Opus Group AB (publ)

Year-end report 2018

January 1 - December 31, 2018

Report period October – December 2018

- Net sales in the quarter amounted to SEK 657 million (496), a growth of 32.4%. In constant currencies and adjusted for acquisitions, the organic growth was 8.0%.
- EBITDA amounted to SEK 132 million (62), corresponding to an EBITDA margin of 19.7% (12.5).
- EBITA amounted to SEK 90 million (32), corresponding to an EBITA margin of 13.3% (6.3).
- Profit/loss for the quarter amounted to SEK 34 million (24) and includes net foreign exchange differences of SEK 13 million (-15).
- Cash flow from operating activities amounted to SEK 117 million (35) and Free cash flow amounted to SEK 58 million (-26).

Report period January – December 2018

- Net sales in the period amounted to SEK 2,497 million (1,858), a growth of 34.4%. In constant currencies and adjusted for acquisitions, the organic growth was 9.5%.
- EBITDA amounted to SEK 504 million (308), corresponding to an EBITDA margin of 20.0% (16.6).
- EBITA amounted to SEK 358 million (188), corresponding to an EBITA margin of 14.2% (10.1).
- Profit/loss for the period amounted to SEK -6 million (74) and includes net foreign exchange differences of SEK -66 million (-39).
- Cash flow from operating activities amounted to SEK 323 million (186) and Free cash flow amounted to SEK 84 million (-41).
- The Board proposes a dividend of SEK 0.05 (0.05) per share.

Financial overview

	3 months [1]		12 months	
SEK millions	**2018**	**2017**	**2018**	**2017**
Net sales	657	496	2,497	1,858
EBITDA	132	62	504	308
EBITDA margin	19.7%	12.5%	20.0%	16.6%
EBITA	90	32	358	188
EBITA margin	13.3%	6.3%	14.2%	10.1%
Profit/loss for the period	34	24	-6	74
Cash flow from operating activities	117	35	323	186
Free cash flow [2]	58	-26	84	-41
Net debt [3]	1,596	966	1,596	966
Net debt / EBITDA [4]	3.1x	3.0x	3.1x	3.0x
Equity [3]	987	947	987	947
Equity/Total assets ratio [3]	25.5%	28.4%	25.5%	28.4%

[1] Quarter 4: October 1 - December 31.
[2] Cash flow from operating activities minus investments in tangible and intangible fixed assets.
[3] As per end of period.
[4] Net debt as per end of period divided by Last 12-months EBITDA adjusted for proforma accounts for acquired businesses.

For definitions of key ratios, see Opus Group´s annual report 2017.

CEO letter

Strong revenue and operating earnings growth in 2018

I am pleased with the overall performance of Opus during the last year. With revenues reaching SEK 2.5 billion in 2018, we saw total growth of 34%, whereof 9% was organic. Our operating earnings have increased even more, with an EBITDA growth of 63%. The EBITDA margin increased to 20% compared with 17% in 2017 and the EBITA margin reached 14%. In 2018 we implemented a new organization and divisional structure, and released new, promising products and services under IVS. As part of our growth strategy, we acquired Gordon-Darby in the U.S. and VTV in Argentina. Both acquisitions have been well integrated, strengthened our organization and contributed to growth and margin improvements.

Our U.S. and Asia vehicle inspection segment saw significant revenue growth of 43% in 2018. The acquisition of Gordon-Darby and the continued roll-out of EaaS in the U.S. both contributed to sales and EBITDA growth. We expect to see further growth in EaaS in 2019 driven by the continuing roll-out in Pennsylvania. In Punjab, Pakistan, a total of 12 stations are now operational, however, compliance rates remain at a relatively low level.

In the European vehicle inspection segment, Sweden was affected by a regulatory change revising the inspection interval in 2018. This had a negative impact on the total market volume. Revenue in 2018 was flat compared to prior year at lower EBITDA. Our cost reduction plan is showing some positive effects on the overall cost structure and we will continue to ensure that our inspection capacity is in line with new market conditions.

The Latin American vehicle inspection segment continues to grow. Revenues in 2018 were 2.5 times higher compared to 2017, primarily due to the acquisition of VTV and the opening of new stations in Chile (now operating seven stations). EBITDA also improved, although still being negative, which is partly due to costs for station openings and other one-off expenses. Despite negative inflation effects in Argentina, the operational business delivered revenue and profit margins according to plan in local currency.

Our Intelligent Vehicle Support (IVS) division delivered good organic revenue growth of 29% in 2018, as a result of the continued turnaround of Autologic but also due to the expansion of RAP service. The new Drive platform, which was introduced to the market at the end of 2018, will be in full production during Q1 2019 and is expected to contribute to continued growth. During 2019, IVS will focus on the continuation of RAP service sales, sales of Drive Pro, and on introducing Drive Crash in the collision market.

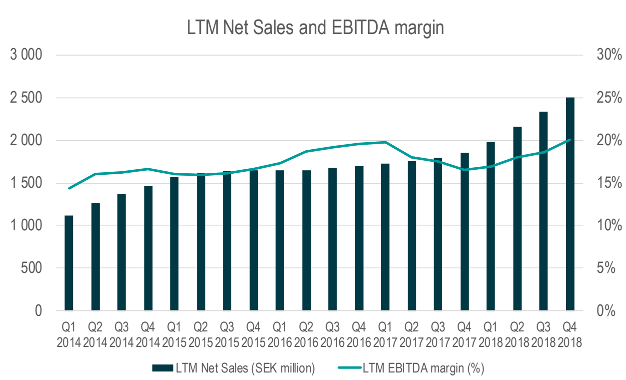
By mid-2018 and in the beginning of 2019, we successfully refinanced two of our SEK-bonds in order to secure long-term financing at a favorable cost structure and, in parallel, decrease our foreign exchange exposure.

Going forward, Opus will continue to focus on profitable growth while considering our debt position and less capital-intensive business models. Our focus will be on revenue growth and sustainable profit margins in Latin America; increased inspection volume in Punjab, Pakistan; success of IVS' new product offerings; continued customer-focused operation of U.S. inspection programs and further expansion of EaaS.

Gothenburg in February 2019
Lothar Geilen
CEO

Highlights fourth quarter 2018

- Net sales: SEK: **657** million
- Net sales growth: **32%** (8% organic)
- EBITDA: SEK **132** million (112% increase)
- EBITDA margin: **20%**



Financial result

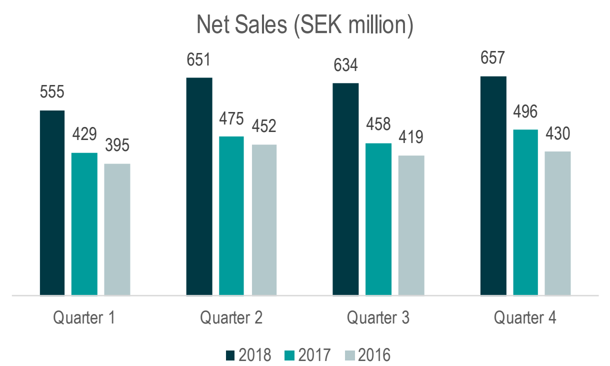
The Group´s sales and result

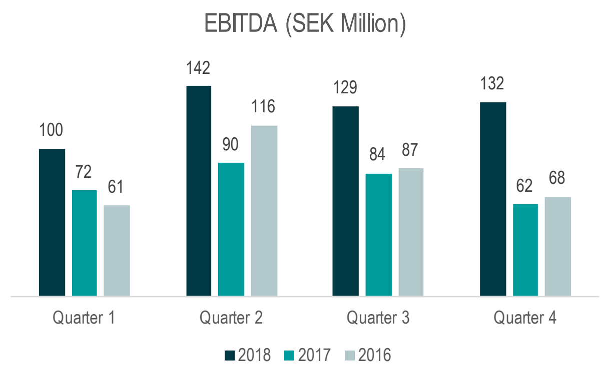
October – December 2018

- Net sales for the quarter amounted to SEK 657 million (496). Reported net sales is 32.4% higher for the Group compared to previous year. Revenue has been positively affected by the acquisition of Gordon-Darby, finalized in January 2018 and by the acquisition of VTV, finalized in May 2018. The organic growth (i.e. in constant currencies and adjusted for acquisitions) was 8.0%.
- EBITDA amounted to SEK 132 million (62), corresponding to an EBITDA margin of 19.7% (12.5). The improved margin is mainly driven by acquisitions, increased EaaS volumes and equipment sales.
- Depreciation and amortization amounted to SEK -84 million (-52), of which depreciation of tangible assets represented SEK -42 million (-31) and amortization of intangible assets SEK -42 million (-21). The increase in amortization of intangible assets is primarily due to the acquisitions of Gordon-Darby and VTV.
- The Group´s net financial items amounted to SEK -6 million (-35) whereof net interest stood for SEK -18 million (-16). Unrealized foreign exchange differences amounted to SEK 13 million (-15) and includes accumulated foreign exchange differences of SEK 38 million that have been reversed from equity due to repayment of an intra-group loan for which foreign exchange differences were previously reported directly in equity. Other financial items were SEK 0 million (-3).
- The reported income tax includes a tax effect of SEK 6 million relating to non-expensed exchange-rate losses reported directly over equity.
- Profit/loss for the period amounted to SEK 34 million (24).

