Applus+

Third Quarter 2015 Results Announcement
2 November 2015

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" or "Q3") and nine month period ("period") ended 30 September 2015.

Highlights of financial results for the nine month period

- Resilient performance with good margin outcome
- Revenue of €1,288.6 million up 7.4%
    - +0.4% at constant rates
    - -1.4% organic constant rates; Q3 -3.5%
- Adjusted[1] operating profit of €123.3 million up 4.6%
- Adjusted[1] operating margin of 9.6%, down 20bps for both the period and Q3
- Adjusted[1] operating cash flow of €58.2 million
- Adjusted[1] profit before taxes €106.0m up 14.3%
- Reported profit before taxes €59.7m up 94.4%
- Favourable judgement on Catalonia Auto contract; renewal of Illinois Auto contract and; retained all key oil and gas contracts
- Integration of Applus+ RTD and Applus+ Velosi-Norcontrol effective from 1 January 2016

1. Adjusted operating profit, margin, profit before taxes and cash flow are stated before amortisation of acquisition intangibles, IPO related costs and impairment.

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

"Today we present our third quarter results alongside the news of an organisational structure change.

I am pleased to say the majority of the Group performed very well despite the increasingly difficult global market conditions in the oil and gas businesses.

We continued to benefit from the contribution from the acquisitions that are performing well, less disposals and a positive currency effect which together with the organic resulted in revenue growth of 7.4% for the period.

Despite the reduced organic revenue, the group adjusted operating margin was resilient, declining only 20 bps to 9.6% in the period as well as in the third quarter, demonstrating our ability to adjust the cost base in line with reduced revenue.

We also announce today that we will integrate Applus+ RTD with Applus+ Velosi-Norcontrol into a new division called Applus+ Energy & Industry. This *integration, to take effect from 1 January next year is to enable Applus+ to benefit from the similarity in the end markets and customers and maximise growth opportunities, as well as deliver cost savings by integrating the operations.*

We expect positive reported revenue growth for the full year. This will come from acquisitions plus currency benefit less organic revenue that is now expected to be down low single digits due to the tough market conditions in oil and gas. The remainder of the Group will continue with good growth. We expect the resilience in the margin seen year to date to hold well to the end of the year."

Conference call

There will be a webcast presentation on these results today at 2.00 pm Central European Time. To access the webcast, use the link: http://edge.media-server.com/m/p/4477bdqy or via the company website at www.applus.com under Investor Relations/Financial Reports. To listen by telephone dial one of the numbers below quoting the access code **7738415**.

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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 70 countries and employs 20,000 people. Applus+ operates through five global divisions, all of which operate under the Applus+ brand name. For the full year of 2014, Applus+ recorded revenue of €1,619 million and adjusted operating profit of €158.8 million.

Applus+ is listed on the Barcelona, Bilbao, Madrid and Valencia stock exchanges. The total number of shares is 130,016,755.

ISIN: ES0105022000
Symbol: APPS-MC

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

Applus⊕

THIRD QUARTER REPORT 2015

Overview of Performance

The financial performance of the Group is presented in an "adjusted" format alongside the statutory ("reported") 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 other results.

Where stated, organic revenue and profit is adjusted for acquisitions or disposals in the prior twelve month period and is stated at constant exchange rates.

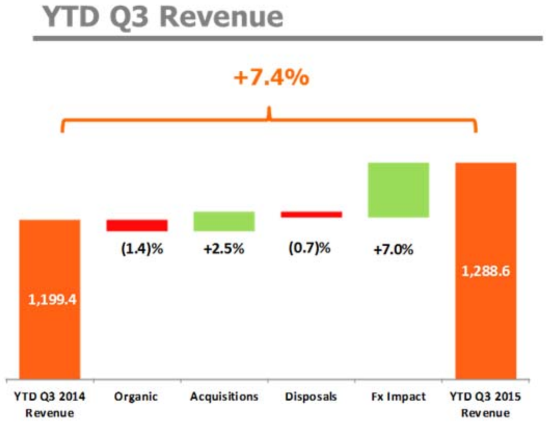
In the table below the adjusted results are presented alongside the statutory results for the period.

