



Third Quarter 2014 Results Announcement 3 November 2014

Applus Services, S.A. ("Applus+" or "the Group"), one of the world's leading companies in Testing, Inspection and Certification, today announces the results for the third quarter ("quarter") and nine month period ("period") ended 30 September 2014.

Highlights of financial results for the nine month period

- Revenue of €1.2 billion up 2.1%; at organic constant rates up 5.7%
- Adjusted¹ operating profit of €118 million up 5.7%; at organic constant rates up 9.2%
- Adjusted¹ operating profit margin of 9.8%, up 30 bps
- Adjusted operating cash flow increased by 21% to €74 million
- Net profit of €15 million compared to loss of €76 million in prior year

1. Adjusted results are stated before separately disclosed items as detailed in the overview of performance

Fernando Basabe, Chief Executive Officer of Applus+, said:

"I am pleased to report the results for the nine month period today alongside the news of two acquisitions.

We have delivered organic revenue growth at constant exchange rates of 5.7% for the period, with margin improvement of 30 bps and organic adjusted operating profit growth at constant exchange rates of 9.2%.

We achieved organic revenue growth at constant exchange rates of 2.7% for the third quarter against increasingly challenging comparatives. With margin improvement, this resulted in 6.0% growth in the equivalent operating profit.

We continue to expect to report organic revenue growth at constant exchange rates in the mid-single digits range, with an increase in the margin resulting in strong operating profit and cash flow growth for the full year.

In line with our stated strategy, we are pursuing acquisitions and today we are pleased to announce that we have made good progress in this regard with one acquisition made and an agreement to make another acquisition in the Americas. These represent a strategic entry into the North American non-destructive testing aerospace market and the South American infrastructure services market fully complementing our existing business in these areas. The combined annual revenue of these two acquisitions is over €40 million."



Conference call

There will be a webcast presentation on these results today at 2.00 pm Central European Time. For further details please visit the company website at www.applus.com under Investor Relations/Financial Reports or contact one of the people below.

For further information:

Analysts and Investors

Aston Swift +34 93 5533 111 aston.swift@applus.com

Media

Kreab, Madrid
Susana Sanjuan +34 91 7027 170 ssanjuan@kreab.com
Francisco Calderón +34 91 7027 170 fcalderon@kreab.com

Kreab, London
Marc Cohen +44 20 7074 1800 mcohen@kreab.com
Christina Clark +44 20 7074 1800 cclark@kreab.com

About Applus+ Group

Applus+ is one of the world's leading and most innovative companies in the Testing, Inspection and Certification sector. It provides solutions for customers in all types of industries to ensure that their assets and products meet quality, health & safety and environmental standards and regulations.

Headquartered in Barcelona, Spain, Applus+ operates in more than 60 countries through its network of 324 offices, 157 testing facilities and 322 statutory vehicle inspection stations, and employs more than 19,000 people. Applus+ operates through six global divisions, all of which operate under the Applus+ brand name. In 2013, Applus+ recorded revenue of € 1,581 million and adjusted operating profit of €150.7 million.

Applus+ successfully listed on the Barcelona, Bilbao, Madrid and Valencia stock exchanges with its shares starting trading on 9 May 2014 at a price per share of € 14.50. The total number of shares is 130,016,755.

ISIN: ES0105022000

Symbol: APPS

For more information go to www.applus.com/en

THIRD QUARTER REPORT 2014

Overview of performance

The financial performance of the Group is presented in an “adjusted” format alongside the statutory (“reported” or “actual”) results. The adjustments are made in order that the underlying financial performance of the business can be viewed and compared to prior periods by removing the financial effects of separately disclosed items.

Organic revenue and profit growth are calculated in this report by excluding acquisitions or disposals made in the prior twelve month period to the accounting date. Organic is stated at constant exchange rates, taking the current year average rates used for the income statements and applying them to the results in the prior period.

In the table below the adjusted results are presented alongside the statutory results showing the effect of those adjustments.