January – December 2018

- Net sales for the year amounted to SEK 2,497 million (1,858). Reported net sales is 34.4% higher for the Group compared to previous year. Revenue has been positively affected by the acquisition of the three vehicle inspection concessions in Córdoba, Argentina, finalized in March 2017, by the acquisition of Autologic, finalized in June 2017, by the acquisition of Gordon-Darby, finalized in January 2018 and by the acquisition of VTV, finalized in May 2018. The organic growth (i.e. in constant currencies and adjusted for acquisitions) was 9.5%.
- EBITDA amounted to SEK 504 million (308), corresponding to an EBITDA margin of 20.0% (16.6). The improved margin is mainly driven by acquisitions and increased EaaS volumes.
- Depreciation and amortization amounted to SEK -298 million (-201), of which depreciation of tangible assets represented SEK -146 million (-120) and amortization of intangible assets SEK -152 million (-81). The increase in amortization of intangible assets is primarily due to the acquisitions of Gordon-Darby and VTV.
- The Group´s net financial items amounted to SEK -155 million (-104), whereof net interest stood for SEK -71 million (-57). Unrealized foreign exchange differences amounted to SEK -66 million (-39) and includes accumulated foreign exchange differences of SEK 38 million that have been reversed from equity due to repayment of an intra-group loan for which foreign exchange differences were previously reported directly in equity. During the year, the Argentine peso (ARS) has weakened significantly against the USD and the Argentine subsidiaries that have loans in USD from the parent company have reported significant unrealized exchange losses on the intra-group loans. Other financial items were SEK -18 million (-8) and include the premium of SEK -6 million that the Group paid in connection with early repayment of the "November 2018 bonds" in May 2018.
- The reported income tax includes a tax effect of SEK -13 million relating to exchange rate gains not recognized as income but reported directly against equity. During the year an adjustment of deferred tax assets has affected the reported income taxes with SEK -15 million.
- Profit/loss for the year amounted to SEK -6 million (74).





Financial position

Cash and cash equivalents

Cash and cash equivalents at the end of the year amounted to SEK 384 million (compared with SEK 643 million at the beginning of the year), whereof SEK 43 million is only available to the Group for special purposes attributable to a contractual investment fund for one of the states in the United States. Consequently, available cash and cash equivalents at the end of the year amounted to SEK 341 million.

Interest bearing debt and net debt

The Group´s interest bearing debt at the end of the year amounted to SEK 1,981 million compared with SEK 1,608 million at December 31, 2017. The change is primarily due to the new bank loan of USD 35 million (SEK 274 million) raised in connection with the acquisition of Gordon-Darby and the appreciation of the USD in relation to the SEK.

During the second quarter of 2018, Opus issued a senior unsecured bond loan of SEK 500 million with a tenor of four years on the Nordic market. In connection with this, Opus redeemed all outstanding bonds on the SEK 500 million bond loan due to expire in November 2018.

The Group´s net debt amounted to SEK 1,596 million (966) at the end of the year, corresponding to 3.1 times the Group´s EBITDA on a last 12-months basis, adjusted for proforma accounts from acquired businesses.

Opus Group´s bond and loan agreements include customary terms and conditions and undertakings. The bond and loan agreements contain three financial covenants, which consist of interest coverage ratio, Net debt/EBITDA ratio and minimum cash requirements.

Equity

The Group's total equity amounted to SEK 987 million at the end of the year-compared to SEK 947 million at the beginning of the year.

Equity attributable to equity holders of the parent company at the end of the year amounted to SEK 1,001 million (940), equivalent to SEK 3.45 per share outstanding at the end of the year before dilution. In 2018, exchange rate gains not recognized as income but reported directly over equity have positively impacted equity attributable to equity holders of the parent company by SEK 52 million of which SEK 60 million consists of exchange rate gains from intra-group loans reported directly over equity and SEK -8 million consists of translation differences on foreign operations.

Equity attributable to non-controlling interests at year-end amounted to SEK -14 million (7 at the beginning of the year) and is mainly attributable to, not wholly-owned, subsidiaries in Pakistan and Argentina, which are operating in a start-up phase and where the result and equity was negatively affected by unrealized exchange rate losses.

Equity/Total assets ratio at the end of the year amounted to 25.5% compared with 28.4% and the beginning of the year.

Cash flow

The year´s cash flow from operating activities amounted to SEK 323 million (186), including a change in working capital of SEK -10 million (-32).

Cash flow from investing activities amounted to SEK -836 million (-413) in 2018. Cash flow related to acquisitions amounted to SEK -544 million (-160). Investments in tangible fixed assets amounted to SEK -224 million (-209) and primarily consisted of machinery and equipment related to the company´s EaaS business and investments in new vehicle inspection stations in Argentina and Chile. Investments in intangible fixed assets amounted to SEK -15 million (-18). The Groups´s Free cash flow amounted to SEK 84 million (-41). Other investing activities include earnout paid of SEK -21 million (-22).

Cash flow from financing activities amounted to SEK 254 million (392) in 2018 and primarily comprised the new bank loan of USD 35 million raised in connection with the acquisition of Gordon-Darby, SEK -5 million net in connection with the refinancing of the "November 2018 bonds" and dividends paid to the parent company shareholders of SEK -15 million.

Other information

Significant events during the period and after the end of the period

For more detailed information on events during the period and after the end of the period see the Group´s website: www.opus.global.

New division and new operational organization

At the beginning of 2018, Opus formed the new division Intelligent Vehicle Support (IVS) to focus its offerings within service, repair and support of modern vehicles and to address the technological challenges faced by repair shops following the increasing complexity of vehicles. In conjunction with the formation of the new division, the Group's other division, Vehicle Inspection, was divided into the three geographical segments U.S. & Asia, Europe and Latin America.

Acquisition of Gordon-Darby Inc.

In January 2018, Opus acquired 100% of the shares in Gordon-Darby Inc. The purchase price was USD 55 million (SEK 434 million) on a cash and debt-free basis. Gordon-Darby is a leading U.S.-based government services company specializing in vehicle inspection. The company is headquartered in Louisville, Kentucky, and operates in Arizona, New Hampshire and Texas. Gordon-Darby has been consolidated into Opus accounts as of January 1, 2018.

Settlement reached in legal dispute in the U.S.
In February 2018, Opus and Pradeep Tripathi entered into a settlement agreement in the lawsuit against Opus Group AB (publ) and Opus Inspection, Inc. that was filed by Tripathi and one of his companies, Nexus Environmental LLC, in June 2017. Under the terms of the settlement, the parties exchanged releases with respect to all claims and agreed upon a payout schedule expressly intended to substitute for the earnout payments which would otherwise become due to Tripathi under the Systech acquisition agreement. More detailed information on the settlement agreement is provided in Opus´ Annual report 2017.

Refinancing of the "November 2018 bonds"
At the end of May 2018, Opus issued a new corporate bond of SEK 500 million with the purpose of refinancing the company's outstanding SEK 500 million bond with final maturity on November 20, 2018 ("November 2018 bonds"). The new bond loan has a tenor of four years and was issued in the Nordic market. In conjunction with this, Opus prematurely redeemed all outstanding "November 2018 bonds" at an amount corresponding to 101% of the nominal amount.