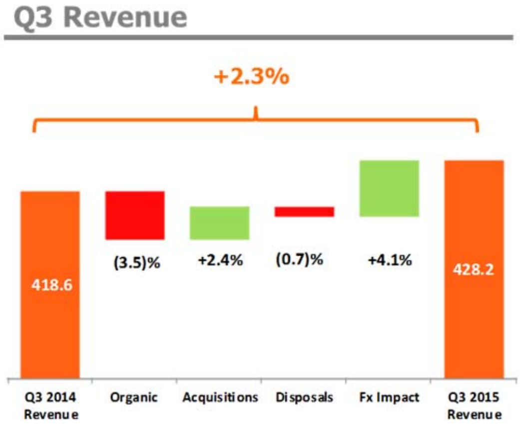
EUR Million	YTD Q3 2015			YTD Q3 2014			+/- % Adj. Results
	Adj. Results	Other results	Statutory results	Adj. Results	Other results	Statutory results	
Revenue	**1,288.6**	**-**	**1,288.6**	**1,199.4**	**-**	**1,199.4**	**7.4%**
Ebitda	**160.5**	**(9.3)**	**151.2**	**152.2**	**(12.9)**	**139.2**	**5.5%**
Operating Profit	**123.3**	**(46.2)**	**77.1**	**117.9**	**(58.1)**	**59.8**	**4.6%**
Net financial expenses	(18.7)	0.0	(18.7)	(27.1)	(4.0)	(31.1)	
Share of profit of associates	1.4	0.0	1.4	2.0	0.0	2.0	
Profit Before Taxes	**106.0**	**(46.2)**	**59.7**	**92.7**	**(62.1)**	**30.7**	**14.3%**

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

Other results of €46.2 million (2014: €58.1m) in the Operating Profit represent amortisation of acquisition intangibles of €34.0 million (2014: €34.0m), charge of the historical management incentive plan as disclosed at the IPO of €9.3 million (2014: €12.9m), other costs that are primarily related to the inorganic transactions, severances and other minor non-recurrent costs were €3.0 million (2014: nil) and in 2014 only, further IPO transaction costs of €11.2 million.

In the tables below, the revenue growth bridge for the period and the quarter are shown in € million:

