Third Quarter 2017 Results Announcement
31 October 2017

Applus Services, S.A. ("Applus+" or "the Group"), one of the world's leading and most innovative 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 2017.

Highlights

- Stable revenue and profit year to date with second quarter in a row of positive organic revenue growth
- Energy & Industry trend similar to H1. Oil & Gas market still under pressure
- Labs, Auto and IDIADA good revenue growth
- Agreement to acquire a majority stake of Inversiones Finisterre (Auto)
- Successful equity raise of 10% of capital
- September year to date financial performance:
  - Revenue of €1,185.0 million down organic[1] 0.3%
  - Operating profit[2] of €106.4 million flat organic[1]
  - Operating profit[2] margin of 9.0%, up from 8.9% in previous year
  - Operating cash flow[2] of €73.6 million, down €15.7 million
  - Net debt[3]/EBITDA ratio down to 2.5x
  - Reported profit before taxes €46.2 million, down 1.3%

1. Organic is at constant exchange rates
2. Adjusted for other results and amortisation of acquisition intangibles (see page 3)
3. Including funds from an equity accelerated book build offering of €137.2 million

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

"The third quarter results continued the trend of gradual improvement in the performance of the group that started more than one year ago.

Organic revenue was up 0.2%, the same as the previous quarter and a marked improvement on the last two years. Labs and Auto have grown organic revenue at an average rate of mid-single digits this year and IDIADA at double digits, but this has been offset by the decline in the Energy & Industry division driven by the continuing difficult market conditions in oil & gas. The group adjusted operating profit margin performance was solid, up from 8.9% in the prior period to 9.0% this period.

We continue to generate good cash flow. Net debt was €60 million lower compared to Q3 2016 and when combined with the successful raising of €137 million through an equity raise last month, has reduced the leverage ratio to 2.5x. This increased financial flexibility enables us to comfortably finance the agreed acquisition of Inversiones Finisterre with headroom to make further attractive acquisitions.

We are performing in-line with our guidance for the full year which we continue to expect to be flat organic revenue at constant exchange rates and a flat adjusted operating profit margin. We now expect our net debt to EBITDA leverage, as defined by our bank covenants, to be in the range of 2.4x to 2.6x at the end of the year taking account of the equity raise and the proforma EBITDA from the closure of the acquisition of Inversiones Finisterre, expected to be in November."

Webcast

There will be a webcast and conference call presentation on these results today at 2.00 pm Central European Time. To access the webcast, use the link: https://edge.media-server.com/m6/p/dgdb7cj2 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 **7344432**.

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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 Spain, Applus+ operates in more than 70 countries and employs 19,000 people. Applus+ operates through four global divisions, all of which operate under the Applus+ brand name. For the full year of 2016, Applus+ recorded revenue of €1,587 million and adjusted operating profit of €141.1 million.

Applus+ is listed on the Spanish stock exchanges (Mercado Continuo). The total number of shares is 143,018,430. **ISIN: ES0105022000. Symbol: APPS-MC**
For more information go to www.applus.com/en

THIRD QUARTER REPORT 2017

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.