Acquisition of VTV
On May 29, 2018 Opus acquired 100% of the shares in the two Argentinian vehicle inspection companies VTV Norte SA and VTV Metropolitana SA (together "VTV"). The acquired companies hold vehicle inspection concessions in the city and province of Buenos Aires, Argentina. The total purchase price amounted to EUR 11 million (SEK 110 million) on a cash and debt-free basis. The acquisition of VTV strengthens Opus´ position in both Argentina and in the Latin American vehicle inspection market. The VTV companies have been consolidated in Opus accounts as of May 29, 2018.

Refinancing of the "SEK 500 million 2016/2021 bonds"
At the end of January 2019, Opus issued a new corporate bond (Taxable Corporate Notes commonly known as Letter of Credit (L/C) backed bonds) of USD 60 million in the U.S. The proceeds from the transaction were mainly used for the early redemption of the "SEK 500 million 2016/2021 bonds". The L/C backed bonds of USD 60 million carry a variable short-term taxable interest rate, in line with LIBOR 7 days. The L/C backed bonds are guaranteed through a letter of credit issued by Swedbank AB (publ), New York Branch. The letter of credit has a maturity of three years and is extendable upon agreement. The maturity under the framework of the L/C backed bonds is 15 years. The bonds may be prepaid by Opus, in whole or in part, at no additional cost.

Employees
The average number of employees during 2018 amounted to 2,464 (1,887). At the end of the year the number of employees amounted to 2,569 (1,929).

Transactions with related parties
A provision for earnout for the acquisition of Systech 2008 has been accounted for in relation to Lothar Geilen (the Group´s CEO) in his role as the former owner. More information on the terms of the agreement for the earnout is provided in note 19 for the Group in the Opus Annual report 2017.

Brian Herron, president of Intelligent Vehicle Support, is entitled to additional consideration paid in accordance with the acquisition agreement for Drew Technologies. For more information see note 19 for the Group in the Opus Annual report 2017.

Risks and uncertainty factors
Opus applies a risk management model in which potential risks are identified and evaluated using a five-point scale based on likelihood and impact. Identified risks are assigned to one of three categories – Environment risks, Operational risks and Financial risks. A detailed description of the parent company and subsidiaries' risks and risk management is provided in Opus Group's Annual Report 2017.

Events that have occurred in the environment or within Opus since the publication of the annual report are deemed not to have resulted in any significant risks or any change in how the Group works with the identified risks compared with the description in the Annual Report for 2017.

Legal proceedings
A U.S. subsidiary in the Intelligent Vehicle Support Division ("Subsidiary") has been named as a defendant in a lawsuit filed in the State of California, United States in 2018. The complaint alleges that plaintiffs' former employees illegally shared plaintiffs' business plans and market research with the Subsidiary and that the Subsidiary has misappropriated plaintiffs' trade secrets. The complaint requests injunctive relief and unspecified damages. Opus has engaged legal counsel to defend the allegations. The information disclosed to date does not change counsel's initial assessment that the allegations in plaintiffs' complaint made against the Subsidiary are without merit.

Parent company
Opus Group AB (publ) is the parent company in Opus Group. The parent company's operations include group management and group-wide functions within group reporting, financing, legal services, business development and communication. During 2018 the parent company´s net sales amounted to SEK 16 million (17) and profit/loss before tax to SEK 137 million (79). Profit/loss includes foreign exchange differences of SEK 102 million (-149).

Dividend policy

Opus Group's Board has adopted the following dividend policy: Opus Group's dividend policy is to distribute 10-20% of EBITDA of each fiscal year, provided that the company meets the financial target for net indebtedness.

Due to the significant acquisition growth during 2018, the Group´s net debt to EBITDA exceeds our target for declaring dividends. However, in view of the positive trend in underlying cash flow, the Board proposes to maintain a dividend of 0.05 SEK (0.05) per share for the fiscal year of 2018.

Financial targets

The Board of Opus Group has adopted the following financial targets:

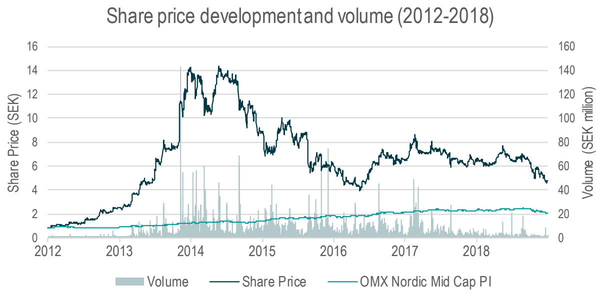
- Revenue of USD 400 million to be achieved in the fiscal year 2021.
- EBITDA margin of 25% to be achieved in the fiscal year 2021.
- Net debt/EBITDA not to exceed 3.0x based on the last 12-months. (Net debt/EBITDA may temporarily be allowed to exceed 3.0x should investment opportunities arise where EBITDA contribution will only materialize in a later period.)

Financial calendar

- April 25, 2019 - Annual Report 2018.
- May 14, 2019 - Interim Report Q1 2019.
- May 16, 2019 - Annual General Meeting 2019.
- August 16, 2019 - Interim Report Q2 2019.
- November 14, 2019 - Interim Report Q3 2019.

The share

The share capital in Opus Group AB totals SEK 5,806,365 distributed over 290,318,246 shares, each with a quota value of SEK 0.02 per share. All shares have one (1) vote each and hold equal rights to the company´s assets and profits. Opus Group´s market capitalization totaled SEK 1,388 million as of December 31, 2018.



Shareholding

The table below lists the ten largest shareholders of Opus Group AB as of December 31, 2018.

Shareholder	Number of shares	Share of capital and votes
RWC Asset Management	57,778,150	19.9%
Magnus Greko and Jörgen Hentschel [1]	42,348,969	14.6%
Lothar Geilen	19,628,132	6.8%
Andra AP-Fonden	18,621,167	6.4%
Avanza Pension	17,624,579	6.1%
Henrik Wagner Jørgensen	10,304,199	3.5%
Dimensional Fund Advisors	8,398,101	2.9%
Deutsche Bank AG, W8IMY	8,294,916	2.9%
Nordnet Pensionsförsäkring	3,485,647	1.2%
Per Hamberg	2,801,000	1.0%
Subtotal	**189,284,860**	**65.2%**
Other shareholders	101,033,386	34.8%
Total	**290,318,246**	**100.0%**

[1] *Privately and through companies.*

IR

Opus Group AB (publ), (org.nr. 556390-6063)
Basargatan 10
SE-411 10 Gothenburg, Sweden
Tel: +46 31 748 34 00
E-mail: ir@opus.se
www.opus.global

For any questions regarding the interim report, please contact Helene Carlson, Director of Corporate Communications & Investor Relations, E-mail: helene.carlson@opus.se.

This information is information that Opus Group AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 14:00 CET on February 15, 2019.

The Board of Directors has ensured that the interim report provides an accurate overview of the Parent company´s and the Group´s operations, financial position and results, and that it describes the significant risks and uncertainties faced by the Parent company and the companies in the Group.

Gothenburg, February 15, 2019

The Board of Directors

Divisions and segments

Division - Vehicle Inspection

In the Vehicle Inspection division Opus operates vehicle inspection programs for safety and emission testing and provide associated products and services. The division provides turnkey systems, services and equipment (including EaaS and remote sensing) for government agencies, with advanced technology that increases the quality and efficiency of inspections and helps drive compliance with safety and emission standards.

Share of Opus´ net sales (last 12-months)

Share of Opus´ EBITDA excl. Group-wide expenses (last 12-months)

	3 months		12 months	
SEK millions	**2018**	**2017**	**2018**	**2017**
Net sales	559	426	2,208	1,693
EBITDA	108	54	472	298
EBITDA margin	18.9%	12.7%	21.3%	17.6%
EBITA	68	25	334	182
EBITA margin	11.9%	5.8%	15.0%	10.7%

Net sales in Q4 2018 increased to SEK 559 million (426), corresponding to a growth of 31%. Adjusted for currency and acquisitions, the organic growth was 4%. EBITDA rose to SEK 108 million (54). The EBITDA margin was 18.9% (12.7).