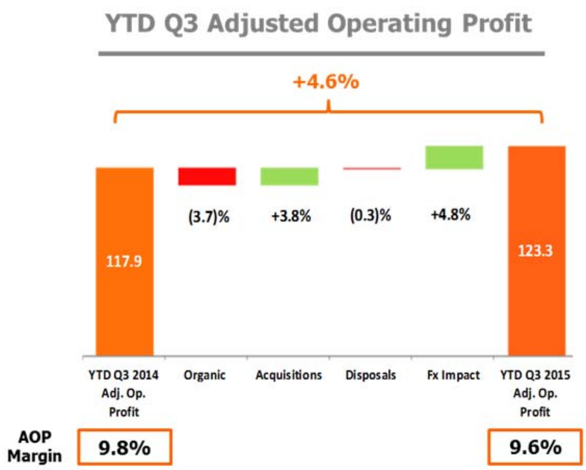


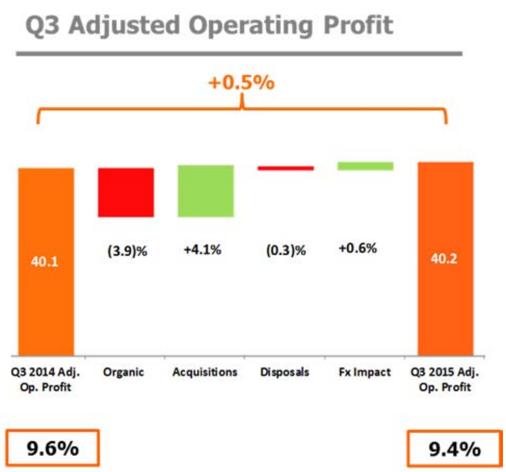


Revenue increased by 7.4% to €1,288.6 million in the nine month period ended 30 September 2015 compared to the same period in the prior year. The increase in revenue came from the recent acquisitions plus foreign currency translation benefit. Organic revenue at constant exchange rates was down 1.4% in the period driven by difficult conditions in Applus+ oil and gas businesses.

For the third quarter, revenue was €428.2 million, 2.3% higher than the prior year. Organic revenue was down 3.5% compared to the prior year.

In the tables below, the adjusted operating profit growth bridge for the period and the quarter are shown in € million:





Adjusted operating profit increased by 4.6% to €123.3 million in the period ended 30 September 2015 compared to the same period in the prior year. Organic adjusted operating profit was down by 3.7%.

For the third quarter, adjusted operating profit was €40.2 million, 0.5% higher than the prior year. Organic adjusted operating profit was down 3.9% compared to the prior year.

The adjusted operating profit margin decreased by 20 bps to 9.6% for the nine month period ended 30 September 2015. The decline in the margin in the third quarter was also 20 bps compared to the same quarter in the prior year.

The reported operating profit was €77.1 million 28.9% higher than the prior period. The increase was due to the higher adjusted operating profit and the reduction in the one-off costs relating to the IPO last year.

The net financial expense reduced significantly in the period from €31.1 million in 2014 to €18.7 million this period, due to a lower level of debt and a lower rate of interest charged on the debt.

In the third quarter, the Group disposed of Applus+ RTD in Denmark as it no longer forms part of the strategic plans of the Group. The business accounted for €4 million in revenue for the full year of 2014.

Capital expenditure on expansion of existing and into new facilities was €32.6 million (2014: €29.2m) representing 2.5% of Group revenue which is in-line with prior year levels.

The adjusted operating cash flow was €58.2 million and adjusted free cash flow was €44.8 million, €9.5 million lower than last year. As expected, the increase in working capital, reduced substantially in the third quarter, compared to the first half and this is expected to continue in the final quarter of the year.

The net debt position at the period end was €719.4 million as defined by the bank covenants. This was at a similar level to 30 June 2015 as the additional €31.3 million of adjusted free cash flow was offset by the payment of dividends, increased translation of the debt due to foreign currency movements, own share purchases to satisfy the historical IPO management incentive plan and other smaller movements. The financial leverage of the Group measured as Net Debt to last twelve months adjusted EBITDA (earnings before interest, tax, depreciation and amortisation), was 3.3x, the same level as at 30 June 2015. The financial leverage is expected to be slightly lower by year end due to anticipated further improvement in adjusted operating cash flow.

Outlook

Positive reported revenue growth is expected for the full year. This will come from acquisitions plus currency benefit less organic revenue that is now expected to be down low single digits due to the tough market conditions in oil and gas. The remainder of the Group will continue with good growth. The resilience in the margin seen year to date is expected to hold well to the end of the year.

Organisational change

With effect from 1 January 2016, Applus+ RTD and Applus+ Velosi-Norcontrol will be integrated into one division to be called Applus+ Energy & Industry. The division will be sub-divided into 4 geographic regions, each led by an Executive Vice-President reporting to the Group Chief Executive Officer. The four regions are: North America; Latin America; Northern Europe; and Southern Europe, Africa, Middle East and Asia Pacific.

By integrating these businesses that have end markets and a number of customers in common and a complementary geographic and service portfolio, the Group will be able to maximise the growth opportunities as well as deliver simplification and cost savings by integrating the operations.

The Group will therefore operate with effect from 1 January 2016, through four global business divisions: Applus+ Energy & Industry, Applus+ Laboratories, Applus+ Automotive and Applus+ IDIADA.