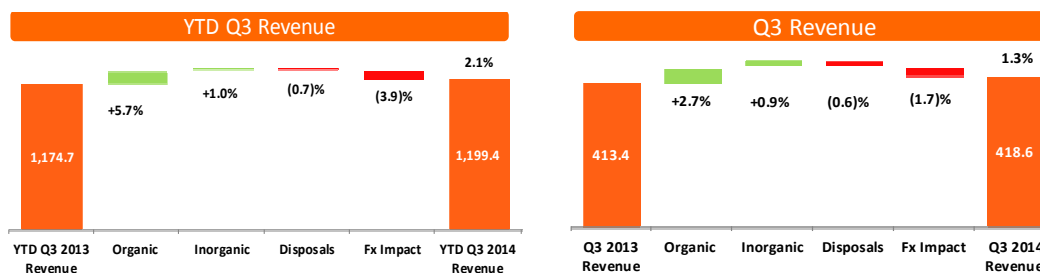
EUR Million	YTD Q3 2014			YTD Q3 2013			+/- % Adj. Results
	Adj. Results	Separately disclosed items	Statutory results	Adj. Results	Separately disclosed items	Statutory results	
Revenue	1,199.4	0.0	1,199.4	1,174.7	0.0	1,174.7	2.1%
Operating Profit	117.9	(58.1)	59.8	111.5	(108.3)	3.2	5.7%
Net financial expenses	(27.1)	(4.0)	(31.1)	(62.9)	0.0	(62.9)	
Share of profit of associates	2.0	0.0	2.0	1.8	0.0	1.8	
Profit Before Taxes	92.7	(62.1)	30.7	50.3	(108.3)	(57.9)	84.2%
Income tax	(21.4)	10.2	(11.2)	(24.8)	10.8	(14.0)	
Non controlling interests	(4.9)	0.0	(4.9)	(3.9)	0.0	(3.9)	
Net Profit	66.4	(51.9)	14.5	21.6	(97.4)	(75.9)	207.6%

The figures shown in the table above are rounded to the nearest €0.1 million.

Separately disclosed items of €58.1m (2013: €108.3m) in Operating Profit are amortisation of acquisition intangibles of €34.0m (2013: €36.1m), IPO costs of €24.1m (2013: €0.0m), impairments of €0.0m (2013: €67.9m) and other of €0.0m (2013: €4.2m).

Separately disclosed items of €4.0m (2013: €0.0m) in the net financial expenses are the write off of the brought forward un-amortised portion of arrangement fees of the pre-IPO debt.

In the tables below, the revenue growth bridge for the period and the quarter are shown.

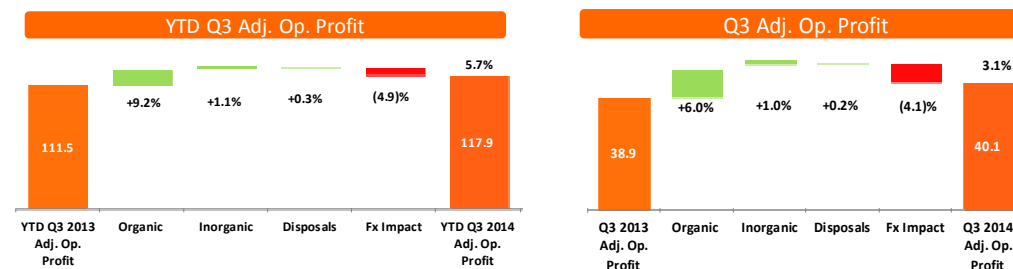


Revenue increased by 2.1% to €1,199.4 million in the period ended 30 September 2014 compared to the same period in the prior year. At constant exchange rates, organic revenue growth was 5.7%.

For the quarter, revenue increased by 1.3% to €418.6 million compared to the same quarter in the prior year. At constant exchange rates, organic revenue growth was 2.7%.

The increase in revenue for the period was primarily due to organic revenue growth from all divisions. Acquisitions made in the second half of 2013 added a further 1.0% offset by the disposal of a business made at the start of this year, reducing revenue by 0.7% and due to the adverse effect of currency, reducing revenue by 3.9%.