Segment - Vehicle Inspection U.S. & Asia

	3 months		12 months	
SEK millions	**2018**	**2017**	**2018**	**2017**
Net sales	381	257	1,496	1,048
EBITDA	101	55	401	236
EBITDA margin	25.8%	21.2%	26.6%	22.5%
EBITA	68	32	286	139
EBITA margin	17.4%	12.3%	19.0%	13.2%

Net sales in Q4 2018 increased by 48% to SEK 381 million (257). The growth was primarily driven by the acquisition of Gordon-Darby, higher equipment sales and the continuing roll-out of EaaS. Adjusted for currency and acquisitions, the organic growth was 9%.

EBITDA rose to SEK 101 million (55). The EBITDA margin was 25.8% (21.2). The acquisition of Gordon-Darby as well as higher equipment sales and EaaS volumes, compared to last year, had a positive impact on the earnings. The result was also positively impacted by a one-off income amounting to SEK 11 million relating to an agreement to use an Opus patent.

The EaaS business continues to grow. The run rate amounted to USD 28 million (20) on an annualized basis based on the revenue in December 2018. The roll-out of EaaS in Pennsylvania started in Q2 and contributed to the growth in Q4. The program implementation in Punjab, Pakistan is continuing and by the of end of the quarter, 12 stations were operational.

Segment - Vehicle Inspection Europe

	3 months		12 months	
SEK millions	**2018**	**2017**	**2018**	**2017**
Net sales	148	163	626	626
EBITDA	8	12	81	91
EBITDA margin	5.4%	7.6%	12.9%	14.6%
EBITA	4	8	64	75
EBITA margin	2.4%	5.1%	10.1%	12.0%

Net sales in Q4 2018 decreased by 9% to SEK 148 million (163). Higher average revenue per inspection was more than offset by lower volumes. The total market in Sweden was down 10% compared to the same quarter last year due to new inspection intervals implemented in May 2018.

EBITDA decreased to SEK 8 million (12). The EBITDA margin was 5.4% (7.6). Good cost control partly offset the negative impact from lower net sales.

Segment - Vehicle Inspection Latin America

	3 months		12 months	
SEK millions	**2018**	**2017**	**2018**	**2017**
Net sales	35	12	109	40
EBITDA	-2	-13	-9	-29
EBITDA margin	-4.4%	-103.6%	-8.3%	-70.9%
EBITA	-4	-15	-16	-32
EBITA margin	-12.1%	-123.2%	-14.6%	-78.0%

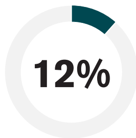
Net sales in Q4 2018 increased to SEK 35 million (12), corresponding to a growth of 195%. The growth was mainly driven by the acquisition of VTV in Argentina and the ramp-up of volumes in Chile. Adjusted for currency and acquisitions, the organic growth was 72%.

EBITDA was SEK -2 million (-13). The EBITDA margin was -4.4% (-103.6). The result was negatively impacted with SEK 5 million by provision for bad debt as well as write-down of obsolete inventories in Mexico.

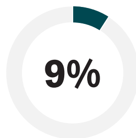
Division - Intelligent Vehicle Support

The Intelligent Vehicle Support division helps automotive service technicians meet the challenges of ever-increasing vehicle complexity through a range of advanced diagnostic, programming and remote assistance services (such as RAP service). The division provides advanced diagnostic and programming tools that help technicians in the secondary aftermarket compete on a level footing with manufacturer-owned dealerships.

Share of Opus´ net sales (last 12-months)



Share of Opus´ EBITDA excl. Group-wide expenses (last 12-months)



	3 months		12 months	
SEK million	**2018**	**2017**	**2018**	**2017**
Net sales	103	70	308	172
EBITDA	30	14	47	25
EBITDA margin	28.0%	19.5%	15.2%	14.6%
EBITA	27	12	40	21
EBITA margin	25.8%	17.4%	12.8%	12.2%

Net sales in Q4 2018 increased by 47% to SEK 103 million (70). The growth was primarily driven by an increase in recurring revenues and higher equipment sales. Adjusted for currency, the organic growth was 39%.

EBITDA increased to SEK 30 million (14). The EBITDA margin was 28.0% (19.5). The increase in recurring revenues and sales of high margin equipment had a positive impact on the earnings. The result was also positively impacted by a provision release of SEK 5 million following a legal settlement.

Strategy and outlook

In 2017, Opus launched a new growth strategy to address the global demand for vehicle inspection and intelligent vehicle support, with the goal of reaching turnover of USD 400 million and EBITDA of USD 100 million by 2021. Opus intends to defend and strengthen its position in its core markets - the U.S. and Sweden, to continue to grow in Latin America and Asia, and to develop new services aimed at repair shops that focus on vehicle communication, reprogramming and diagnostics.

Increased mobility and growing vehicle fleets in low and middle-income countries create a higher demand for vehicle inspection programs to improve road safety and help reduce air pollution. In 2018, Opus provided the foundation for growth in Latin America, focusing on Argentina, Chile, Mexico and Peru. In Asia, Opus began initial operations in Punjab, Pakistan and expands its operations into Sindh province in 2019. We are reviewing other growth opportunities for expansion in Asia.

Opus continues to expand Equipment as a Service (EaaS) for emission test equipment in the U.S., as a part of its strategy to defend its position in the U.S. and Swedish vehicle inspection markets. Cash flows from these markets will allow the company to finance its growth in other parts of the world. The acquisition of Gordon-Darby increased our footprint in the U.S., while offering management and technology synergies to benefit customers worldwide.

The rapidly increasing vehicle complexity, not least in the vast expansion of driver assistance systems in modern vehicles brings with it serious technical support challenges. Independent repair shops need to rapidly expand their technical capacity to keep up with the pace of change in vehicle technology. Opus' Intelligent Vehicle Support (IVS) division focuses on technology-based offerings that assist repair shops in the scanning, re-programming, diagnostics, and repair of advanced vehicles. Opus sees good potential in remote technical support, such as Autologic Support and Remote Assist Program (RAP) service. The new Drive platform offers significant technological advances, broader fleet coverage and entrance into new market segments, including the collision scanning market.

For 2019 we will focus on adding to Opus´ underlying long-term revenues, cash flow generation and increased return on capital employed (ROCE).

Opus does not provide any forecasts.

ABOUT OPUS

Opus is a technology-driven growth company in the vehicle inspection and intelligent vehicle support markets. The company has a strong focus on customer service and innovative technology within emission and safety testing and intelligent vehicle support. Opus had approximately SEK 2.5 billion in revenues in 2018 with solid operating profit and cash flow. Opus' plan is to reach USD 400 million in revenues and USD 100 million in EBITDA by 2021. The majority of the growth is estimated to come from the international expansion of the vehicle inspection business, with a primary focus on the Latin American and Asian markets, and the expansion of the intelligent vehicle support business. With approximately 2,600 employees, Opus is headquartered in Gothenburg, Sweden. Opus has 34 regional offices, 24 of which are in the United States and the others in Sweden, Argentina, Chile, Mexico, Peru, Pakistan, United Kingdom, Spain and Australia. Opus has production facilities in the U.S. in Hartford, Ann Arbor and Tucson. The shares of Opus Group are listed on Nasdaq Stockholm.