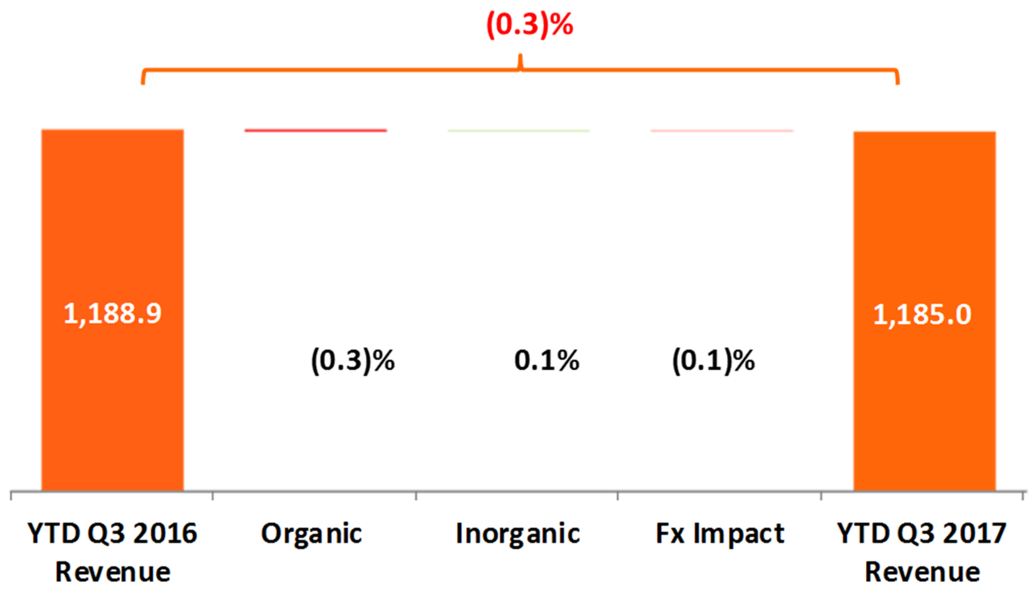
	YTD Q3 2017			YTD Q3 2016			
EUR Million	Adj. Results	Other results	Statutory results	Adj. Results	Other results	Statutory results	+/- % Adj. Results
Revenue	**1,185.0**		**1,185.0**	**1,188.9**	**-**	**1,188.9**	**(0.3)%**
Ebitda	**140.2**	**(3.7)**	**136.6**	**141.9**	**(8.3)**	**133.6**	**(1.2)%**
Operating Profit	**106.4**	**(42.9)**	**63.4**	**106.3**	**(44.1)**	**62.2**	**0.1%**
Net financial expenses	(17.9)		(17.9)	(16.6)	0.0	(16.6)	
Share of profit of associates	0.7		0.7	1.2	0.0	1.2	
Profit Before Taxes	**89.1**	**(42.9)**	**46.2**	**90.9**	**(44.1)**	**46.8**	**(2.0)%**

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

Other results of €42.9 million (2016: €44.1m) in the Operating Profit represent €3.7 million (2016: €8.3m) for the charge of the historical management incentive plan as disclosed at the IPO affecting EBITDA; amortisation of acquisition intangibles of €35.7 million (2016: €35.7m); costs relating to acquisitions of €0.8 million (2016: nil) and; severances and other minor non-recurrent costs were €2.8 million (2016: €0.1m).

Revenue

The revenue bridge in € million for the period is shown below alongside the performance of the third quarter.



Q3 2017	0.2%	0.1%	(2.7)%	(2.4)%

For the nine month period ended 30 September 2017, both organic and reported revenue were down 0.3% to €1,185.0 million. There was a small contribution of 0.1% from acquisitions less a revenue drag of 0.1% from currency translation.

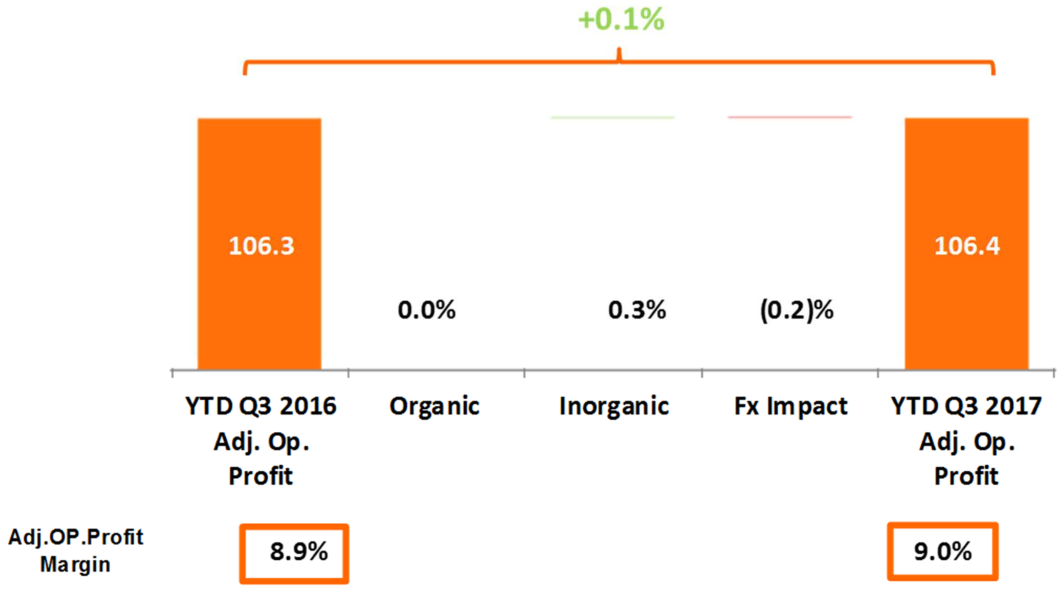
For the third quarter, organic revenue was up 0.2% and reported revenue was down 2.4% to €395.7 million. There was a small contribution of 0.1% from acquisitions less a revenue drag of 2.7% from currency translation.

