



Report drafted by the Audit Committee of the Board of Directors of Applus Services, S.A. in relation to the amendment of article 37.2 of the Regulation of the Board of Directors

NOTICE. This document is a translation of a duly approved Spanish-language document, and is provided for informational purposes only. In the event of any discrepancy between this translation and the text of the original Spanish-language document, the text of the original Spanish-language document shall prevail.

I. Purpose of the report

This Report is drafted by the Audit Committee of Applus Services, S.A. (hereinafter, “Applus” or the “Company”) in accordance with the provisions set forth in articles 4.3 and 39.7.d. (iv) of the Regulation of the Board of Directors of Applus (hereinafter, the “Regulation”), to justify and explain the amendment of article 37.2 of the aforementioned Regulation, which has been approved by the Board of Directors at its meeting held on 22 June 2016.

The complete text of the proposed amendment is included in section III below. For the purposes of facilitating the identification and understanding of such amendment, the aforementioned section includes, for information purposes only, a comparative table of the amended article, which contains, on the left column, the transcription of the former wording of such article and, on the right column, the transcription of the new wording identifying the changes included therein.

It is hereby acknowledged that, in accordance with the provisions of articles 518 and 528 of the Spanish Companies Act and article 4.5 of the Regulation, this Report will be made available to the shareholders at the Company’s registered office and published uninterruptedly in the corporate website of the Company as from the date of the announcement of the calling until the holding of the General Shareholders’ Meeting which is set to take place on 2017.

II. Justification of the amendment

The Board of Directors of Applus, at its meeting of 22 June 2016, unanimously approved to eliminate the Supervisory Committee on the grounds that such body was no longer necessary. This elimination made necessary to first amend article 37.2 of the Regulation, in accordance to which the Board of Directors had in any event to create three Committees: Supervisory, Audit and Appointments and Compensations.

In particular, the amendment referred to in this report aims at suppressing the mandatory character of the Supervisory Committee, in order for this body not to be compulsory anymore but to become optional, so that the Board of Directors may, on a voluntary basis and in case it deems it necessary, delegate to a Supervisory Committee the powers that may be delegated in accordance with Spanish Companies Act, the Company's By-laws and the Regulation.

This amendment was unanimously approved by all members of the Board of Directors, therefore including the three members of the Audit Committee, in the meeting held immediately prior to the Annual General Meeting of 22 June 2016. Accordingly, such Annual General Meeting could not be informed of the amendment, so this Report is now issued in order to be presented to the next Annual General Meeting, which is expected to be held on June 2017.

III. Full text of the amendment

FORMER TEXT	NEW TEXT
Article 37.- Board of Directors Committees	Article 37.- Board of Directors Committees
37.2 Without prejudice to the statutory capacity of the Board of Directors to create other committees, in any case, the following shall be appointed: (a) Supervisory Committee (b) Audit Committee (c) Appointments and Compensations Committee	37.2 Without prejudice to the statutory capacity of the Board of Directors to create other committees, in any case, the following shall be appointed: (a) Supervisory Committee (a) Audit Committee (b) Appointments and Compensations Committee

In Bellaterra, Cerdanyola del Vallès (Barcelona), on 20 July 2016.