Financial reports - Group

Income statement in summary

SEK thousands	Oct 1 - Dec 31 2018	Oct 1 - Dec 31 2017	Jan 1 - Dec 31 2018	Jan 1 - Dec 31 2017
Net sales	656,548	496,016	2,497,327	1,857,511
Other operating income	14,665	957	15,397	2,328
Total operating income	**671,213**	**496,973**	**2,512,724**	**1,859,839**
Operating expenses	-539,298	-434,611	-2,009,107	-1,551,733
EBITDA	**131,915**	**62,362**	**503,617**	**308,106**
Depreciation of tangible assets	-42,351	-30,825	-145,951	-120,135
EBITA	**89,564**	**31,537**	**357,666**	**187,971**
Amortization of intangible assets	-41,544	-21,452	-151,999	-81,159
Earnings before interest and tax (EBIT)	**48,020**	**10,085**	**205,667**	**106,812**
Net financial income/expense	-5,740	-34,693	-155,170	-104,035
Profit/loss after financial items	**42,280**	**-24,608**	**50,497**	**2,777**
Income taxes	-8,217	49,089	-56,708	70,995
Profit/loss for the period	**34,063**	**24,481**	**-6,211**	**73,772**
Attributable to:				
Parent company shareholders	34,126	27,620	25,806	81,157
Non-controlling interests	-63	-3,139	-32,017	-7,385
Earnings per share				
Earnings per share before dilution, SEK	0.12	0.10	0.09	0.28
Earnings per share after dilution, SEK	0.12	0.09	0.09	0.27

Statement of comprehensive income in summary

SEK thousands	Oct 1 - Dec 31 2018	Oct 1 - Dec 31 2017	Jan 1 - Dec 31 2018	Jan 1 - Dec 31 2017
Profit/loss for the period	**34,063**	**24,481**	**-6,211**	**73,772**
Items that might be reclassified to profit/loss for the period				
Translation differences	22,302	26,483	100,758	-131,794
Exchange rate differences reversed to income	-38,029	-	-38,029	-7,302
Cash flow hedge, net after tax	-2,129	4,620	-2,129	1,941
Other comprehensive income for the period	**-17,856**	**31,103**	**60,600**	**-137,155**
Comprehensive income for the period	**16,207**	**55,584**	**54,389**	**-63,383**
Attributable to:				
Parent company shareholders	17,077	58,104	75,592	-55,581
Non-controlling interests	-870	-2,520	-21,203	-7,802

Financial reports - Group

Statement of financial position in summary

SEK thousands	Dec 31, 2018	Dec 31, 2017
Assets		
Intangible assets	2,019,876	1,456,242
Tangible assets	990,000	831,065
Financial assets	59,307	25,114
Deferred tax assets	27,031	32,296
Total fixed assets	**3,096,214**	**2,344,717**
Inventory	133,331	132,571
Other current assets	253,805	210,800
Cash and cash equivalents	384,155	642,801
Total current assets	**771,291**	**986,172**
Total assets	**3,867,505**	**3,330,889**
Equity and liabilities		
Equity attributable to parent company's shareholders	1,001,237	939,650
Equity attributable to non-controlling interests	-14,164	7,039
Total equity	**987,073**	**946,689**
Non-current interest bearing liabilities	1,980,501	1,111,505
Non-current non-interest bearing liabilities and provisions	336,950	274,392
Total non-current liabilities	**2,317,451**	**1,385,897**
Current interest bearing liabilities	-	496,934
Current non-interest bearing liabilities and provisions	562,981	501,369
Total current liabilities	**562,981**	**998,303**
Total equity and liabilities	**3,867,505**	**3,330,889**

Financial reports - Group

Statement of changes in equity in summary

SEK thousands	Equity attributable to parent company´s shareholders	Equity attributable to non-controlling interests	Total equity
Equity 2017-01-01	**1,029,221**	**12,524**	**1,041,745**
Comprehensive income for the period	-55,582	-7,802	-63,384
Redeemed subscription options	849	-	849
Dividend	-34,838	-	-34,838
Transactions with non-controlling interests	-	2,317	2,317
Equity 2017-12-31	**939,650**	**7,039**	**946,689**
Comprehensive income for the period	75,593	-21,203	54,390
Subscription options	510	-	510
Dividend	-14,516	-	-14,516
Equity 2018-12-31	**1,001,237**	**-14,164**	**987,073**

Statement of cash flows in summary

SEK thousands	Oct 1 - Dec 31 2018	Oct 1 - Dec 31 2017	Jan 1 - Dec 31 2018	Jan 1 - Dec 31 2017
Earnings before interest and tax (EBIT)	**48,020**	**10,085**	**205,667**	**106,812**
Depreciation/amortization	83,895	52,278	297,950	201,295
Other non-cash items	-9,972	246	-20,970	-6,496
Interest, net	-23,155	-16,214	-91,011	-57,857
Income tax paid	-791	-374	-58,855	-25,580
Change in working capital	19,148	-11,196	-9,734	-32,438
Cash flow from operating activities	**117,145**	**34,825**	**323,047**	**185,736**
Acquisition of subsidiary/business net after acquired cash	-	-1,161	-543,581	-159,675
Investments in tangible assets	-51,268	-56,191	-223,644	-209,029
Investments in intangible assets	-8,315	-4,250	-15,221	-18,178
Other	-4,491	4,915	-53,502	-26,068
Cash flow from investing activities	**-64,074**	**-56,687**	**-835,948**	**-412,950**
Dividend	-	-	-14,516	-34,838
New debt	-	613,779	768,331	833,889
Amortization of liabilities to credit institutions	-	-406,364	-500,000	-408,302
Other	-	-	510	848
Cash flow from financing activities	**0**	**207,415**	**254,325**	**391,597**
Liquid assets at the beginning of the period	**328,087**	**454,959**	**642,801**	**507,300**
Translation difference	2,997	2,289	-70	-28,882
Cash flow for the period	53,071	185,553	-258,576	164,383
Liquid assets at the end of the period	**384,155**	**642,801**	**384,155**	**642,801**

Key ratios - Group

	Jan 1 - Dec 31 2018	Jan 1 - Dec 31 2017
Profitability		
Return on equity, percent [1] [2]	2.6	8.5
Return on capital employed (ROCE), percent [2]	13.1	8.8
Margins		
EBITDA margin, percent	20.0	16.6
EBITA margin, percent	14.2	10.1
EBIT margin, percent	8.2	5.7
Profit margin (Profit/loss after financial items), percent	2.0	0.1
Growth		
Revenue growth, percent	34.4	9.4
EBITDA growth, percent	63.5	-7.2
EBITA growth, percent	90.3	-16.4
Financial position		
Cash and cash equivalents, SEK thousands	384,155	642,801
Interest bearing debt, SEK thousands	1,980,501	1,608,439
Net debt, SEK thousands	1,596,346	965,638
Net debt/EBITDA, times [3]	3.1	3.0
Equity, SEK thousands	987,073	946,689
Equity/Total assets ratio, percent	25.5	28.4
Net financial items excluding Fx gains and losses, SEK thousands [2]	-89,446	-65,009
Interest coverage ratio, times [4]	5.7	4.9
Other		
Average number of employees	2,464	1,887
Number of employees at end of the period	2,569	1,929
Number of shares at end of the period before dilution	290,318,246	290,318,246
Number of shares at end of the period after dilution [5]	295,818,246	295,818,246
Average number of outstanding shares, before dilution	290,318,246	289,988,187
Average number of outstanding shares, after dilution [5]	295,818,246	295,488,187
Data per share		
Equity per share, before dilution, SEK [1]	3.45	3.24
Equity per share, after dilution, SEK [1]	3.38	3.18
Profit per share, before dilution, SEK [1]	0.09	0.28
Profit per share, after dilution, SEK [1]	0.09	0.27
Cash flow from operating activities per share, before dilution, SEK	1.11	0.64
Cash flow from operating activities per share, after dilution, SEK	1.09	0.63

[1] *Excluding minority interests.*
[2] *Calculated on a last 12-month basis.*
[3] *EBITDA is calculated on a last 12-month basis and is adjusted for proforma accounts from acquired businesses.*
[4] *The key ratio definition has been changed compared to Opus Group´s annual report 2017. The new definition is: "EBITDA calculated on a last 12-month basis adjusted for proforma accounts from acquired businesses, divided by last 12-month´s net financial items excluding Fx gains and losses.*
[5] *Outstanding options give rise to a dilution effect because the discounted redemption price for the options is below the average rate of the base shares during the periods. The dilution effect with reference made to the option program is calculated according to the dilution that applied at the end of each period.*

For definitions of key ratios, see Opus Group´s annual report 2017.