In the tables below, the adjusted operating profit growth bridge for the period and the quarter are shown.



Adjusted operating profit increased by 5.7% to €117.9 million in the period ended 30 September 2014 compared to the same period in the prior year. Organic adjusted operating profit growth was 9.2%.

Adjusted operating profit increased by 3.1% to €40.1 million for the quarter, compared to the same period in the prior year. Organic adjusted operating profit growth was 6.0%.

The adjusted operating profit margin increased by 30 bps to 9.8% for the nine month period on both an actual reported basis and on an organic and constant exchange rates basis.



The net financial expense reduced significantly in the period from €62.9 million to €31.1 million following the reduction of debt from the net proceeds out of the primary offering of the initial public offering (IPO). The debt facilities were refinanced at the same time as the IPO at lower rates than the prior debt facility.

The effective tax rate on the adjusted operating profit was 18.1% and on the adjusted profit before tax was 23.1%. This is an estimate of the tax chargeable for this nine month period. The actual tax rate on the reported profit before tax was 36.5%. The rates for the prior period are not meaningful as the capital structure was materially different.

Adjusted earnings per share (Adjusted EPS) is a key performance indicator management will adopt when monitoring financial performance going forward. For the period under review, the capital structure changed materially at the time of the IPO due to the issue of new shares and the repayment and subsequent refinancing of the debt. A Proforma Adjusted EPS has been calculated at €0.57 taking account of the post IPO capital structure as though it had been in place from the start of the year.

The adjusted operating cash flow, expressed after capital expenditure and taxes, increased by 21% or €12.9 million to €73.6 million as a consequence of the increase in profit and tight management of working capital. The adjusted free cash flow, expressed as adjusted operating cash flow less financial expenses almost doubled, increasing by €26.7 million to €54.3 million. The Group expects to continue to generate strong growth in the adjusted operating and free cash flow.

The financial leverage of the group measured as Net Debt to last twelve months adjusted EBITDA (earnings before interest, tax, depreciation and amortisation) has reduced significantly following the use of the IPO proceeds to pay down debt. The ratio was 3.19x compared to 4.69x at 31 December 2013.

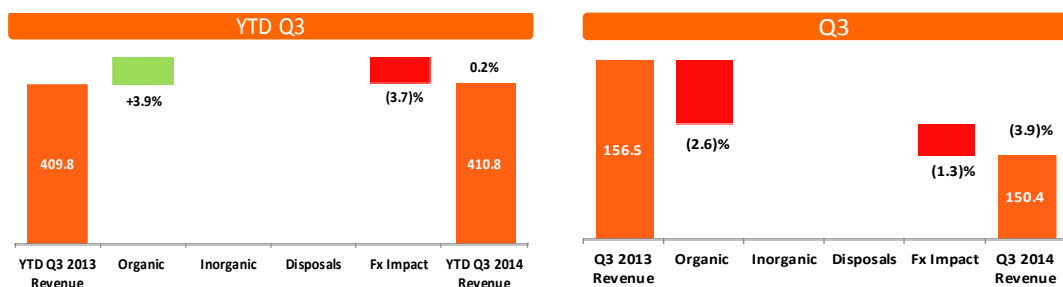
Outlook

Organic revenue growth at constant exchange rates is expected to be in the mid-single digits range for the full year, with an increase in the margin resulting in strong operating profit and cash flow growth.

Operating review by division

Applus+ RTD

Applus+ RTD is a leading global provider of Non Destructive Testing services to clients in the oil and gas industry.



