report from the Board of Directors in connection with the emission of Warrants over the Company's shares and corresponding increase in capital, formulated and approved in the meetings held on 10th and 17th October 2016.
 - The Company's consolidated annual accounts along with the audit report for the financial year ended 31 December 2015 and issued by Deloitte, S.L.P. on 20 April 2016.
 - The Company's consolidated interim financial statements, not audited, at 30 September 2016.
 - Minutes of the Company's Shareholders' Meetings and of the meetings of the Board of Directors held 1 January 2015 until the date of this report.
 - Information and explanations from the Company's Management relating to subsequent events.
 - Other information considered to be of interest for the performance of our work.
- b. Meetings held with the Company's Management of the Company and its advisers for the purpose of gathering other information considered to be of use in the performance of our work.
- c. Evaluation as to whether the Directors' Report contains the information considered to be necessary and sufficient for its adequate interpretation and understanding by its addressees.
- d. Confirmation that the conversion price for the warrants over shares is not below the nominal value of the shares for which they have to be converted, which is 0.02 euros per class A share and 0.0002 euros per class B share at the date of this report.
- e. Verification of the calculations used in determining the bases and forms of Warrants conversion into shares.

- f. Verification that the accounting information contained in the Report from the Board of Directors concurs, if applicable, with the Company's accounting data that served as a basis for preparing its audited annual accounts.
- g. Verification that mention is made in the Report from Board of Directors of any material subsequent events that might affect the issue of the Warrants.
- h. Obtaining a letter signed by the Company's Management in which it confirms to us that we have been provided with all the information necessary for preparing our report, as well as confirming that there have been no subsequent events between 31 December 2015 and the date of our report that have not been notified to us and which could have a significant effect on the results of our work.

With regard to the procedures applied we should mention that certain aspects of our work implicitly involve, in addition to objective factors, others that imply judgement and working hypotheses, for which reason it is not possible to ensure that third parties will necessarily be in agreement with the interpretation and opinions expressed in this report

Based on the work performed and with the scope described in the above paragraphs, we conclude that the attached Report drawn up by the Board of Directors of Abengoa, S.A. in connection with the proposed issue of warrants and corresponding increase in capital, contains the required information as set out in the Technical Standard relating to the preparation of special reports in accordance with the provisions of article 414.2 of the CEA.

This special report has been prepared exclusively for compliance with the provisions of article 414.2 of the CEA, and so it may not be used for any other purpose

BDO Auditores, S.L.P.

Marino Sánchez-Cid
Partner - Auditor
Madrid, 19 October 2016



Special report on the issue of warrants in accordance with the provisions of article 414.2 of the Corporate Enterprises Act 4

APPENDIX:

**REPORT FROM THE BOARD OF DIRECTORS OF ABENGOA, S.A. ON THE ISSUE OF WARRANTS
AND THE CORRESPONDING INCREASE OF SHARE CAPITAL**



www.bdo.es
www.bdointernational.com

BDO Auditores S.L.P., a Spanish limited company, is a member of BDO International Limited, a company limited by guarantee in the United Kingdom and forms part of the BDO international network of associated independent firms.

BDO is the trade mark for the BDO network and for all of its member firms.