Quarterly development - Group

Income statement

	2018				2017			
SEK thousands	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Net sales	656,548	634,363	651,234	555,182	496,016	457,671	475,157	428,667
Total operating income	671,213	634,356	651,547	555,608	496,973	458,324	475,563	428,979
Operating expenses	-539,298	-505,336	-509,058	-455,415	-434,611	-374,813	-385,201	-357,108
EBITDA	**131,915**	**129,020**	**142,489**	**100,193**	**62,362**	**83,511**	**90,362**	**71,871**
EBITDA margin	19.7%	20.3%	21.9%	18.0%	12.5%	18.2%	19.0%	16.8%
Depreciation and amortization	-83,895	-81,142	-82,464	-50,449	-52,276	-49,264	-49,497	-50,257
Operating profit/loss (EBIT)	**48,020**	**47,878**	**60,025**	**49,744**	**10,086**	**34,247**	**40,865**	**21,614**
Net financial income/expense	-5,740	-45,250	-78,653	-25,527	-34,693	-30,669	-22,931	-15,742
Profit/loss after financial items	**42,280**	**2,628**	**-18,628**	**24,217**	**-24,607**	**3,578**	**17,934**	**5,872**
Income taxes	-8,217	-26,231	-8,345	-13,915	49,089	9,159	10,366	2,381
Net profit/loss for the period	**34,063**	**-23,603**	**-26,973**	**10,302**	**24,482**	**12,737**	**28,300**	**8,253**

Cash flow

	2018				2017			
SEK thousands	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Cash flow from operating activities	117,145	55,361	111,294	39,247	34,825	67,955	31,868	51,088
Cash flow from investing activities	-64,074	-64,864	-196,214	-510,796	-56,687	-112,658	-156,835	-86,770
Cash flow from financing activities	-	-160	-19,426	273,911	207,415	-827	184,775	234
Net cash flow for the period	**53,071**	**-9,663**	**-104,346**	**-197,638**	**185,553**	**-45,530**	**59,808**	**-35,448**
Liquid assets at the beginning of the period	**328,087**	**342,020**	**443,789**	**642,801**	**454,959**	**518,791**	**468,878**	**507,300**
Translation difference	2,997	-4,270	2,577	-1,374	2,289	-18,302	-9,895	-2,974
Liquid assets at the end of the period	**384,155**	**328,087**	**342,020**	**443,789**	**642,801**	**454,959**	**518,791**	**468,878**

Quarterly development - Group

Segment information

	2018				2017			
SEK thousands	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Total operating income								
Vehicle Inspection U.S. & Asia	391,989	391,283	388,918	335,125	256,926	253,476	270,693	267,110
Vehicle Inspection Europe	148,619	141,973	188,150	147,947	162,720	141,186	176,452	146,086
Vehicle Inspection Latin America	34,651	37,154	17,163	20,369	12,183	11,342	12,752	4,610
Division eliminations	-5,344	-5,111	-7,068	-5,506	-5,141	-4,367	-5,829	-4,932
Division Vehicle Inspection	**569,915**	**565,299**	**587,163**	**497,935**	**426,688**	**401,637**	**454,068**	**412,874**
Division Intelligent Vehicle Support	**106,365**	**74,618**	**71,169**	**58,959**	**70,341**	**60,858**	**24,031**	**16,780**
Group eliminations	-5,067	-5,562	-6,787	-1,285	-56	-4,171	-2,536	-675
Group	**671,213**	**634,355**	**651,545**	**555,609**	**496,973**	**458,324**	**475,563**	**428,979**
EBITDA								
Vehicle Inspection U.S. & Asia	101,082	104,400	101,328	93,695	54,542	54,229	63,369	64,048
Vehicle Inspection Europe	8,073	19,883	43,535	9,485	12,331	25,698	38,323	14,812
Vehicle Inspection Latin America	-1,536	4,508	-7,282	-4,746	-12,620	-4,441	-6,998	-4,912
Division Vehicle Inspection	**107,619**	**128,791**	**137,581**	**98,434**	**54,253**	**75,486**	**94,694**	**73,948**
Division Intelligent Vehicle Support	**29,818**	**1,952**	**10,804**	**4,751**	**13,737**	**10,746**	**900**	**-319**
Group-wide expenses	-5,522	-1,723	-5,896	-2,992	-5,628	-2,721	-5,232	-1,758
Group	**131,915**	**129,020**	**142,489**	**100,193**	**62,362**	**83,511**	**90,362**	**71,871**
EBITDA margin								
Vehicle Inspection U.S. & Asia	25.8%	26.7%	26.1%	28.0%	21.2%	21.4%	23.4%	24.0%
Vehicle Inspection Europe	5.4%	14.0%	23.1%	6.4%	7.6%	18.2%	21.7%	10.1%
Vehicle Inspection Latin America	-4.4%	12.1%	-42.4%	-23.3%	-103.6%	-39.2%	-54.9%	-106.6%
Division Vehicle Inspection	**18.9%**	**22.8%**	**23.4%**	**19.8%**	**12.7%**	**18.8%**	**20.9%**	**17.9%**
Division Intelligent Vehicle Support	**28.0%**	**2.6%**	**15.2%**	**8.1%**	**19.5%**	**17.7%**	**3.7%**	**-1.9%**
Group	**19.7%**	**20.3%**	**21.9%**	**18.0%**	**12.5%**	**18.2%**	**19.0%**	**16.8%**

Financial reports - Parent company

Income statement in summary

SEK thousands	Oct 1 - Dec 31 2018	Oct 1 - Dec 31 2017	Jan 1 - Dec 31 2018	Jan 1 - Dec 31 2017
Net sales	2,446	4,798	16,119	17,429
Other operating income	165	14	405	0
Total operating income	**2,611**	**4,812**	**16,524**	**17,429**
Operating expenses	-15,477	-13,273	-39,643	-33,511
EBITDA	**-12,866**	**-8,461**	**-23,119**	**-16,082**
Depreciation and amortization	-252	-210	-938	-627
Earnings before interest and taxes (EBIT)	**-13,118**	**-8,671**	**-24,057**	**-16,709**
Net financial income/expense	68,777	29,554	199,063	-16,491
Profit/loss after financial items (EBT)	**55,659**	**20,883**	**175,006**	**-33,200**
Appropriations	-38,172	112,548	-38,172	112,548
Profit/loss before tax	**17,487**	**133,431**	**136,834**	**79,348**
Tax for the period	295	-27,853	-25,780	1,743
Profit/loss for the period	**17,782**	**105,578**	**111,054**	**81,091**

Statement of comprehensive income in summary

SEK thousands	Oct 1 - Dec 31 2018	Oct 1 - Dec 31 2017	Jan 1 - Dec 31 2018	Jan 1 - Dec 31 2017
Profit/loss for the period	**17,782**	**105,578**	**111,054**	**81,091**
Items that might be reclassified to profit/loss for the period				
Cash flow hedge, net after tax	-	4,621	-	1,941
Other comprehensive income for the period	**0**	**4,621**	**0**	**1,941**
Total comprehensive income for the period	**17,782**	**110,199**	**111,054**	**83,032**

Balance sheet in summary

SEK thousands	Dec 31, 2018	Dec 31, 2017
Assets		
Intangible assets	2,060	1,619
Tangible assets	949	1,183
Financial assets	1,806,664	1,923,217
Total non-current assets	**1,809,673**	**1,926,019**
Current receivables	772,538	156,034
Cash and cash equivalents	144,552	439,027
Total current assets	**917,090**	**595,061**
Total assets	**2,726,763**	**2,521,080**
Equity and liabilities		
Equity	932,057	835,519
Untaxed reserves	57,736	20,669
Non-current interest bearing liabilities	1,438,970	904,905
Non-current liabilities and provisions	101,289	105,049
Current interest bearing liabilities	-	496,935
Current non-interest bearing liabilities and provisions	196,711	158,003
Total equity and liabilities	**2,726,763**	**2,521,080**

Notes

Note 1 - Accounting principles

This report has been prepared in accordance with IAS 34 Interim Financial Reporting. The group accounting has been prepared in accordance with International Financial Reporting Standards, IFRS, as approved by the EU, and in accordance with the Swedish Financial Reporting Board's recommendation RFR 1 "Supplementary Accounting Rules for Groups". The interim report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act and with the Swedish Financial Reporting Board's recommendation RFR 2 "Accounting for Legal Entities". Except for the following changes, in regards to IFRS 9 and IFRS 15, the same accounting and calculation principles apply in the interim report as in the annual report for 2017.

