



HOULIHAN LOKEY
INVESTMENT BANKING SERVICES



Project Seville

All Noteholders Call – Discussion Materials

CORPORATE FINANCE
FINANCIAL ADVISORY SERVICES
FINANCIAL RESTRUCTURING
STRATEGIC CONSULTING

HL.com

***** DRAFT (18-March-2016) *****
Work In Progress

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Confidential

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Standstill

- A Standstill Accession Notice (SAN) is being circulated through the clearing systems. If you have not received it yet, please contact your custodian, Lucid or HL
- Only those bondholders holding Notes on the Record Date will be entitled to vote
- Record Date: 5:00 p.m. (CET) on 18 March 2016 (in respect of the Euroclear/Clearstream Notes) and 5:00 p.m. (EST) on 18 March 2016 (in respect of Depository Trust Company (DTC) Notes)
- The invitation to vote expires at **12:00 p.m. (CET) on 23 March 2016**
- Voting mechanics depends on the issuance (please follow instructions contained in the SAN):
 - Abengoa's €500,000,000 8.50 per cent. Notes due 2016 (of which all remain outstanding) (ISIN: XS0498817542): Electronic Instructions
 - Abengoa's €250,000,000 4.50% Senior Unsecured Convertible Notes due 2017 (ISIN: XS0481758307): Electronic Instructions
 - Abengoa's €400,000,000 6.25% Senior Unsecured Convertible Notes due 2019 (Rule 144A Notes ISIN: XS0875624925; Regulation S Notes ISIN: XS0875275819): Electronic Instructions
 - Abengoa's US\$279,000,000 5.125% Exchangeable Notes due 2017 (Rule 144A Notes ISIN: US00289RAD44, CUSIP: 00289RAD4; Regulation S Notes ISIN: XS1196424698): Electronic Instructions and/or Sub-Proxy
 - Abengoa Finance's US\$650,000,000 8.875% guaranteed Senior Notes due 2017 (Rule 144A Notes ISIN: US00289RAA05, CUSIP: 00289RAA0; Regulation S Notes ISIN: USE0002VAC84, CUSIP: E0002VAC8): Sub-Proxy
 - Abengoa Finance's €550,000,000 8.875% guaranteed Senior Notes due 2018 (Rule 144A Notes ISIN: XS0882238024; Regulation S Notes ISIN: XS0882237729): Electronic Instructions
 - Abengoa Greenfield's €265,000,000 5.500% guaranteed Senior Notes due 2019 (Rule 144A Notes ISIN: XS1113024563; Regulation S Notes ISIN: XS1113021031): Electronic Instructions
 - Abengoa Greenfield's US\$300,000,000 6.500% guaranteed Senior Notes due 2019 (Rule 144A Notes ISIN: US00289WAA99, CUSIP: 00289WAA9; Regulation S Notes ISIN: USE00020AA01, CUSIP: E00020AA0): Sub-Proxy
 - Abengoa Finance's US\$450,000,000 7.750% guaranteed Senior Notes due 2020 (Rule 144A Notes ISIN: US00289VAB99, CUSIP: 00289VAB9; Regulation S Notes ISIN: USE0000TAE13, CUSIP: E0000TAE1): Sub-Proxy
 - Abengoa Finance's €375,000,000 7.000% guaranteed Senior Notes due 2020 (Rule 144A Notes ISIN: XS1219439137; Regulation S Notes ISIN: XS1219438592): Electronic Instructions
 - Abengoa Finance's €500,000,000 6.000% guaranteed Senior Notes due 2021 (of which all remain outstanding) (Rule 144A Notes ISIN: XS1048658105; Regulation S Notes ISIN: XS1048657800): Electronic Instructions
- Questions in connection with voting process may be directed to Lucid Issuer Services Limited (as Tabulation Agent) on +44 (0) 20 7704 0880 or by e-mail at abengoa@lucid-is.com
- Please consider carefully the instructions contained in the SAN

