



Report issued by the Audit Committee on the Independence of the Auditors of Applus Services, S.A. during year 2016

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

I. Introduction

This Report on the independence of the auditors is drafted by the Audit Committee of the Board of Directors of Applus Services, S.A. (hereinafter, “**Applus**” or the “**Company**”) at its meeting held on 21 February 2017 in compliance with section 4(f) of article 529 quaterdecies of the Spanish Companies Act and article 39.7c (iii) of the Regulation of the Board of Directors of Applus.

The General Shareholders’ Meeting held on 22 June 2016 agreed, as proposed by the Board of Directors and, in turn, previously proposed by the Audit Committee, to re-elect as auditor of the Company and its consolidated group for the year 2016 Deloitte, S.L., domiciled at Plaza Pablo Ruiz Picasso, 1, (Picasso Tower), Madrid, 28020, with Tax Identification Number (*Número de identificación fiscal*) B-79104469, duly registered with the Commercial Registry of Madrid, Volume 13,650; Sheet 188; Section 8; Page M-54414, and the Official Registry of Accounting Auditors (ROAC) with number S-0692 (hereinafter, the “**Auditor**”).

II. Analysis on the Independence of the Auditor

1. Communication with the Auditor. During the course of its activities, the Audit Committee has maintained during year 2016 the appropriate relations with the Auditor in order to receive information about issues that may imply a risk to its independence or any other issues relating to the audit process, as well as those other communications provided for in the applicable legislation on account auditing and standard audit techniques.

In this regard, the Committee has held timely meetings with the Auditor, from which it received punctual and detailed information regarding the auditing services and those non-audit services provided to the Company and its group of companies, in accordance with article 39.7c of the Regulations and the Spanish accounting and audit regulations.

2. Services provided by the Auditor. The breakdown of services provided by the Auditor to the Company during year 2016 is as follows (amounts expressed in thousands of euros):

Concept	Expenses (thousands of euros)
Audit Services	1,954
Other verification services	226
Tax services	166
Other services	12
Total professional services provided to the Company	2,358

The total amount for the services provided by the Auditor to the Company or its consolidated group during year 2016 is equivalent to 2,358 million euros, 404 thousand

of which correspond to non-audit services. These amounts are not significant in comparison with the total annual income of the Auditor, considering the average of such annual income for the last 3 years published by the Auditor.

In respect of the non-audit services, the category “*Other verification services*” includes services relating to the limited review undertaken by the auditor in respect of the six-month statement closed on 30 June and some grants reports, and the category “*Tax services*” basically corresponds to services on transfer pricing. None of these services are included in the prohibited services provided for in Law 22/2015, on Account Auditing (“*Ley 22/2015, de 20 de julio, de Auditoría de Cuentas*”), and the appointment of the Auditor was based exclusively on its ability to provide an efficient audit and an adequate price in relation to the market, in addition to its significant knowledge of the Company, which ensures a total customization of the services to the Company’s circumstances. The Audit Committee considers that the provision of audit services by the Auditor was not influenced or determined by the provision of non-audit services.

3. Statement of Independence issued by the Auditor itself. Finally, the Audit Committee confirms that it has received from the Auditor written confirmation of its independence from the Company and its group of companies, as well as information about non-audit services, on an individual basis and jointly considered, of whatever class, provided to the Applus group by the Auditor or by any related person or entity, in accordance with the provisions established in Law 22/2015.

In such statement, the Auditor indicates that it has not identified circumstances that could imply a conflict of interest and that any threat to its independence has been mitigated through the implementation of safeguards in the provision of non-audit services.

III. Conclusion

The Audit Committee considers that, during year 2016, the Auditor has independently performed its services as the following elements have met:

- (i) In the information obtained through the aforementioned channels of communication, the Audit Committee has not identified any aspect that questions the compliance with the applicable audit laws regarding the independence of the Auditor and, in particular, it has not identified aspects of such nature related to the provision of non-audit services, whether considered individually or together.
- (ii) The fees are not influenced or determined by the provision of non-audit services, nor are they based in contingencies or conditions distinct from changes in circumstances that serve as the base for the determination of fees, in accordance with the provisions of Law 22/2015.

- (iii) The fees for the audit and non-audit services provided do not constitute a significant percentage of the total annual income of the Auditor, considering the average for the last 3 years; and
- (iv) The Auditor has confirmed, in writing, that its independence is in accordance with the provisions in Law 22/2015 and the standard auditing techniques provided by the Institute of Accounting and Auditing.

Based on the foregoing information, the Audit Committee concludes that there are no objective reasons to question the independence of the auditor for year 2016.

In Bellaterra, Cerdanyola del Vallès (Barcelona), on 21 February 2017.