Iain Light, the Executive Vice-President of Applus+ RTD has announced his intention to retire at the end of the year. During Mr. Light´s leadership of the Applus+ RTD division over the last four years, the business has grown significantly, both organically and by acquisition and is regarded as the leading supplier of Non Destructive Testing services to the global oil and gas industry. The Board of Directors express their sincere gratitude to Mr. Light for his substantial contribution to the Group and wish him well in his retirement.

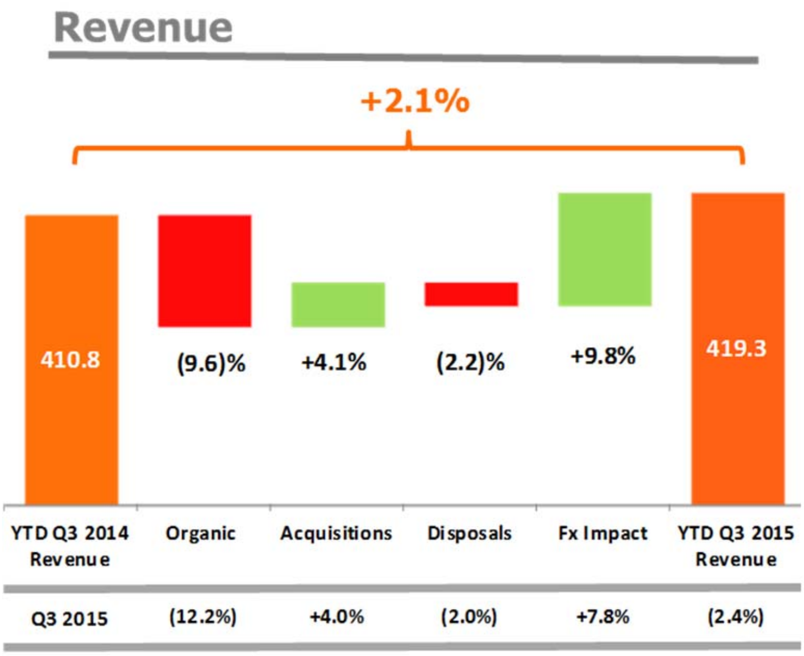
Operating review by division

Applus+ RTD

Applus+ RTD is a leading global provider of Non Destructive Testing services to clients in the oil and gas, power utilities, aerospace and civil infrastructure industries. Services and tools provided by the division are to inspect and test the mechanical, structural and materials integrity of critical assets either at the time of construction or when in use, such as pipelines, pressure vessels and storage tanks without causing damage to those assets.

The revenue growth bridge for the nine month period to 30 September 2015 is shown below.

€ million



Applus+ RTD grew revenue for the period by 2.1% to €419.3 million. At constant exchange rates, organic revenue was 9.6% lower, with a decline of 12.2% in the third quarter. Revenue growth of 4.1% came from the acquisition that closed at the start of this year, of X-Ray and N-Ray, which provide Non Destructive Testing services to the aerospace industry in North America. 2.2% of the revenue decline related to the disposals of the non-strategic businesses in Belgium in the last quarter of 2014, France in Q2 and Denmark at the start of Q3. There was a significant foreign currency translation benefit on the period´s revenue which was a result of the weak euro against the US dollar and a number of other currencies in which the division has subsidiaries.

Pressure on Applus+ RTD´s oil and gas customers to cut spending by cancelling, delaying or reducing new capital projects and making savings in their ongoing operations has increased since the end of summer. From a revenue perspective, the Group has focused on ensuring ongoing inspection service contracts and global service agreements relating to both capex and opex projects are renewed and all key oil and gas contracts have so far been retained, including a material one with Royal Dutch Shell. In addition, Applus+ is more aggressively pursuing new opportunities including by further utilising its proprietary technologies and services. On the cost side, Applus+ is continuously ensuring costs are adjusted in a timely manner to reflect any fall in revenue.

