



Report from the Board of Directors of Applus Services, S.A. on the proposed amendments of article 12 (“*Call to the General Shareholders Meeting*”) of the By-Laws and article 12 (“*Place of the meeting*”) of the Regulation of the General Shareholders' Meeting included under items Eighth and Ninth of the agenda of the Annual General Shareholders' Meeting convened for 20 and 21 June 2017 on first and second call, respectively.

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. Introduction and purpose of the report

This Report is drafted by the Board of Directors of Applus Services, S.A. (hereinafter, “Applus” or the “Company”), in accordance with section 286 of the Spanish Companies Act, to justify and explain the proposed amendment of section 12 of the By-Laws, as well as the correlative section of the Regulation of the General Shareholders’ Meeting (likewise, section 12), which will be submitted for the approval of the General Shareholders’ Meeting of the Company convened for 20 and 21 June 2017 on first and second call, respectively.

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

It is hereby acknowledged that, in accordance with the provisions of sections 287 and 518 of the Spanish Companies Act, and section 8 of the Regulation of the General Shareholders’ Meeting of Applus, 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.

II. Justification for the proposal

As provided in section 12 .5 of the By-Laws and in section 12 of the Company's Regulation of the General Shareholders' Meetings, currently the shareholders' meetings of Applus can only be held in the municipalities of Cerdanyola del Vallés (where the registered office is located) or Barcelona.

As a matter of fact, ever since Applus went public on May 2014 the Company has held shareholders' meetings in the city of Barcelona, given that there are almost no venues in Cerdanyola del Vallés that meet the conditions, in terms of both room and services, required for a listed company to hold a shareholders' meeting.

However, the profusion of fairs, congresses and corporate events that are held in Barcelona, as well as the hotel over-occupancy that the city is experiencing over the last years, makes the availability of venues that are suitable to hold shareholders' meetings more and more difficult and significantly increases the prices of suchs venues.

Accordingly, the proposal included in this Report is simply aimed to mitigate those logistical and cost problems by expanding to the entire province of Barcelona the possibility to hold the Company's general shareholders' meetings.

III. Full text of the proposed amendments

| By-Laws | |
|---|---|
| Current text | Proposed amendment |
| <p>Section 12.- <u>Call to the General Shareholders Meeting</u></p> <p>12. 5. The General Shareholders Meeting may be called in the municipality within the registered office, or when the Chairman considers it appropriate for reasons of logistics and need, in any location within the municipal boundaries of Barcelona. When not indicated in the call, the meeting shall be understood to be called to be held at the registered office.</p> | <p>Section 12.- <u>Call to the General Shareholders Meeting</u></p> <p>12. 5. The General Shareholders Meeting may be called in the municipality within the registered office, or when the Chairman considers it appropriate for reasons of logistics and need, in any location within the municipal boundaries province of Barcelona. When not indicated in the call, the meeting shall be understood to be called to be held at the registered office.</p> |

| Regulation of the General Shareholders' Meetings | |
|---|---|
| Current text | Proposed amendment |
| <p>Section 12.- <u>Place of the meeting</u></p> <p>The General Shareholders Meeting will be held at the place indicated in the call to meeting, within the municipal district of the Company's registered office or, when the Chairman deems it advisable for reasons of logistics or need, in any location within the municipal boundaries of Barcelona. If the place is not indicated in the call to meeting, it shall be deemed that the meeting will take place at the Company's registered office.</p> | <p>Section 12.- <u>Place of the meeting</u></p> <p>The General Shareholders Meeting will be held at the place indicated in the call to meeting, within the municipal district of the Company's registered office or, when the Chairman deems it advisable for reasons of logistics or need, in any location within the municipal boundaries province of Barcelona. If the place is not indicated in the call to meeting, it shall be deemed that the meeting will take place at the Company's registered office.</p> |

In Bellaterra, Cerdanyola del Vallès (Barcelona), on 5 May 2017.