

Excerpt from BusinessWeek, July 5, 2010

<http://www.businessweek.com/news/2010-07-05/abengoa-surges-on-1-45-billion-u-s-loan-guarantee.html>

## **Abengoa Surges on \$1.45 Billion U.S. Loan Guarantee**

Abengoa SA surged the most in six months in Madrid trading after the company won a \$1.45 billion loan guarantee from the U.S.

government to build a solar-power plant in Arizona.

Shares in the Spanish solar-technology developer climbed 9 percent to close at 18.015 euros. The stock led gainers on the 88-member benchmark WilderHill New Energy Global Innovation Index, which rose 0.1 percent.

U.S. government backing will allow Seville-based Abengoa to get a cheaper loan, improving the profitability of the power plant, said Nathaniel Bullard, the lead North American solar-energy analyst for Bloomberg New Energy Finance.

“At a narrow spread, less than 100 basis points over Treasury rates, a loan guarantee creates economics simply not possible given finance arranged on the Street or in the City,” Bullard said in an e-mail.

Abengoa’s plant, to be built 70 miles (113 kilometers) southwest of Phoenix, will be the world’s largest solar-power installation, producing 250 megawatts and serving 70,000 families, the company said July 3 in a statement.

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