In North America, which accounts for almost half the division´s revenue, the reduction in spending by oil and gas customers has been the most severe and far outweighs the increase in revenue from large new construction pipelines. Other regions are showing a mixed performance with Europe performing well and Asia Pacific growing strongly due to renewal of large contracts, winning of a large new contract on an LNG production plant in Australia and generally more inspection and testing work linked to operational expenditure on existing energy infrastructure.

The Aerospace, Power and other infrastructure testing business is performing very well and now accounts for around 15% of the division by revenue.

Conditions in this division remain challenging and management are focused on it taking action when and where necessary.

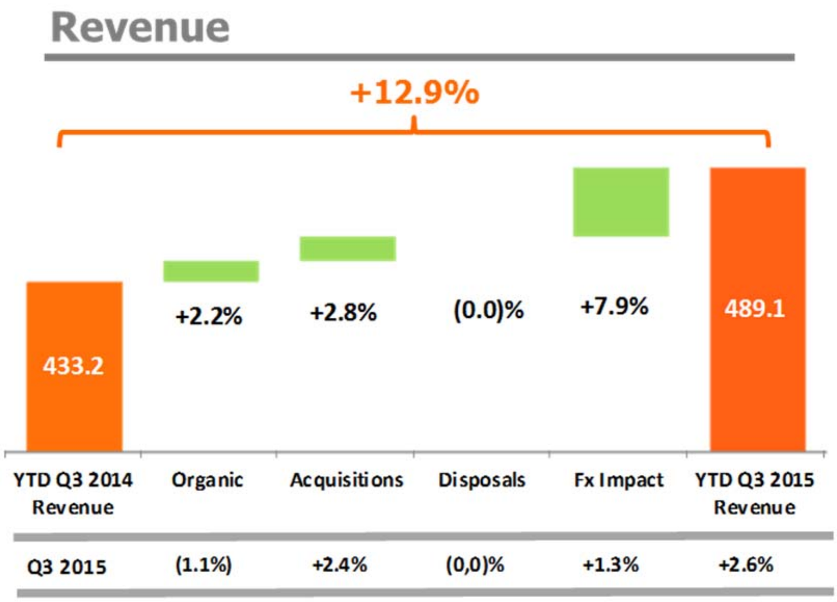
Applus+ Velosi-Norcontrol

Applus+ Velosi-Norcontrol provides quality assurance and control, testing and inspection, project management, vendor surveillance, site inspection, certification and asset integrity services as well as manpower services to the utilities, telecommunications, oil and gas, minerals and civil infrastructure sectors.

The division was formed by the integration of the Applus+ Velosi and Applus+ Norcontrol divisions at the start of the current year.

The revenue growth bridge for the nine month period to 30 September 2015 is shown below.

€ million



Applus+ Velosi-Norcontrol had high revenue growth of 12.9% to €489.1 million. Organic revenue at constant exchange rates grew by 2.2% in the period but declined by 1.1% in the third quarter. Revenue from the acquisition of Ingelog in Chile, made in the final quarter of 2014, contributed 2.8% in the period and there was a positive foreign exchange benefit of 7.9%, albeit due to the weakness of emerging market currencies and some other developed market ones, this reduced to only a 1.3% positive in the quarter.

Half of this division serves the oil and gas industry and organic revenue from these areas was lower than in the prior period. Specifically there have been some large contracts in Asia Pacific ending earlier in the year as well as lower called-up manpower on a large technical staffing contract in Africa.

The other half of the division, serving a wide range of power generation and other infrastructure assets, grew very strongly in the period with new projects won in emerging markets including Africa, Middle East and Latin America. The market in Spain continues to grow well due to the country´s economic recovery and Applus+ market share gains there.

