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

**Sectors**

**Energy**
- Power transmission
- Solar
- Cogeneration
- Biofuels

20 MW CSP Tower (Seville, Spain)

**Environment**
- Desalination
- Industrial waste recycling

200,000 m³/day desalination plant. (Honnaine, Algeria)

**Geographies**

**Revenues (%)**
- Spain: 24%
- Brazil: 18%
- United States: 18%
- Rest of Europe: 24%
- Rest of Latin America: 10%
- Asia and Oceania: 5%
- Africa: 1%

**Personnel**

A total of 22,960 people

Note: figures as at September 2011.
Water Scarcity worldwide and a significant increase in urban population highlight the necessity for new sources of water to provided drinking water to the Cities, in the coastal areas the most effective solution is desalination.
Abengoa Water mission is the Development & Promotion of Water Treatment Plant under Concession. Abengoa has a strong experience in concession of desalination plants, with currently 6 projects in DBOOT in the world.

<table>
<thead>
<tr>
<th>Location</th>
<th>Capacity</th>
<th>Technology</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skikda (Algeria)</td>
<td>100,000 m³/d</td>
<td>SWRO</td>
<td>Algeria</td>
</tr>
<tr>
<td>Chennai (India)</td>
<td>100,000 m³/d</td>
<td>SWRO</td>
<td>India</td>
</tr>
<tr>
<td>Honaine (Algeria)</td>
<td>200,000 m³/d</td>
<td>SWRO</td>
<td>Algeria</td>
</tr>
<tr>
<td>Qingdao (China)</td>
<td>100,000 m³/d</td>
<td>SWRO</td>
<td>China</td>
</tr>
<tr>
<td>Ténès (Algeria)</td>
<td>200,000 m³/d</td>
<td>SWRO</td>
<td>Algeria</td>
</tr>
<tr>
<td>Nungua (Accra)</td>
<td>60,000 m³/d</td>
<td>SWRO</td>
<td>Ghana</td>
</tr>
</tbody>
</table>

Abengoa Water develops projects that gives the required security to the financial investors and equity partners, with Abengoa ensuring the technical risk. EPC and O&M contractors are Abengoa’s companies. The client (off taker) shall guarantee the demand and commercial risks.
Relevant cases:

- Chennai Desalination Plant (India)
- Quingdao Desalination Plant (China)
What does make this project feasible?

- Water Purchase Agreement with Chennai Municipal Water Company (Chennai Metropolitan Water SSB) to supply water to Chennai City
- Equity provided by Abengoa and Local Partner
- Municipality provided a scrow accounts with the end users payments that secures the revenues of the project
- State Support Agreement of the Government of Tamil Nadul
- Finance with Indian Banks familiar with the State Risk
- Technical Risk assumed by Abengoa.

Desalination plant 100 MLD Drinking Water. BOT.
Inversión: 107,7 Eur
EPC: 82,2m Euros
O&M period: 25 years
Tarifa: 46,49 INR/m3
Plant in Operation since July 2010
Scheme of companies and contracts that support the project: CMWSSB role

CMWSSB, Land Lease

IVRCL (75%)

BEFESA CTA (25%)

BEFESA, EPC

Chennai Water Desal Ltd.

CMWSSB, Equity

End Users, Scrow Agreement

CMWSSB, Debt

Commercial Banks, Substitution Agreement

GoTN, State Support Agr
Client & Co-Developer: Qingdao Municipal Engineering and Public Utility Bureau

Qingdao. General Data
- 2° commercial port in the North of China.
  Shandong Province with 730 km coast line.
- Municipality includes 7 districts, with a total number of 7.4 mill. inhabitants in 10.654 km².
- Urban area with 2.6 mill. inhabitants with 40 km of coast line.

Qingdao Water Tariff
a. residence, including schools, army and social welfare institutions: RMB 2.5
b. restaurants/hotels: RMB 3.1 (standard)/RMB3.6 (within 50% higher than standard)/RMB4.2 (over 50% higher than standard)
c. enterprises and government bodies and institution: RMB 3.2 (standard)/RMB3.7 (within 50% higher than standard)/RMB4.3 (over 50% higher than standard)

Average 2010: RMB 7 (0.65 Eur aprox)
What does make this project feasible?

- Befesa Qingdao -> main equity provider (92% in the SPV)
- Highren Share (Qingdao Municipality) -> capital 100,000 RMB (minimum share in the SPV)
- Qingdao Soda -> Transfer of the Land and Lease of the Intake Works (8% in the SPV)
- Electricity Provided (and paid) by Qingdao Municipality
- Finance with Chinese Banks that are familiar with the Municipality Commercial Risks
- Full support of the Municipality
Thank you