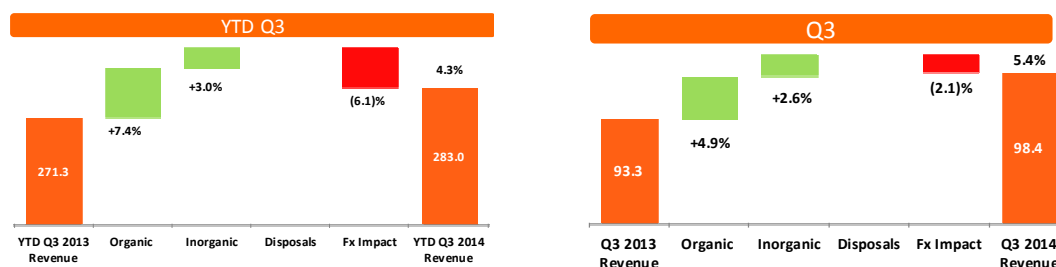
Applus+ RTD at constant exchange rates, delivered organic revenue growth of 3.9% for the period following a decline of 2.6% for the quarter. Most of the major geographies and business lines grew well in the quarter at high single digits, except the New Construction Pipelines in North America where there have been delays and fewer projects available as previously disclosed. The division is therefore expected to report low single digits organic revenue growth for the full year.

Today the Group announces that it has reached an agreement to acquire X-Ray Industries and N-Ray Services. These companies come under the umbrella of the Integrity Aerospace Group (IAG) in the United States and Canada that provide non-destructive testing services to the aerospace and industrial gas turbine industries. The acquisition of the leading supplier of these services to the US aerospace industry provides an important entry to this market in North America for the Applus+ RTD division adding a new area of high margin growth to the division. These two companies are expected to add initial annual revenue of approximately €20 million to this division. Also part of this acquisition is a third company called Arcadia Aerospace with almost €2 million of revenue that will form part of the Applus+ Laboratories division. Further information on this acquisition is provided at the end of this report.

In October, the Group disposed of Applus+ RTD in Belgium which accounted for €6.5 million of revenue in the full year of 2013 as it lacked the critical mass to generate higher profitable growth within Applus+.

Applus+ Velosi

Applus+ Velosi is the leading global provider of vendor surveillance, site inspection, certification and asset integrity as well as specialised manpower services primarily to companies in the oil and gas industry.

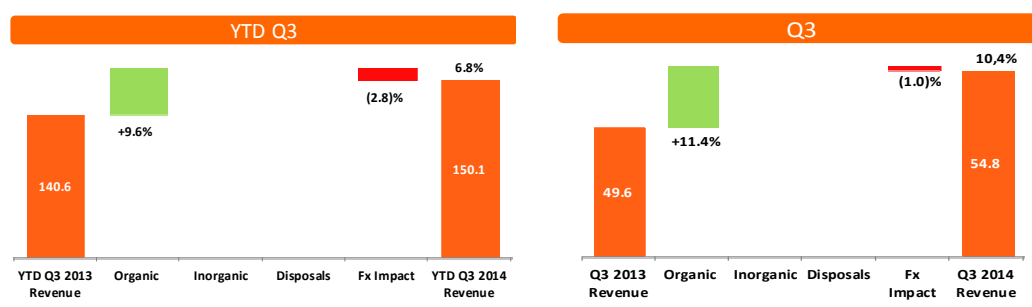


At constant exchange rates, Applus+ Velosi delivered organic revenue growth of 7.4% in the period following growth of 4.9% in the quarter. The Americas, Africa and Middle East which account for over half of the division revenue, grew at a double digit rate continuing the strong growth from the first half of the year. As expected, the Asia Pacific region declined due to the completion of some large multi-year contracts.

For the full year, Applus+ Velosi is expected to generate mid-single digits organic revenue growth.

Applus+ Norcontrol

Applus+ Norcontrol primarily provides quality assurance, quality control, testing and inspection (including statutory inspection) and project management services to the utilities, telecommunications, oil and gas, minerals and civil infrastructure sectors.



