

## Applus+ Refinancing

**Madrid, July 24, 2018.** Applus+, a global testing, inspection and certification company, announces the successful refinancing of its senior debt facilities. The €750 million existing senior secured facility maturing in June 2020 has been prepaid early with a new financing package to take advantage of favourable market conditions including historically low long term euro interest rates and to diversify the sources of finance.

The new debt package consists of senior unsecured bank debt and an institutional private placement debt. The senior bank debt, which has been provided by nine banks, is a €600 million multi-currency Facility, split into a €200 million 5-year Term Loan and a €400 million 5-year Revolving Credit Facility. The tenor can be extended by two 1-year extension options at the end of the first and second anniversary from signing. The drawn margin at the current leverage level is 1.1%.

Banco Santander, BNP Paribas, Caixabank, Crédit Agricole, Mizuho and Société Générale acted as Mandated Lead Arrangers and Joint Bookrunners, while Barclays, Citi and MUFG acted as Mandated Lead Arrangers.

The private placement debt is from two well recognised US Private Placement lenders, led by Pricoa Capital Group in conjunction with MetLife Investment Management. It is a 7 year €150 million bullet facility and a 10 year €80 million bullet facility. The blended annual interest cost on these two tranches of private placement is a fixed rate of 2.0%.

The financial covenants on the two sources of debt are the same with the principal one unchanged from the old bank debt facility being a leverage covenant of Net debt to EBITDA not to exceed 4.0x and tested every six months. The financial leverage of the Group at the end of June 2018 was 2.4x being at the same level as it was at the end of 2017.

The refinancing has diversified the sources of finance allowing the Group to tap the fixed rate US Private Placement market for future financing needs. It has also extended and spread the maturity dates reducing the annual refinancing risk.

The Group was advised on the refinancing strategy and execution by KPMG España.

**Joan Amigo, CFO of Applus+ said,** *"I am delighted with the outcome of this refinancing. Our lending banks have been very supportive throughout the process and we are pleased to have been able to design our new capital structure in a manner that reflects the maturity and development of Applus+. This is the first time we have accessed the US Private Placement market which has been a positive experience where we have made many new long term relationships and we hope to be able to tap this market again in the future. I sincerely thank those banks that have been lenders to Applus+ over many years and did not participate in the refinancing on this occasion as they have been key to our progress over the years. Finally, I extend my gratitude and thanks to all those that participated and were involved in this deal including the advisors on both sides and especially our advisors, KPMG España."*

**About the 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 health and safety, quality and environmental standards and regulations.

Applus+ develops its activity in more than 70 countries with a workforce of 20,700 employees and operates through four global divisions, all under the Applus+ brand. During the fiscal year 2017, it obtained revenues of 1,583 million euros and an adjusted operating result of 143 million euros.

Applus+ is listed on the stock markets of Barcelona, Bilbao, Madrid and Valencia. The total number of shares is 143,018,430

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