Summary of the Key Terms

	Form	Amount	Cost / Fees	Equity	Maturity	
New Money	New Money Facility	■ Bond / Loan	■ €1,500m ⁽¹⁾	<ul style="list-style-type: none"> ■ Drawn: 5% cash / 9% PIK ■ Undrawn: 0.75% ticking fee per month⁽²⁾ ■ 4% upfront fee (OID)⁽³⁾ 	■ 55%	■ 5 years
	Roll Over Money	■ Loan	■ €285m ⁽⁴⁾	■ E+5% cash	■ No equity	■ 2 years
	New Bonding and Roll Over Bonding	■ Bonding Lines	■ €800m	<ul style="list-style-type: none"> ■ 5% cash ■ 1% commitment fee 	■ 5%	■ 5 years
Old Debt Impaired	Senior Old Debt	■ Bond / Loan	■ €2,336m – €Xm ⁽⁵⁾	■ 0.25% cash / 1.25% PIK	■ 35% - Y ⁽⁶⁾	■ 5.5 years
	Junior Old Debt	■ Bond / Loan	■ €Xm ⁽⁵⁾	■ 0.25% cash / 1.25% PIK	■ Y ⁽⁶⁾	■ 5.5 years
Old Debt Unimpaired ⁽⁷⁾	Local Debt Unimpaired	■ Various	■ €[437]m	■ Current terms	■ No equity	■ Current terms
	NRDP Unimpaired	■ Various	■ €[363]m	■ Current terms	■ No equity	■ Current terms
	Old Bonding Lines	■ Bonding Lines	■ €[1,696]m	■ Current terms	■ No equity	■ Current terms

Note:

- (1) Quantum to be adjusted to reflect (i) amounts of bonding lines committed at completion and (ii) disposal of certain projects
- (2) Fee payable at the earlier of draw down or cancellation
- (3) Part will be structured as early bird based on a timeline which will be distributed on week of 21 March 2016
- (4) €125m September facility and €106m December facility plus costs and accrued interest
- (5) Amount for the Junior Old Debt TBD based on elevation mechanism
- (6) The equity for the Old Debt will be split prorata between the Senior and the Junior Old Debt
- (7) Excludes project debt

Participation / Elevation

Participation on New Money

- Pre restructuring creditors will be given priority to participate on New Money and New Bonding
- Allocation of New Money:
 - Pre restructuring creditors will have priority allocations of the New Money up to their pro rata participation in the Old Debt
 - Any amount not filled with the pro rata participations of pre restructuring creditors will be allocated to (i) anchor investors, (ii) pre restructuring creditors for any amount in excess of their pro rata and (iii) third parties who have provided firm commitments before [TBD]
- Existing creditors are encouraged to participate on the New Money and New Bonding Amounts and will benefit from the elevation mechanism
- Process timeline for overall restructuring and new money process to be distributed early next week

Elevation

- Old Debt of pre restructuring creditors who participate on the New Money, Roll Over Money and New Bonding Amount (the “Participation”) pro rata to their holdings of all Old Debt will be elevated to Senior Old Debt. All other old debt will be Junior Old Debt
- For each €100 of face amount of pre restructuring debt creditors need a Participation of €[33-36]⁽¹⁾ to ensure all of their Old Debt is elevated to Senior Old Debt

Note:

(1) Final amount pending confirmation

New Money Facility

Main Considerations	
General	<ul style="list-style-type: none"> ■ New money injection of €1,500m⁽¹⁾ to fund ongoing projects, SG&A, restructuring costs and other one-off costs
Utilization	<ul style="list-style-type: none"> ■ Drawing conditions based on certain milestones ■ New Money Facility will be reduced further by the proceeds from project finance raised for projects currently not contemplated in the Viability Plan ■ Undrawn amount can be cancelled by the company at any time at par. Must be drawn or cancelled before month 12
Amortization	<ul style="list-style-type: none"> ■ 5 years maturity ■ 2.5% amortisation at year 3, 2.5% amortisation at year 4 and 95% at year 5
Mandatory Prepayment⁽²⁾	<ul style="list-style-type: none"> ■ 90% of any proceeds⁽³⁾ from disposals (or recap) of A3T ■ 100% of the proceeds less amounts payable to the Roll Over Money of disposal of ABY (or issuance of an ABY exchangeable) ■ 70% of any proceeds⁽³⁾ from disposals (or recap) of the remaining assets of the existing backlog
Cost / Fees	<ul style="list-style-type: none"> ■ Drawn amount: 5.0% cash coupon + 9.0% PIK coupon ■ Undrawn amount: 0.75% ticking fee per month payable at the earlier of draw down or cancellation ■ 4.0% upfront fee (OID), part will be structured as an early bird fee
Seniority	<ul style="list-style-type: none"> ■ First ranking security (except over certain ABY shares outstanding collateralising the Roll Over Money) ■ Senior to Old Debt and pari passu with Roll Over Money ■ Senior to all other claims with regards to the New Money Priority Collateral⁽⁴⁾ (except the Bonding Lines specifically related to the assets which constitute the New Money Priority Collateral)
Covenants / Call Protection	<ul style="list-style-type: none"> ■ Customary intercreditor and standstill protections ■ Covenants based on a new business plan (tighter headroom than Old Debt) ■ 5NC2 on drawn amount ■ 105% on mandatory prepayment on years 1 and 2 and par thereafter
Equity	<ul style="list-style-type: none"> ■ 55.0% of post reorg equity
Structure	<ul style="list-style-type: none"> ■ Bond (potentially also loan)