The stable revenue for the nine month period and the quarter was a result of a decrease in organic revenue within the Energy & Industry division as a result of the exposure to the oil and gas industry where conditions remain challenging offset by good growth in the Labs and Auto divisions and excellent double digit growth in IDIADA.

In the third quarter the Euro has strengthened against a number of currencies and especially the US dollar which is the highest foreign currency exposure in the Group and this has resulted in a significant adverse translation impact on the consolidated reported results. Based on current exchange rates, this negative impact is expected to continue into the final quarter of the year and into next year.

Adjusted operating profit

The adjusted operating profit bridge in € million for the period is shown below alongside the performance of the third quarter.



Q3 2017	0.0%	0.4%	(1.4)%	(1.0)%

For the nine month period ended 30 September 2017, adjusted operating profit was flat on an organic basis and 0.1% higher at €106.4 million on a reported basis with a benefit of 0.3% arising from the acquisitions made in the year less a negative currency translation impact of 0.2%.

For the third quarter, the adjusted operating profit was €35.4 million, down 1.0% made up of flat organic revenue, 0.4% benefit from acquisitions and a currency drag of 1.4%.

The adjusted operating profit margin increased from 8.9% to 9.0% for the period and from 8.8% to 8.9% in the quarter. The increase in the margin was mainly due to the improvement in the margin in the Energy & Industry division following the integration of the three former divisions and the resulting synergies and cost control in an environment of significant price pressure.

Other Financial Indicators

The reported operating profit was €63.4 million in the period, 2.0% higher than the prior period.

The net financial expense increased in the period from €16.6 million in 2016 to €17.9 million this period, due to higher interest rates on the portion of debt that is denominated in US dollars and incremental foreign exchange charges on foreign currency balances in the period compared to the prior period.

Profit before tax on an adjusted and reported basis were both lower than for the corresponding periods last year mainly due to the higher financial expenses. Adjusted profit before tax for the nine month period was €89.1 million (2016: €90.9m) or 2.0% lower. Reported profit before tax was €46.2 million (2016: €46.8m) or 1.3% lower.

Net capital expenditure for the period relating to expansion of existing and into new facilities was €24.1 million (2016: €38.2m). In the period, this capital expenditure included the cost of acquiring new Automotive stations of €2.8 million (2016: €7.2 million) less the proceeds from the disposals of old Automotive stations of €7.8 million (2016: €nil). Excluding the net cost and proceeds of Automotive stations, the operational capital expenditure was €29.1 million (2016: €31.0 million) and this represented 2.5% (2016: 2.6%) of Group revenue.

Good cash flow continues to be generated by the business, although there was an increase in working capital as a result of the improvement in the revenue trend and due to the exceptionally low working capital level at the end of last year and this has resulted in lower operating and free cash flow compared to this period last year. Adjusted operating cash flow (after capital expenditure) was €73.6 million being €15.7 million lower than for the same period last year. Adjusted Free Cash Flow was €46.5 million being €9.5 million lower than for the same period last year.

Net debt, as defined by the bank covenants, was €60 million lower at €603 million compared to the position at the end of Q3 2016 and at a similar level to the start of the year and half year. After taking account of the cash proceeds from the successful equity raise of €137 million last month, the net debt fell to €466 million.

The financial leverage at the period end, as defined by the bank covenant, measured as Net Debt to last twelve months adjusted EBITDA (earnings before interest, tax, depreciation and amortisation), was 2.5x and would have been 3.2x (Q3 2016: 3.4x) at the end of the current period without the additional funds from the equity raise.

The increased financial flexibility following the equity raise enables Applus+ to comfortably finance the agreed acquisition of Inversiones Finisterre with headroom to make further attractive acquisitions. The covenant is tested twice a year and the next test is at December 2017 where the leverage ratio must be below 4.0x.