On July 1, 2018, hyperinflation in Argentina's economy was determined according to the criteria in IAS 29. Opus has evaluated the effect of applying IAS 29 and the conclusion is that the effect on the consolidated financial statements is not considered to be material to the Group. The financial reports in this interim report have therefore not been adjusted for hyperinflation in Argentina in accordance with IAS 29.

New standards applicable from January 1, 2018

As of January 1, 2018 IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers" apply.

IFRS 9 "Financial Instruments" replaces IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 presents a new model for the classification and measurement of financial instruments, a forward-impairment model on expected customer losses, and a reformed approach regarding hedge accounting. The new standard also means a change in the nature of the Group's financial instrument disclosures. The Group has reviewed its financial instruments and deems the standard not to have any significant effects on the consolidated financial statements and thus the transition does not entail any adjustment of the opening balance for 2018.

In accordance with IFRS 9, a legal entity must also apply the forward-looking impairment model on intra-group loans. As the parent company in Opus has significant loan receivables from its subsidiaries, it means that expected customer losses on intra-group loans are reported in the parent company's reports. In the consolidated accounts, these customer losses, as well as the intra-group loans, are eliminated in their entirety.

IFRS 15 "Revenue from Contracts with Customers" is a new framework for revenue recognition and replaces IAS 18 "Revenue" and IAS 11 "Construction Contracts" and associated interpretations. IFRS 15 primarily sets out principles for when revenues from contracts with customers should be recognized and the valuation of the consideration paid by the customer. The new standard is based on the principle that revenue should be recognized when the control of a product or service is transferred to the customer. The Group has reviewed its customer contracts and revenue flows and deems the standard not to have any significant effects on the consolidated financial statements and thus the transition does not entail any adjustment of the opening balance for 2018.

New standards not yet applicable

IFRS 16 "Leases" comes in effect on January 1, 2019 and will replace IAS 17 "Leases" with accompanying interpretations. IFRS 16 will have a significant impact on Opus´ financial reports.

The standard sets out that all the leasing agreements, of the lessee, are reported in the balance sheet with the exception of short-term and low-value agreements. The leases where Opus serves as lessee primarily consist of property leases. Reporting by the lessor is essentially unchanged. Implementation of the new standard will result in an increased balance sheet total and a positive effect on EBITDA as leasing expenses will be reported as depreciation and interest expense instead of operating expense. In the cash flow statement, leasing payments will be divided between interest paid in the cash flow from operating activities and amortization of leasing liabilities in the financing activities. This therefore has a positive effect on operating cash flow.

The standard will be applied with the modified retroactive method. For leases previously classified as operating leases, the lease liability will be recognized at January 1, 2019 as the discounted value of future lease payments. For the calculation of the lease liability the discount rates as at January 1, 2019 will be applied The "lease asset" will be recognized at an amount equal to the lease liability, therefore no transition effect will be presented in equity. No comparative figures will be restated.

As of January 1, 2019, the Group's balance sheet will increase by approximately SEK 310 million in "lease assets" (Right-of-Use assets) and SEK 310 million in lease liabilities.

Translation of foreign operations

	Average rate				Closing rate	
Currency	Oct - Dec 2018	Oct - Dec 2017	Jan - Dec 2018	Jan - Dec 2017	Dec 31 2018	Dec 31 2017
ARS	0.24	0.47	0.33	0.52	0.24	0.43
GBP	11.65	11.04	11.59	10.99	11.35	11.10
PKR	0.07	0.08	0.07	0.08	0.06	0.07
USD	9.04	8.32	8.69	8.54	8.97	8.23

Assets and liabilities in foreign entities, including goodwill and other corporate fair value adjustments, are translated to Swedish kronor (SEK) at the rate prevailing on the balance sheet date, meanwhile all items in the income statement are translated using an average rate for the period. On translation of foreign operations, the exchange rates in the table above have been used for currencies that are material for the Group:

Notes

Note 2 - Revenue

Distribution of revenues has been made in the main income categories and segments, which also corresponds to Opus geographical markets. Vehicle inspection includes all types of inspections from decentralized and centralized programs and inspections carried out on the Swedish market (open market, not regulated by contract).

Equipment sales includes the sale of inspection equipment to inspection stations and automotive repair shops. Service and support refers to service of sold equipment, support of sold software systems, and service to automotive repair shops within our decentralized programs. Equipment as a Service (EaaS) constitutes leasing income from Opus´ rental of inspection equipment, which includes maintenance, spare parts and software updates. The income category Other includes Remote Assistance Programming (RAP), software sales, vehicle registration services and fish and game licensing.

Distribution of revenues per income category Q4, 2018 (SEK thousands)	**Vehicle Inspection U.S. & Asia**	**Vehicle Inspection Europe**	**Vehicle Inspection Latin America**	**Intelligent Vehicle Support**	**Group**
Vehicle inspection	242,104	140,091	28,646	-	410,840
Equipment sales	20,428	-	3,225	48,479	72,132
Service and support	20,780	-	1,144	27,098	49,022
Equipment as a Service (EaaS)	63,969	-	-	562	64,530
Other	28,477	8,349	1,528	21,670	60,023
Total	**375,757**	**148,440**	**34,542**	**97,809**	**656,548**

Distribution of revenues per income category Q4, 2017 (SEK thousands)	**Vehicle Inspection U.S. & Asia**	**Vehicle Inspection Europe**	**Vehicle Inspection Latin America**	**Intelligent Vehicle Support**	**Group**
Vehicle inspection	151,124	154,971	8,132	-	314,227
Equipment sales	11,214	-	3,605	43,851	58,670
Service and support	29,295	-	-11	14,440	43,724
Equipment as a Service (EaaS)	37,322	-	-	161	37,483
Other	22,629	7,637	-19	11,665	41,913
Total	**251,583**	**162,608**	**11,707**	**70,118**	**496,016**

Distribution of revenues per income category 12 months, 2018 (SEK thousands)	**Vehicle Inspection U.S. & Asia**	**Vehicle Inspection Europe**	**Vehicle Inspection Latin America**	**Intelligent Vehicle Support**	**Group**
Vehicle inspection	975,043	594,720	82,649	-	1,652,411
Equipment sales	78,692	-	19,408	119,574	217,674
Service and support	92,165	-	3,182	100,040	195,387
Equipment as a Service (EaaS)	214,597	-	-	2,146	216,743
Other	112,825	31,393	3,836	67,057	215,111
Total	**1,473,322**	**626,113**	**109,074**	**288,818**	**2,497,327**

Distribution of revenues per income category 12 months, 2017 (SEK thousands)	**Vehicle Inspection U.S. & Asia**	**Vehicle Inspection Europe**	**Vehicle Inspection Latin America**	**Intelligent Vehicle Support**	**Group**
Vehicle inspection	656,596	594,528	28,516	-	1,279,639
Equipment sales	42,248	-	8,255	104,941	155,444
Service and support	131,613	-	1,579	40,385	173,578
Equipment as a Service (EaaS)	133,215	-	-	668	133,883
Other	63,782	31,447	1,464	18,274	114,967
Total	**1,027,454**	**625,975**	**39,814**	**164,268**	**1,857,511**

Notes

Note 3 - Financial instruments valued at fair value

Financial instruments valued at fair value		
SEK thousands	**Dec 31, 2018**	**Dec 31, 2017**
Liabilities		
Additional consideration	147,492	142,831
Derivatives - Interest rate swap	2,915	-
Carrying amount	**150,407**	**142,831**
Assets		
Derivatives - Foreign currency forward contract	4,891	-
Carrying amount	**4,891**	**0**

In conjunction with the Systech acquisition in 2008, an agreement was signed for additional consideration on gaining certain new contracts for major vehicle inspection programs. An agreement on additional consideration was also signed upon acquisition of Drew Technologies in 2015. Valuation of additional consideration at fair value is attributable to Level 3 of the fair value hierarchy. No changes have been made to valuation techniques or assumptions in comparison with the Annual Report 2017. More information about the terms of the additional consideration agreements and their reporting is described in the Opus Annual Report for 2017.