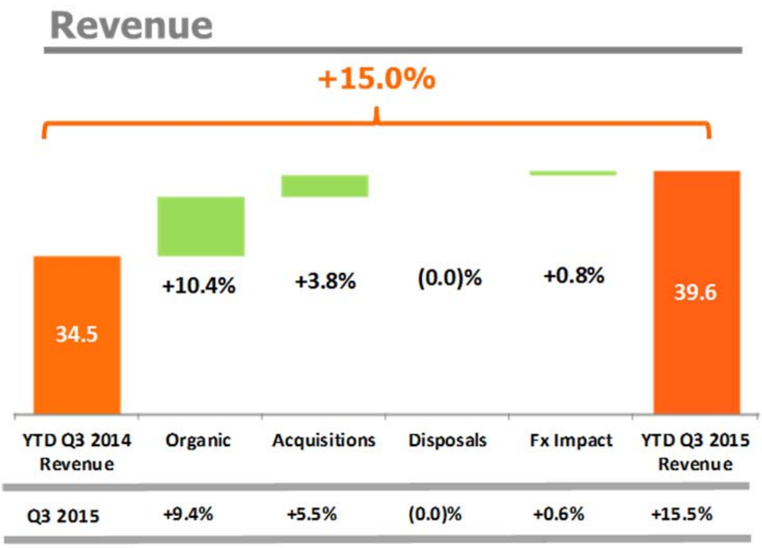
The division will continue to face increasingly difficult conditions in the oil and gas market, but the other half of the division, is expected to grow well.

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 and gas and electronic payment sectors.

The revenue growth bridge for the nine month period to 30 September 2015 is shown below.

€ million



Applus+ Laboratories grew revenue by 15.0% to €39.6 million of which organic revenue growth at constant exchange rates was strong at 10.4%. The acquisition closed at the start of this year of Arcadia Aerospace added 3.8% to revenue whilst the foreign exchange impact was negligible.

The segments driving the strong performance were Building Products, Aerospace and Electronic Payment security testing.

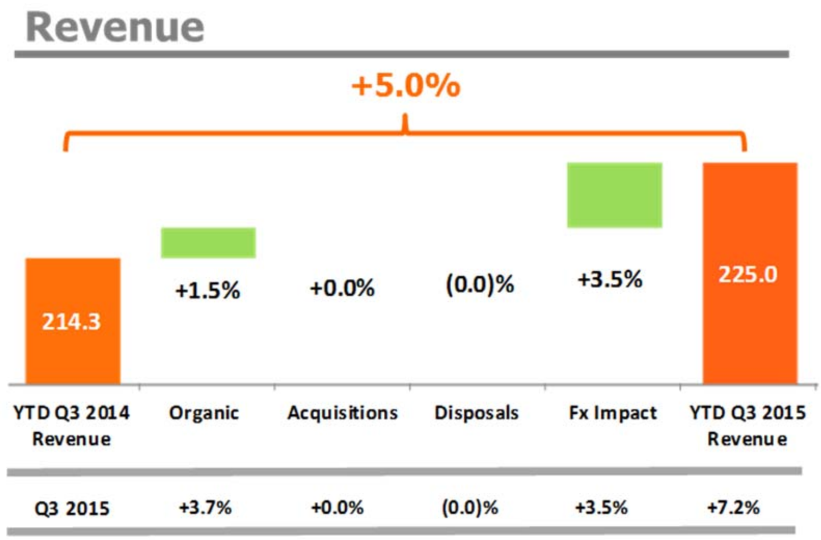
The growth trend in this division is expected to continue.

Applus+ Automotive

Applus+ Automotive is a leading provider of statutory vehicle inspection services globally. The Group provides vehicle inspection and certification services across a number of jurisdictions in which periodic vehicle inspections for compliance with technical safety and environmental specifications are mandatory.

The revenue growth bridge for the nine month period to 30 September 2015 is shown below.