Acquisition of Inversiones Finisterre and equity raise

On the 27th September, the Group announced that it had agreed to acquire a majority stake in Inversiones Finisterre, a specialist statutory vehicle inspections business with operations in Spain and Costa Rica. The Group also announced an equity accelerated book build offering that raised €137 million by issuing 13 million shares, being 10% of the total number of shares at the time, at a price of €10.55 per share. The equity proceeds will be used to finance the acquisition of 80% of Inversiones Finisterre that is expected to be in November for circa €89 million with the surplus used to repay debt, reducing leverage and leaves the Group well positioned to make further acquisitions.

Inversiones Finisterre is a private company that manages four million vehicle inspections in Galicia and through a 55% subsidiary investment, in Costa Rica, under long term concession agreements with the respective Governments. The revenue from these concessions is highly visible and stable and is expected to be €74 million in 2017 with growth expected to be in the low to mid-single digits. The acquisition is expected to be strongly earnings per share accretive from the first full year.

This acquisition reinforces the global leadership position of Applus+ in statutory vehicle inspections, increasing the annual inspection volume to 20 million vehicles under 28 separate programmes with a further two programmes currently in the process of being implemented.

Outlook

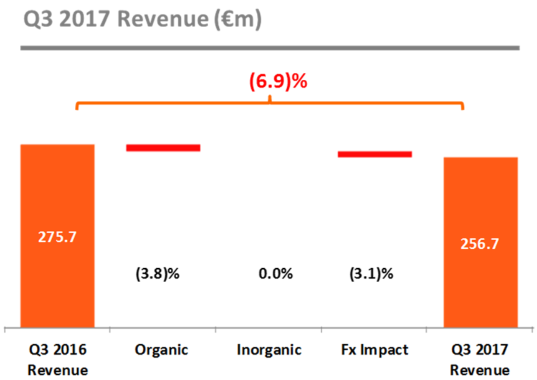
The performance is in-line with the guidance for the full year which continues to be to expect flat organic revenue at constant exchange rates and a flat adjusted operating profit margin. The net debt to EBITDA leverage, as defined by the bank covenants, is expected to be in the range of 2.4x to 2.6x at the end of the year taking account of the equity raise and the proforma EBITDA from the closure of the acquisition of Inversiones Finisterre, expected to be in November.

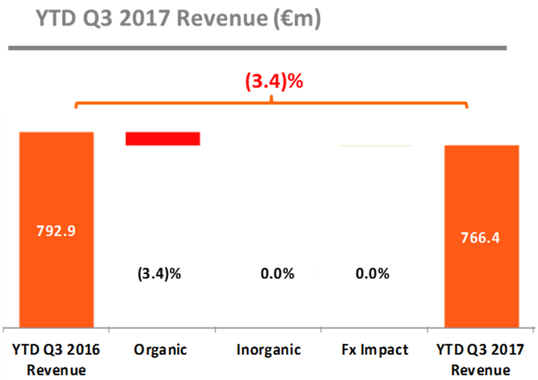
Operating review by division

Energy & Industry Division

The Energy & Industry Division is a leading global provider of non-destructive testing, inspection, quality assurance and quality control, project management, vendor surveillance, site inspection, certification and asset integrity services as well as technical staffing services to the oil and gas, aerospace, power, utilities, telecommunications, minerals and civil infrastructure sectors.

Revenue growth bridge for the quarter and the nine month period, in € million:





For the nine month period, the division revenue declined by 3.4% to €766.4 million being all organic.

For the third quarter, the revenue declined by 6.9% to €256.7 million being organic revenue decline of 3.8% plus a negative impact from foreign currency translation of 3.1%.

The organic revenue decline in the quarter was in line with the decline in the first half of 2017 of 3.2%, but worse than the second quarter decline of 2.2% reflecting the continued tough market conditions in the largest end market of oil and gas.

Services to Power, Construction, Telecom, Aerospace and other end markets accounting for around 40% of the division, continue growing well through the quarter and the period. Exposure to the Power industry now makes up 14% of the division revenue.

The division is managed on a geographic basis. In North America accounting for 27% of the division by revenue in the period and mainly exposed to the oil and gas industry, the revenue for the period was higher than the prior year with an increase in the amount of testing for new construction pipelines and an increase in the amount of call-out work for integrity and repairs and maintenance inspection work.

In Latin America accounting for 9% of the division by revenue in the period and where there is a mix of services to different end markets, there has been a toughening of market conditions with many large projects delayed especially in the two largest markets that Applus+ operates in Chile and Colombia. In Brazil there has been success with the commencement of some new projects.