The fair value of the interest rate swap is calculated as the present value of estimated future cash flows according to the terms and conditions of the contract and due dates and based on the market interest rate for similar instruments on the balance sheet date. The fair value of the foreign currency forward contract is calculated using the difference between the exchange rate on the balance sheet date with the contractually agreed upon exchange rates.

The fair value of other financial assets and liabilities that are valued at amortized cost is estimated to be equivalent to their book value.

Note 4 - Pledged assets and contingent liabilities

Pledged assets and contingent liabilities	Group		Parent company	
SEK thousands	**Dec 31, 2018**	**Dec 31, 2017**	**Dec 31, 2018**	**Dec 31, 2017**
Assets pledged for liabilities to credit institutions				
Property mortgages	-	-	-	-
Pledged shares in subsidiaries	512,549	512,549	512,549	512,549
Total	**512,549**	**512,549**	**512,549**	**512,549**
Contingent liabilities				
Guarantees on behalf of Group companies	-	-	540,108	-
Warranty obligations	5,942	5,942	5,942	5,942
Additional consideration	8,777	69,956	8,777	69,956
Total	**14,719**	**75,898**	**554,827**	**75,898**

Note 5 - Acquisitions

Acquisition of the American vehicle inspection company Gordon-Darby Inc.

In January 2018, Opus Inspection, Inc., a wholly-owned subsidiary of Opus Group AB (publ), acquired 100% of the shares in Gordon-Darby Inc. The purchase price was USD 55 million (SEK 434 million) on a cash and debt-free basis. Gordon-Darby has been consolidated into Opus accounts as of January 1, 2018.

Gordon-Darby is a leading U.S.-based government services company specializing in vehicle inspection and fish and game licensing. The company is headquartered in Louisville, Kentucky and operates in Arizona, New Hampshire and Texas. Founded in 1982, Gordon-Darby has earned its reputation as a quality-minded government services company focusing on the development, implementation, and operation of vehicle inspection and licensing programs in the U.S. With approximately 280 employees, Gordon-Darby provides its own software technology and advanced testing products to deliver customer-focused inspection and licensing services under government contracts in the three named states. In 2017, the company had revenues of approximately USD 35 million, the majority of which comes from the vehicle inspection programs. The acquisition enables Opus to

Notes

strengthen its position in the US and offers management and technology synergies that benefit the shared customer base across the globe. The acquisition was financed through a five-year USD denominated credit facility from Swedbank. Gordon-Darby is part of Opus' Vehicle Inspection division within the segment U.S. & Asia.

The following table shows the confirmed values of acquired net assets, reported goodwill and the impact on the consolidated cash flow statement related to the acquisition of Gordon-Darby.

Net assets acquired (SEK thousands)	Fair value
Customer contracts and relations	185,411
Trademarks	20,159
Systems and software	18,442
Tangible assets	11,156
Accounts receivable	17,816
Other current assets	2,634
Deferred tax liability	-51,718
Current non-interest bearing liabilities	-13,384
Net assets acquired	**190,515**
Goodwill	245,700
Purchase price	**436,215**
Less:	
Acquired liquid assets	2,353
Impact on the Group's liquid assets	**-433,862**

Acquired customer contracts and relations are amortized over an estimated useful life of 1.5-10.5 years, which corresponds to the remaining contract period including contractual extensions. Trademarks are amortized over an estimated useful life of 10 years, and systems and software are amortized over an estimated useful life of 7-10 years.

Acquisition of VTV

On May 29, 2018 Opus Group AB (publ) and its fully owned subsidiary Opus Inspection, Inc. (Opus) acquired 100% of the shares of the two Argentinian vehicle inspections companies, VTV Norte SA and VTV Metropolitana SA (VTV). The VTV companies hold vehicle inspection concessions in the city and province of Buenos Aires, Argentina. The total purchase price, on a cash and debt-free basis, amounted to EUR 11 million (SEK 110 million). The transaction was financed through existing cash. The VTV companies have been consolidated into Opus accounts as of May 29, 2018 and are part of Opus' Vehicle Inspection division within the segment Latin America.

For the past 20 years, VTV Norte has operated a concession for five vehicle inspection stations in the province of Buenos Aires, inspecting 330,000 vehicles a year. The concession expires in the middle of November 2019. VTV Metro holds a concession until 2026 to operate two inspection stations in the city of Buenos Aires. In 2017, the first calendar year of its operations, the company inspected 145,000 vehicles. In 2017, VTV Norte and VTV Metro had combined revenues of approximately EUR 10 million (based on 2017 end of year exchange rate).

The acquisition of VTV improves Opus' overall position in Argentina and in the Latin American vehicle inspection market. It also contributes positively to Opus' overall EBITDA and return on capital employed (ROCE) from the date of acquisition. No significant one-off expenses have occurred as a result of the completed transaction. VTV Norte and VTV Metro will continue to operate under the same names, and with the same highly experienced management team and staff. VTV Norte has successfully operated its concession for 20 years and both companies are active in the local vehicle inspection association.

The acquisition has contributed SEK 45 million to the Group's net sales and SEK 13 million to the Group's EBITDA. If the acquisition had been completed on January 1, 2018, Opus estimates that the VTV companies would have contributed approximately SEK 81 million to the Group's net sales and approximately SEK 19 million to EBITDA for the full year.

The following table shows the confirmed values of acquired net assets, reported goodwill and the impact on the consolidated cash flow statement related to the acquisition of VTV.

Net assets acquired (SEK thousands)	Fair value
Customer contracts and relations	24,231
Systems and software	479
Property and land	40,294
Machinery and equipment	7,628
Deferred tax asset	3,616
Accounts receivable	2,633
Other current assets	17,028
Deferred tax liability	-21,908
Current non-interest bearing liabilities	-16,590
Net assets acquired	**57,411**
Goodwill	68,514
Purchase price	**125,925**
Less:	
Acquired liquid assets	16,194
Impact on the Group's liquid assets	**-109,731**

Acquired customer contracts and relations are amortized over an estimated useful life of 1.5-8.5 years, which corresponds to the remaining contract period. The surplus value of buildings is depreciated over an estimated useful life of 20 years.

Reconciliation between IFRS and key ratios

Organic growth

SEK thousands	Oct 1 - Dec 31	Jan 1 - Dec 31
Net sales 2018	656,548	2,497,327
- Net exchange rate effects	-23,636	-11,845
- Effect of acquisitions/divestments	-97,340	-451,955
Comparable net sales	**535,572**	**2,033,527**
Net sales 2017	**496,016**	**1,857,511**
Revenue growth	**32.4%**	**34.4%**
Organic growth	**8.0%**	**9.5%**

In this report, Opus presents certain financial measures that are not defined under IFRS, referred to as Alternative Performance Measures. The Group believes that these measures provide useful supplemental information to investors and the Company's management as they allow for the evaluation of the Company's results and financial position. As not all companies calculate the financial measures in the same way, these are not always comparable to measures used by other companies. Investors should consider these financial measures as a complement rather than a substitute for financial reporting under IFRS.

Return on capital employed and equity

SEK thousands	Jan 1 - Dec 31 2018	Jan 1 - Dec 31 2017
LTM EBITA	357,666	187,971
LTM average working capital	-114,593	-72,177
LTM average value tangible and intangible assets	2,837,270	2,206,328
Average capital employed	**2,722,677**	**2,134,151**
Return on capital employed	**13.1%**	**8.8%**
LTM profit/loss - attributable to parent company shareholders	25,806	81,157
LTM average equity - attributable to parent company shareholders	988,193	957,187
Return on equity - attributable to parent company shareholders	**2.6%**	**8.5%**

LTM = Last 12-months

Interest coverage ratio

SEK thousands	Jan 1 - Dec 31 2018	Jan 1 - Dec 31 2017
LTM EBITDA	503,617	308,106
LTM EBITDA for proforma accounts from acquired businesses	7,440	10,736
LTM EBITDA incl. proforma accounts from acquired businesses	**511,057**	**318,842**
LTM Net financial items excluding Fx differences	-89,446	-65,009
Interest coverage ratio	**5.7**	**4.9**

LTM = Last 12-months