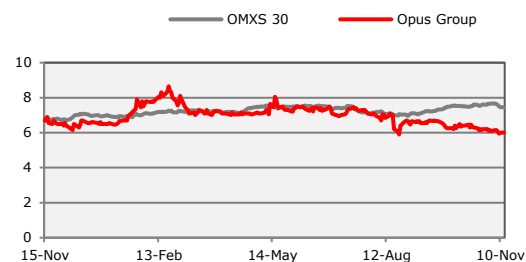


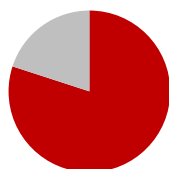
Summary
Opus Group (OPUS.ST)
Waiting for New Jersey

- The Q3 report was satisfactory overall, and somewhat better than anticipated on several important points. EBITDA of SEK 84m is more or less unchanged Y/Y but more than SEK 10m above our forecast.
- All new and growing businesses, including recently acquired Autologic, seem to be doing well. Several of these will start to make a contribution to profits next year. Most critical in the short term is information from New Jersey, where Opus has won a contract that is being protested by the incumbent operator.
- A good report and a stronger dollar can support slightly higher forecasts. We have not included New Jersey yet, although we believe Opus will get the business. Our valuation has not changed significantly and gives a fair value in our Base Case of almost SEK 10 per share.

List: Nasdaq Mid Cap
 Market Cap: 1,742 MSEK
 Industry: Industrial Goods & Services
 CEO: Lothar Geilen
 Chairman: Katarina Bonde

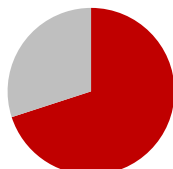

Redeye Rating (0 – 10 points)

Management



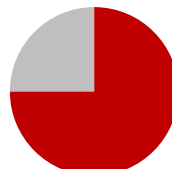
8.0 points

Ownership



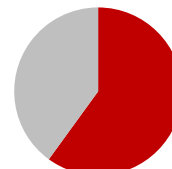
7.0 points

Profit outlook



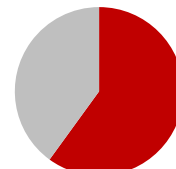
7.5 points

Profitability



6.0 points

Financial strength



6.0 points

Key Financials

	2015	2016	2017E	2018E	2019E	Share information	
Revenue, MSEK	1,652	1,698	1,848	2,077	2,246	Share price (SEK)	6.0
Growth	13%	3%	9%	12%	8%	Number of shares (m)	290.3
EBITDA	275	332	321	376	443	Market Cap (MSEK)	1,742
EBITDA margin	17%	20%	17%	18%	20%	Net debt (MSEK)	939
EBIT	109	149	121	145	206	Free float (%)	73 %
EBIT margin	7%	9%	7%	7%	9%	Daily turnover ('000)	600
Pre-tax earnings	80	145	38	54	115	Analysts: Henrik Alveskog henrik.alveskog@redeye.se	
Net earnings	66	85	60	39	82		
Net margin	4%	5%	3%	2%	4%		
Dividend/Share	0.10	0.12	0.12	0.14	0.16		
EPS adj.	0.22	0.29	0.20	0.13	0.27		
P/E adj.	26.9	22.6	29.8	46.4	21.9		
EV/S	1.5	1.5	1.4	1.3	1.1		
EV/EBITDA	8.9	7.8	8.3	7.0	5.8		

Important information: All information regarding limitation of liability and potential conflicts of interest can be found at the end of the report.

Redeye Rating: Background and definitions

The aim of a Redeye Rating is to help investors identify high-quality companies with attractive valuation.

Company Qualities

The aim of Company Qualities is to provide a well-structured and clear profile of a company's qualities (or operating risk) – its chances of surviving and its potential for achieving long-term stable profit growth.

We categorize a company's qualities on a ten-point scale based on five valuation keys; 1 – Management, 2 – Ownership, 3 – Profit Outlook, 4 – Profitability and 5 – Financial Strength.

Each valuation key is assessed based a number of quantitative and qualitative key factors that are weighted differently according to how important they are deemed to be. Each key factor is allocated a number of points based on its rating. The assessment of each valuation key is based on the total number of points for these individual factors. The rating scale ranges from 0 to +10 points.

The overall rating for each valuation key is indicated by the size of the bar shown in the chart. The relative size of the bars therefore reflects the rating distribution between the different valuation keys.

Management

Our Management rating represents an assessment of the ability of the board of directors and management to manage the company in the best interests of the shareholders. A good board and management can make a mediocre business concept profitable, while a poor board and management can even lead a strong company into crisis. The factors used to assess a company's management are: 1 – Execution, 2 – Capital allocation, 3 – Communication, 4 – Experience, 5 – Leadership and 6 – Integrity.

Ownership

Our Ownership rating represents an assessment of the ownership exercised for longer-term value creation. Owner commitment and expertise are key to a company's stability and the board's ability to take action. Companies with a dispersed ownership structure without a clear controlling shareholder have historically performed worse than the market index over time. The factors used to assess Ownership are: 1 – Ownership structure, 2 – Owner commitment, 3 – Institutional ownership, 4 – Abuse of power, 5 – Reputation, and 6 – Financial sustainability.