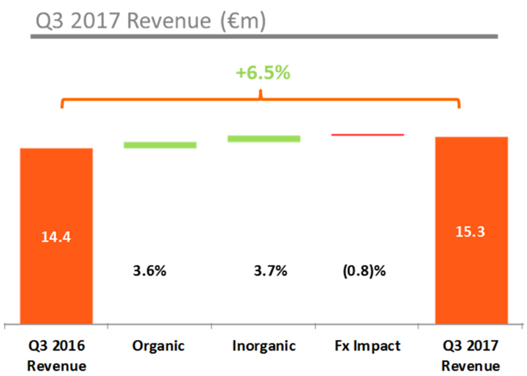
In Northern Europe which accounted for 19% of the division by revenue there was stable overall revenue. The North Sea region which remains under severe volume and price pressure, continues to negatively impact the region, but this was offset by higher volume of large international pipeline projects that are managed out of the region.

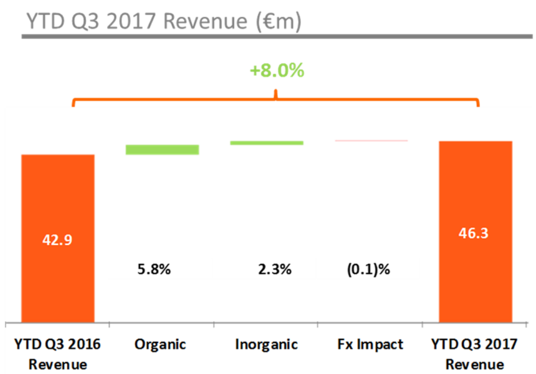
In Southern Europe, Africa, Middle East, Asia & Pacific accounting for 45% of the division by revenue in the period there was a mixed performance. In Africa and in Asia & Pacific, revenue decreased with a continued reduction in scope on a major African offshore oil contract. In the Middle East revenue was up and in Spain the business continued to perform well, especially with services to the Power industry. The new material consolidated contract signed with Shell in Australia for opex work, has started and will compensate for the lack of new construction projects in the country.

Laboratories Division

The Laboratories Division provides testing, certification, product development and engineering services to clients in a wide range of industries including aerospace, electrical and electronics and IT products.

Revenue growth bridge for the quarter and the nine month period, in € million:





For the nine month period, the revenue increased by 8.0% to €46.3 million being made up of 5.8% organic, 2.3% from acquisitions made in the year less 0.1% due to foreign currency translation.

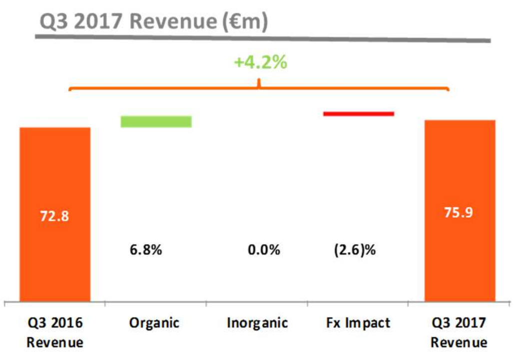
The division revenue increased by 6.5% to €15.3 million in the quarter being 3.6% organic revenue plus 3.7% revenue from acquisitions, less a negative impact from foreign currency translation of 0.8%. The growth in the quarter was on top of high growth of over 14% in the same quarter last year and is across the network and the different business lines.

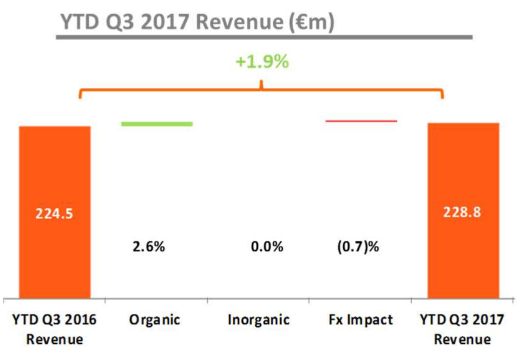
In the third quarter a laboratory providing metrology and calibration services was bought in Spain called AC6 bringing in €1.5 million of additional annual revenue. In the second quarter an electrical and electronics testing laboratory in Italy called Emilab was bought with €1.9 million of annual revenue. Both acquisitions are performing well.