Note:

- (1) Quantum to be adjusted to reflect (i) amounts of bonding lines committed at completion and (ii) disposal of certain projects
- (2) If there is no event of default for the New Money
- (3) If the proceeds from the disposal or recap are reinvested on another asset a lien over that asset for the amount of the investment will be created
- (4) New Money Priority Collateral will be at completion A3T or ABY shares not collateralising the Roll Over Money and any assets financed with the proceeds of a sale or refinancing thereof

Roll Over Money

Main Considerations	
General	<ul style="list-style-type: none"> ■ €125m September facility and €106m December facility plus costs and accrued interest rolled over as part of the restructuring into the Roll Over Money amounting €285m ■ Security on the shares of ABY at a 100% LTV
Amortization	<ul style="list-style-type: none"> ■ 2 years maturity
Mandatory Prepayment	<ul style="list-style-type: none"> ■ Redeemable at par in full and in priority to the New Money Facility from the proceeds of any future ABY exchangeable bond and / or disposal of ABY shares
Cost / Fees	<ul style="list-style-type: none"> ■ E + 5.0% cash
Seniority	<ul style="list-style-type: none"> ■ First ranking security over ABY such that at completion LTV is 100% ■ Pari passu with New Money Facility
Call Protection	<ul style="list-style-type: none"> ■ N/A. Redeemable at par at any time
Equity	<ul style="list-style-type: none"> ■ No equity

Main Considerations	
General	<ul style="list-style-type: none"> ■ New unsecured facility of €2,236m resulting from the debt and contingent liabilities subject to the restructuring after the equitization of 70% of the face value ■ Old Debt split in: (1) Senior Old Debt and (2) Junior Old Debt based on elevation mechanism
Amortization	<ul style="list-style-type: none"> ■ 2.5% amortisation at year 3, 2.5% amortisation at year 4 and 95% amortisation at maturity in year 5.5
Mandatory Prepayment	<ul style="list-style-type: none"> ■ Only applicable if New Money is not in default ■ Applies first to Senior Old Debt until fully repaid ■ 10% of any proceeds from disposals (or recap) of A3T ■ 30% of any proceeds from disposals (or recap) of the remaining assets of the existing backlog
Cost / Fees	<ul style="list-style-type: none"> ■ 25bps cash + 1.25% Pay If You Can (PIYC)
Seniority	<ul style="list-style-type: none"> ■ Unsecured ■ Subordinated to the New Money
Covenants / Call Protection	<ul style="list-style-type: none"> ■ Covenants based on a new business plan (wider headroom than New Money). Temporary covenants based on KPMG's sensitised case with initial covenant holiday ■ Customary protections; Customary intercreditor and standstill for secured /unsecured debt
Equity	<ul style="list-style-type: none"> ■ 35.0% of post reorg equity

New Bonding and Roll Over Bonding

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Main Considerations	
General	<ul style="list-style-type: none"> ■ New Bonding will include, bonding lines that expire in the first 18 months and that will be extended (or “Roll Over Bonding”) and actual new bonding lines (New Bonding Amount) to total €800m
Cost / Fees	<ul style="list-style-type: none"> ■ 5% cash ■ 1.0% arrangement / commitment fee calculated on the committed amount
Cancellation	<ul style="list-style-type: none"> ■ No cancellation fees
Commitment	<ul style="list-style-type: none"> ■ 5 years committed
Seniority	<ul style="list-style-type: none"> ■ All New Bonding and Roll Over Bonding will be contractually senior to New Money Facility except to ABY and A3T ■ Existing bonding providers who participate on their pro-rata on the New Bonding will have their existing bonding lines related to projects which at completion have not been called on and are not expected to be called treated pari passu to New Bonding
Equity	<ul style="list-style-type: none"> ■ 5% of post reorg equity

Main Considerations	
General	<ul style="list-style-type: none">■ 55% to New Money Facility■ 35% to Old Debt■ 5% to New Bonding■ 5% to Old Equity plus 5% warrants conditioned to full repayment of New Debt, Roll Over Debt and Old Debt (all plus interests costs and fees) struck at par with a 5.5 year maturity
Listing	<ul style="list-style-type: none">■ Dual share structure to be collapsed but listing to be maintained
Governance	<ul style="list-style-type: none">■ Corporate governance to be enhanced to international best practices to represent new shareholders■ New board to present a New Business Plan within 6 months of completion