At constant exchange rates, Applus+ Norcontrol delivered organic revenue growth of 9.6% in the period following growth of 11.4% in the quarter. This growth was principally due to Latin America and the Middle East. The strongest growth came from new large projects in Colombia, Brazil, Chile and also from



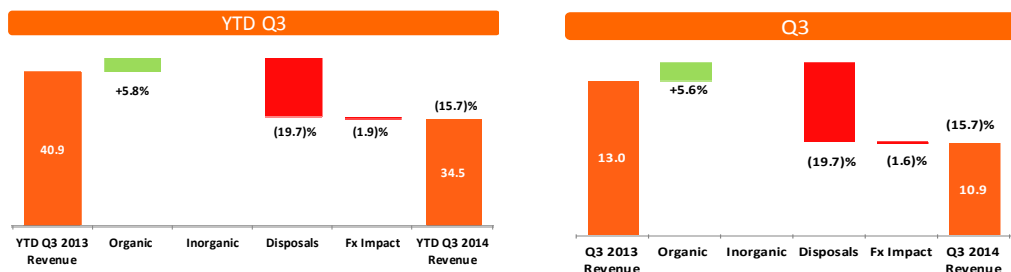
Mexico where Applus+ Norcontrol is establishing a strong market position. The division had stable overall revenue from Spain where the economic conditions are improving.

The division is expected to continue its strong growth momentum to the end of the year.

The Group today also announces the acquisition of Ingelog in Chile, a supplier of engineering and project management services to the civil and private infrastructure industries in the region. This acquisition of the leading provider of these services in Chile will support the strong growth and development of Applus+ Norcontrol in Latin America and is expected to add initial annual revenue of €18 million. Further information on this acquisition is provided at the end of this report.

Applus+ Laboratories

Applus+ Laboratories provides a range of laboratory-based product testing, management system certification and product development services to clients in a wide range of industries including the aerospace, oil & gas and electronic payment sectors.



At constant exchange rates, Applus+ Laboratories delivered organic revenue growth of 5.8% in the period following growth of 5.6% in the quarter. The growth in revenue was primarily from increased services to the international aerospace industry out of its highly technical laboratory in Spain and oil & gas industry primarily from a new site in Norway.

For the full year, Applus+ Laboratories is expected to report mid-single digits organic revenue growth.

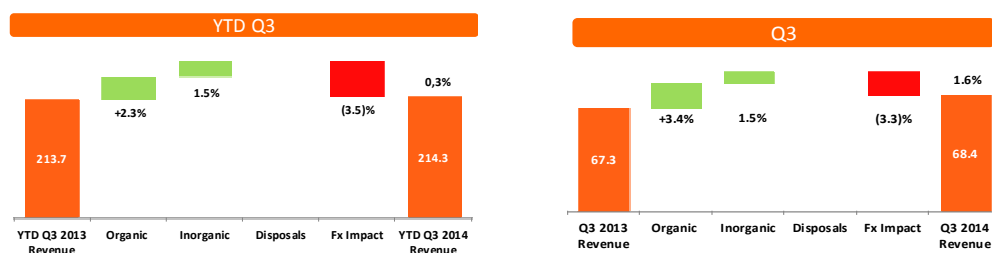
The Group also announces today the agreement to acquire Arcadia Aerospace, part of the Integrity Aerospace Group acquired with Applus+ RTD, which provides non-destructive testing of composite materials of aerospace components. This is a key focus area for the Applus+ Laboratories division and provides a strategic new entry position into the North American market. The company is expected to add initial annual revenue of almost €2 million to this



division. Further information on this acquisition is provided at the end of this report.

Applus+ Automotive

Applus+ Automotive is the second largest provider, measured by number of inspections, of statutory vehicle inspection services globally.