Automotive Division

The Automotive Division is a leading provider of statutory vehicle inspection services globally. The division provides vehicle inspection and certification services across a number of jurisdictions where periodic vehicle inspections for compliance with technical safety and environmental specifications are mandatory. The Group carried out 11 million vehicle inspections in 2016 across Spain, Ireland, Denmark, Finland, the United States, Argentina, Chile and Andorra and programme managed a further 5 million inspections carried out by third parties.

Revenue growth bridge for the quarter and the nine month period, in € million:





For the nine month period, the revenue increased by 1.9% to €228.8 million being made up of 2.6% organic, less 0.7% due to foreign currency translation.

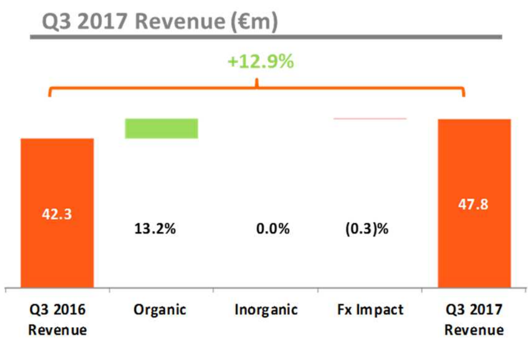
The division revenue increased by 4.2% to €75.9 million in the quarter being 6.8% organic revenue less a negative impact of 2.6% from foreign currency translation. The strong quarterly organic revenue was mainly due to new contracts ramping up.

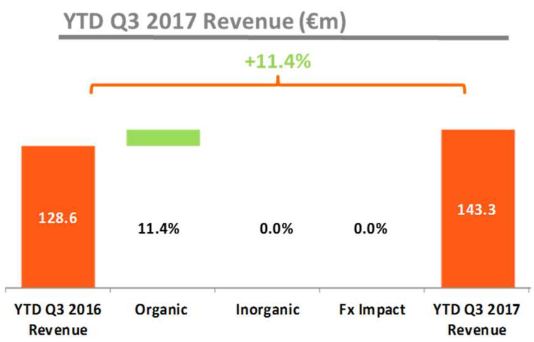
The various programmes in Spain performed well with Madrid and the Canary Islands having the strongest contribution to the growth. The exclusive concession in Ireland, which is the largest one in the division by revenue, had lower revenue in the quarter and in the period as the car fleet is younger on average this year compared to last year thereby reducing the number of cars requiring periodic inspection. Finland continues to reduce in volumes and revenue while the revenue from the stations in Denmark was stable due to additional services being sold. In the US, the new programme in Massachusetts commenced compensating for the lower revenue on the Illinois programme. In Latin America, the new contract in Argentina is ramping up and generating good growth.

The division is continuing to build out a network for the new periodic inspection contract across Uruguay and in the city of Durán in Ecuador, both of which are scheduled to commence in the second half of next year. In addition, with the expected closure in November of the acquisition of Inversiones Finisterre, there will be two further automotive inspection concessions in this division. In Galicia, in the north west of Spain with revenue of €47 million and in Costa Rica in Latin America with €27 million of additional revenue.

IDIADA Division

The IDIADA Division provides services to the world´s leading vehicle manufacturers. These include safety and performance testing, engineering services and homologation (Type Approval). By deploying state-of-the-art engineering capabilities, its customer-focused teams work closely with vehicle manufacturers to offer a comprehensive design, engineering and homologation service in twenty-five countries. This includes one of the world's most comprehensive proving grounds and test tracks located near Barcelona, Spain.





Double digit organic and reported revenue growth continued in the third quarter. For the nine month period, the revenue increased by 11.4% to €143.3 million being all from organic revenue growth.

The division revenue increased by 12.9% to €47.8 million in the quarter being 13.2% organic revenue less a negative impact of 0.3% from foreign currency translation. The very strong organic revenue is on top of double digit organic revenue growth in the prior year.

The division continued to benefit from favourable market conditions with all of IDIADA´s services in all geographies, being in high demand. The introduction of new regulations for emissions in Europe and homologation of motorcycles has also supported growth in the period. The division continues to increase its knowledge in new vehicle technologies and is currently participating in a European project in the area of connected vehicles and autonomous driving.

End of 2017 Third Quarter Results Announcement. 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.