€ million



Applus+ Automotive grew revenue by 5.0% to €225.0 million. Organic revenue growth at constant exchange rates was 1.5% in the period with acceleration in the third quarter to 3.7%.

In Ireland, the lack of capacity causing a loss of revenue in the first half has been resolved and this has resulted in good revenue growth in the quarter.

As was seen at the first half, revenue from Spain remained flat with growth in Madrid and other regions compensating for the new competition permitted in the Canary Islands as well as the tariff change in Alicante. The European Court of Justice gave its judgement that was in support of Applus+ main arguments. The process will continue with the Spanish Supreme Court which is expected to give its final ruling during 2016.

In the USA, the contracts performed well despite the end of the one-off sales of the SmogDADdy devices in California. The tender for the renewal of the contract with the Illinois Environmental Protection Authority was won by Applus+ and this will commence in November 2016 under new terms.

Latin America continued to record good revenue growth in the period with Chile still in transition to the new contracts and new stations being built in Argentina for the new contract commencing next year.

There was no change in Finland and Denmark where the markets remain very competitive.

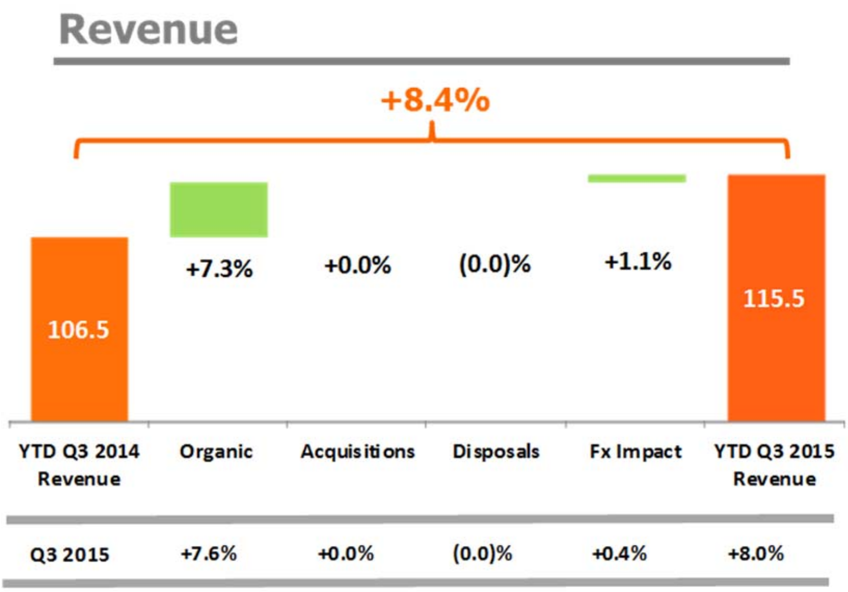
The organic revenue growth trend in the period is expected to continue to the end of the year.

Applus+ IDIADA

Applus+ IDIADA provides services to the world´s leading vehicle manufacturers. These include safety and performance testing, engineering services and homologation (Type Approval). The Group also operates what it believes is the world's most advanced independent proving ground near Barcelona and has a broad client presence across the world´s car manufacturers.

The revenue growth bridge for the nine month period to 30 September 2015 is shown below.

€ million



Applus+ IDIADA grew revenue by 8.4% to €115.5 million. Organic revenue growth at constant exchange rates was 7.3% in the period.

Homologation, accounting for approximately 15% of the division by revenue and Body & Passive Safety accounting for approximately 30% of the division by revenue, both continued to grow strongly, generating the majority of the division´s growth.

Regarding the recent issue with emission control systems, it is too soon to evaluate the impact it will have on Applus+, but it is likely to result in an acceleration of the revised testing standards by the relevant regional and country authorities that regulate this activity.

Chassis & Powertrain also grew well with some new projects won in advanced driver aid systems (ADAS).

The outlook for the division is positive with the current growth trend expected to continue to the end of the year.

This announcement is a translation of the 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.