Summary Early Repayment and Security

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	Early Repayment	Security
Roll Over ABY Shares	<ul style="list-style-type: none"> 100% to Roll Over Money 	<ul style="list-style-type: none"> 1st: Roll Over Money 2nd: New Money 3rd: New Money Bonding and Roll Over Bonding
Remaining ABY Shares	<ul style="list-style-type: none"> 100% to New Money 	<ul style="list-style-type: none"> 1st: New Money 2nd: New Money Bonding and Roll Over Bonding
A3T	<ul style="list-style-type: none"> 90% to New Money 10% to Old Debt 	<ul style="list-style-type: none"> 1st: New Money 2nd: New Money Bonding and Roll Over Bonding
Remaining Backlog	<ul style="list-style-type: none"> 70% to New Money 30% to Old Debt 	<ul style="list-style-type: none"> 1st: New Money Bonding and Roll Over Bonding 2nd: New Money
New Business	<ul style="list-style-type: none"> 100% to New Money 	<ul style="list-style-type: none"> 1st: New Money Bonding and Roll Over Bonding 2nd: New Money

Pre-Post Capital Structure

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Under the proposal all debt claims (regardless of issuer, maturity or guarantees) subject to the restructuring receive the same package of Old Debt and participation rights on the New Money

Pre and Post Capital Structure (€m)⁽¹⁾

	Restructuring Perimeter			Outside Restructuring Perimeter		Post Restructuring Debt Balance	A + B
	Pre Restructuring Debt Balance (€m)	Subject To Restructuring	Adjustment	Post Restruct. Debt	Unimpaired		
Super Senior Debt				A	B		
New Money - Cash						1,329.2	
New Money - Rolled Over						170.8	3
New Money	-	-	-	-	-	1,500.0	
Roll Over Facility						285.0	1 2
Subtotal	-	-	-	-	-	1,785.0	
Corporate Financing - Loans							
Syndicated Loan (Tranche A)	690.6	690.6	(483.4)	207.2	-	207.2	
Liquidity Line Sep 15	149.3	-	-	-	-	-	
New Money Dec 15	135.7	-	-	-	-	-	
New Money Mar 16	170.8	-	-	-	-	-	
Other Corporate Financing	1,406.7	1,173.8	(821.6)	352.1	233.0	585.1	
Subtotal	2,553.1	1,864.4	(1,305.1)	559.3	233.0	792.3	
Bonds							
Abengoa convertible bonds	167.3	167.3	(117.1)	50.2	-	50.2	
Abengoa ordinary bonds	2,937.7	2,937.7	(2,056.4)	881.3	-	881.3	
Subtotal	3,105.0	3,105.0	(2,173.5)	931.5	-	931.5	
Corporate Financing - CPs							
Abengoa México Certificates (Cebures)	111.4	-	-	-	111.4	111.4	
ECP program	56.7	56.7	(39.7)	17.0	-	17.0	
Subtotal	168.2	56.7	(39.7)	17.0	111.4	128.4	
Total Corporate Financing	5,826.3	5,026.1	(3,518.3)	1,507.8	344.4	3,637.2	
Non-Recourse Debt in Process							
NRDP - Syndicated Loan (Tranche B)	696.3	696.3	(487.4)	208.9	-	208.9	
NRDP - Greenbond	544.8	544.8	(381.4)	163.4	-	163.4	
ABY Margin Loan	135.7	-	-	-	-	-	
UBS Loan	311.3	311.3	(217.9)	93.4	-	93.4	
Talos Capital	128.9	128.9	(90.2)	38.7	-	38.7	
Bilaterals	42.1	42.1	(29.5)	12.6	-	12.6	
Project Specific Bridge Loans	708.5	309.8	(216.8)	92.9	363.0	456.0	
Subtotal	2,567.6	2,033.1	(1,423.2)	609.9	363.0	973.0	
Total Guaranteed Debt	8,393.9	7,059.2	(4,941.5)	2,117.8	707.4	4,610.2	
Other (Project Debt)							
Project Finance ⁽²⁾	1,020.5	-	-	-	135.5	135.5	
Total Debt (ex. WC Facilities & Derivatives)	9,414.4	7,059.2	(4,941.5)	2,117.8	842.9	4,745.7	
Derivatives	113.1	113.1	(79.2)	33.9	-	33.9	
Total Debt (ex. WC Facilities)	9,527.5	7,172.3	(5,020.6)	2,151.7	842.9	4,779.6	
Confirming Lines	822.5	615.2	(430.6)	184.5	92.2	276.7	
Total Debt	10,350.0	7,787.5	(5,451.2)	2,336.2	935.1	5,056.3	
Bonding Lines	1,669.0	-	-	-	n.a.	n.a.	n.a.
Super Senior New Bonding Lines						800.0	

- Rolled Over
- ★ Repaid or Rolled Over

Source: Company Debt Map

Note:

- (1) Excludes Parent Guarantees
(2) Pre Restructuring Debt Balance amount does not include project finance held for sale