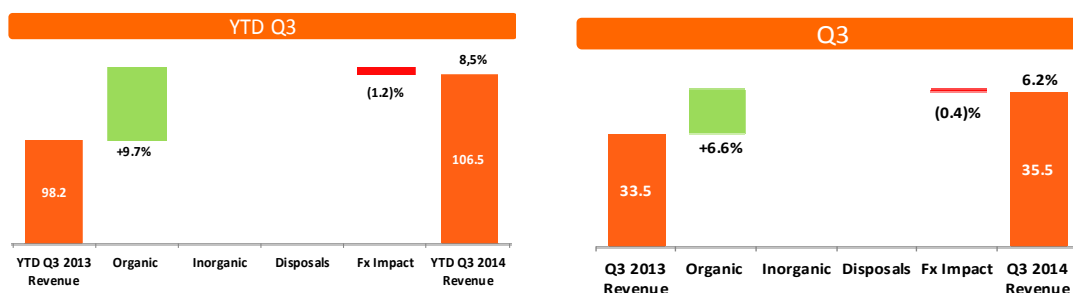
At constant exchange rates, Applus+ Automotive delivered organic revenue growth of 2.3% in the period following growth of 3.4% in the quarter. Latin America and Ireland continue to be the main drivers of this growth, supplemented in the quarter by the benefit from new equipment sales in California following legislation changes. Applus+ Automotive was the first company to sell inspection equipment certified for the California market.

Performance from Spain, accounting for around one third of the division, although slightly down on the prior year, is very good considering the tough comparatives from the Basque region where there are two fewer stations and the pricing changes imposed on the Valencia contract.

A new contract in the State of Idaho has been won by the Group. The revenue for this new contract is not material, but it supports the marketing efforts of the team in the United States where a few more contracts are expected to come to market.

Applus+ IDIADA

Applus+ IDIADA provides services to the world's leading vehicle manufacturers. These include safety and performance testing, engineering services and homologation (regulatory approval).



At constant exchange rates, Applus+ IDIADA delivered organic revenue growth of 9.7% in the period following growth of 6.6% in the quarter. The growth in revenue was again across all activities and regions with particularly good growth from vehicle and tyre homologation, body and passive safety and the proving ground in Tarragona. Only the minor operations in India and Brazil continue to underperform.

All the business lines in Applus+ IDIADA are expected to continue these growth trends.

Acquisitions

Applus+ advances in its growth strategy with new acquisitions in the Americas, one of its key markets. The Group has signed sale and purchase agreements with Integrity Aerospace Group (IAG) and minority shareholders in North America and has closed an acquisition in South America of Ingelog. These reinforce the company's presence in strategic and high growth markets in the region.

Entering into the North American aerospace testing market

In North America, Applus+ has agreed to purchase three companies from IAG and other third party shareholders: X-Ray Industries, N-Ray Services and Arcadia Aerospace which are the premier suppliers of Non Destructive Testing to the aerospace market and gas turbine industry. The companies with 74 years of history have over 200 employees and operate primarily from 7 locations across the USA and Canada and a further 10 co-locations embedded within customer facilities.



X-Ray Industries and N-Ray Services will form part of the Applus+ RTD division and will reinforce the division's strong presence in the North American market. Arcadia Aerospace will be part of Applus+ Laboratories and will be this division's first entry into the US market.

The purchase agreement with Integrity Aerospace Group is subject to approval by the US authorities, in particular the Committee on Foreign Investments (CFIUS).

Strengthening presence in the infrastructure sector in Latin America

With 22 years of industry experience and 430 employees, Ingelog is among the leading providers of inspection and control in the transport and infrastructure industries in Chile and is one of the country's leading engineering firms.

With this acquisition, the Company strengthens its strategic market position in an industry which is forecast to grow rapidly during the next few years following expected major public and private investments.

Ingelog's activity and positioning in the Chilean project management and planning market are complementary to Applus+'s current activity in the country, which is developed through its subsidiary Applus+ Norcontrol, as it is dedicated to the inspection and construction supervision and quality control in energy and mining. Ingelog will support Applus+ in its expansion to other Latin American countries, where investment in infrastructure is core to their development.

Ingelog has one of the highest levels of accreditations for public, private and major infrastructure and mining project procurement.

The combined annual revenue of these two acquisitions is over €40 million.

End of third quarter 2014 results announcement. This announcement is a translation of the full third quarter financial results announcement as filed with the Spanish regulator, Comisión Nacional del Mercado de Valores (CNMV). In cases of discrepancy, the Spanish version filed with the CNMV will prevail.