

PRESS RELEASE
14TH May 2014

Applus Services, S.A. ("Applus+" or "the Group")

Q1 2014 Trading Update

- Successful Initial Public Offering (IPO) of € 1,100 million (pre-greenshoe) raising € 300 million of new equity and providing a partial exit for the shareholder group led by The Carlyle Group
- New long term bank debt facilities replaces pre-IPO debt facilities
- Reported revenue increase of 5.9% to € 379.4 million
- Organic revenue growth at constant exchange rates of 10.5%
- Increase in adjusted operating profit margin
- New Non-Executive Chairman to the Group, Chris Cole recently appointed

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

"Following our successful IPO and first day of dealings on 9th May, I am pleased to present the first quarter trading update for the Group.

Revenue for the three month period to 31 March 2014 was € 379.4 million which includes organic revenue growth at constant exchange rates of 10.5%.

This performance is in line with our expectations.

As previously announced, we are pleased to welcome to our Board our new Non-Executive Chairman, Chris Cole, who is currently also Non-Executive Chairman of Ashtead Group plc."

Overview

For the first three months of 2014, revenue increased by 5.9% compared to the same prior year period. Organic revenue growth at constant exchange rates and excluding the effect of acquisitions and disposals was 10.5%.

This growth was driven principally by the strong performance of the Energy and Industry Services segment and Applus+ IDIADA.

Adjusted operating profit increased by 17.8% compared to the same prior year period. This increase represents a margin improvement of 80 bps.

The Group refinanced its main bank debt facilities which alongside the new equity proceeds are being used to pay down and replace the pre-IPO debt facilities as envisaged in the International Offering Memorandum.

Revenue

Revenue increased to € 379.4 million in the first quarter of the year, from € 358.3 million in the equivalent period in 2013 driven by organic revenue growth of 10.5% plus growth from acquisitions less disposals made in 2013 of 0.5%. This growth was offset by a decrease in revenue of 5.1% due to unfavourable fluctuations in exchange rates mainly coming from United States, Canadian and Australian dollars, Argentinian peso and Indonesian Rupiah.

(€ millions)		Growth on Q1 2013				
Q1 2014	Q1 2013	Total	Organic	Acquisitions	Disposals	Currencies
379.4	358.3	5.9%	10.5%	1.2%	-0.7%	-5.1%

The Group's businesses performed as follows:

Energy and Industry Services (75% of 2013 Group revenue)

- **Applus+ RTD:** Reported revenue increased by 10.3% (of which 15.4% was organic) to € 123.4 million in the first quarter of 2014, from € 111.9 million in the equivalent period in 2013, primarily driven by the continuation of three large pipeline projects in the United States. Applus+ RTD also enjoyed significant revenue growth in Canada, Asia Pacific and the Middle East.
- **Applus+ Velosi:** Reported revenue increased by 6.5% (of which 10.6% was organic) to € 90.2 million in the first quarter of 2014, from € 84.7 million in the equivalent period in 2013. This increase is across all regions except for Asia Pacific where some projects ended.
- **Applus+ Norcontrol:** Reported revenue increased by 5.2% (of which 10.3% was organic) to € 46.1 million in the first quarter of 2014, from € 43.8 million in the equivalent period in 2013, principally due to solid performance in Latin America (in particular, Colombia, Brazil and Chile)

and as a result of the stabilization of revenue in Spain after several years of decline.

- **Applus+ Laboratories:** Reported revenue decreased by 13.7% to € 11.4 million, principally in the first quarter of 2014 due to the sale of the Group's food testing business in March this year, from € 13.2 million in the equivalent period in 2013. Excluding the food business, Applus+ Laboratories generated organic revenue growth of 6.2% in the first quarter of 2014 compared to the equivalent period in 2013, mainly as a result of increased services provided to the aerospace industry.

Statutory Vehicle Inspections (17% of 2013 Group revenue)

- **Applus+ Automotive:** Reported revenue decreased by 0.8% (of which 1.7% was positive organic revenue growth) to €72.9 million in the first quarter of 2014, from €73.4 million in the equivalent period in 2013. Excluding the one-off termination of the two Basque country stations in 2013, organic growth would have been 3.3%. Additional revenue of 1.5% came from stations acquired in Denmark in December 2013.

Automotive Engineering & Testing (8% of 2013 Group revenue)

- **Applus+ IDIADA:** Reported revenue increased by 13.2% (of which 15.0% was organic) to €35.4 million in the first quarter of 2014, from €31.3 million in the equivalent period in 2013 driven by the robust performance of all the division's services, particularly testing at the automotive proving ground. In the first quarter, a new international automotive accreditation facility was opened in Malaysia.

Adjusted Operating Profit

The Group's adjusted operating profit increased by 17.8%, to € 29.4 million in the first quarter of 2014, from € 25.0 million in the equivalent period in 2013, a margin improvement of 80 bps. This margin improvement is a result of revenue growth and the continuous focus across the Group on margin enhancement including the restructuring plans implemented in 2013 especially in Applus+ Norcontrol.



For further information:

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About Applus+ Group

Applus+ is one of the world's leading companies in Testing, Inspection and Certification. 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 (including approximately 3,000 engineers). 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. From 1 January 2011 to 31 December 2013, the Group's revenue grew at a CAGR of 15.8%.

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 in distribution are 130,016,755.

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Symbol: APPS

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