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## AUDITOR'S REPORT



*This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation*

## INDEPENDENT AUDITOR'S REPORT ON ANNUAL ACCOUNTS

### Report on the Annual Accounts

We have audited the accompanying annual accounts of SEAT, S.A., which comprise the balance sheet as at December 31, 2016, and the income statement, statement of changes in equity, cash flow statement and related notes for the year then ended.

#### *Directors' Responsibility for the Annual Accounts*

The company's directors are responsible for the preparation of these annual accounts, so that present fairly the equity, financial position and financial performance of SEAT, S.A., in accordance with the financial reporting framework applicable to the entity in Spain, as identified in note 3.a) to the accompanying annual accounts, and for such internal control as directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with legislation governing the audit practice in Spain. This legislation requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the annual accounts taken as a whole.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### *Basis for Qualified Opinion*

As indicated in note 21.b) to the annual accounts, the disclosure of the remuneration of the directors and senior management is presented in aggregated, with no separation of the two groups, as required under the Spanish General Accounting Plan and the Spanish Capital Companies Act. Our audit report of the annual accounts as at December 31, 2015 and for the year then ended included a qualification in respect of this item.

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Inscrita en el R.O.A.C. con el número 50242 - CIF: B-79 031290



*Qualified Opinion*

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of SEAT, S.A. as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework, and in particular, with the accounting principles and criteria included therein.

**Report on Other Legal and Regulatory Requirements**

The accompanying directors' Report for 2016 contains the explanations which the directors consider appropriate regarding the company's situation, the development of its business and other matters and does not form an integral part of the annual accounts. We have verified that the accounting information contained in the directors' Report is in agreement with that of the annual accounts for 2016. Our work as auditors is limited to checking the directors' Report in accordance with the scope mentioned in this paragraph and does not include a review of information other than that obtained from the company's accounting records.

PricewaterhouseCoopers Auditores, S.L.

José M Solé Farré

8 February 2017