Profit Outlook

Our Profit Outlook rating represents an assessment of a company's potential to achieve long-term stable profit growth. Over the long-term, the share price roughly mirrors the company's earnings trend. A company that does not grow may be a good short-term investment, but is usually unwise in the long term. The factors used to assess Profit Outlook are: 1 – Business model, 2 – Sale potential, 3 – Market growth, 4 – Market position, and 5 – Competitiveness.

Profitability

Our Profitability rating represents an assessment of how effective a company has historically utilised its capital to generate profit. Companies cannot survive if they are not profitable. The assessment of how profitable a company has been is based on a number of key ratios and criteria over a period of up to the past five years: 1 – Return on total assets (ROA), 2 – Return on equity (ROE), 3 – Net profit margin, 4 – Free cash flow, and 5 – Operating profit margin or EBIT.

Financial Strength

Our Financial Strength rating represents an assessment of a company's ability to pay in the short and long term. The core of a company's financial strength is its balance sheet and cash flow. Even the greatest potential is of no benefit unless the balance sheet can cope with funding growth. The assessment of a company's financial strength is based on a number of key ratios and criteria: 1 – Times-interest-coverage ratio, 2 – Debt-to-equity ratio, 3 – Quick ratio, 4 – Current ratio, 5 – Sales turnover, 6 – Capital needs, 7 – Cyclicity, and 8 – Forthcoming binary events.

Waiting for New Jersey

The Q3 report was slightly better than we expected. No big surprises, but a few points strengthen our opinion that the company is clearly on track. The new additions, Autologic and the operations in Argentina, are reported to be on schedule. The company's own growth areas, particularly EaaS but also RAP and Fastlign, are growing vigorously. The comments from the management also suggest real optimism. Most exciting in the near future will be an announcement from New Jersey about the appeal of a contract that Opus has won.

*A little better than
expected across the board*

Actual vs. Forecast				
SEKm	Q3'16	Q3'17P	Actual	Diff
Sales	419	443	458	3%
EBITDA	87	72	84	16%
EBIT	41	21	34	63%
PTP *	35	3	4	20%
Net earnings	11	2	13	>100%
Sales growth	9%	6%	9%	
Whereof organic growth	8%	1%	3%	
EBITDA margin	20.7%	16.3%	18.2%	
EBIT margin	9.9%	4.7%	7.5%	

* Fx-effects Q3-16: +10 SEKm and Q3-17: -15 SEKm

Source: Opus Group, Redeye Research

Both the Swedish and the international operations were very satisfactory in Q3, although margins are lower Y/Y. Both showed organic growth of 3-4 percent and earnings a few millions of SEK better than we expected.

Quarterly performance by segment						
SEKm	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17
Vehicle Inspection Sweden						
Net sales	184	138	160	146	176	141
EBITDA	45	30	22	15	38	26
EBITDA-margin	24.3%	22.0%	14.0%	10.1%	21.8%	18.2%
EBITDA-margin, TTM	13.6%	15.9%	16.8%	17.9%	17.1%	16.2%
Vehicle Inspection International						
Net sales	274	287	275	288	305	321
EBITDA *	74	71	56	64	64	66
EBITDA-margin *	27.2%	24.8%	20.4%	22.1%	20.8%	20.6%
Group elimination etc	-1	-12	-8	-5	-8	-5
Total sales	452	420	431	429	476	458
EBITDA *	117	99	76	77	99	89
EBITDA-margin *	25.9%	23.6%	17.6%	17.9%	20.7%	19.4%
EBITDA	116	87	68	72	90	84
Depreciation & amortization	-43	-45	-50	-50	-50	-49
EBIT	73	41	17	22	41	34

* Excluding acquisition and start up costs.

Source: Opus Group, Redeye Research

Highlights in Q3

Vehicle Inspection International

- **New contract in New Jersey(?)** Opus was awarded the vehicle inspection contract for the state of New Jersey in late August. Parsons, the incumbent operator, has since submitted an appeal. From their perspective it's obvious that they want to stall any changes since the business is generating profits for Parsons while the protest is handled. The appeal will hopefully be rejected and Opus will shortly receive the green light, otherwise there is a risk of damage to confidence in the sector. It would also be a big deal for Opus; with annual revenues of USD 20m, New Jersey would probably be its single largest contract. Implementation is expected to be relatively rapid, at about 3 months, partly since Opus would be able to take over existing public buildings included in the agreement. This also means that the required initial capex is quite limited.
- **The EaaS rental business** continued to grow significantly during the third quarter. The annual turnover rate at the end of Q3 was USD 18.1m. This is an increase of 16 percent during the quarter and 65 percent since the start of the year. The management of Opus is now fully convinced that its target of USD 30m by 2021 will be reached far earlier. In the near term, rollout will continue in California and focus will then switch to Pennsylvania.
- **RAP** service has also continued to grow, but not at the same breakneck pace as in the first half of the year. A total of 2,000 units have now been delivered, compared to 1,800 in the first half. **FastLign** has now made over 40 installations. In the first half of the year the corresponding figure was just over 30.
- **Autologic**, acquired in June, had revenues corresponding to SEK 33m and a breakeven bottom line. It is now investing substantial resources on updating its offering to recapture the business lost by the company over the past year as a result of strategic errors by previous owners. Opus expects Autologic to return to the same level in 2018 as in 2016, with revenues of SEK 184m and EBITDA of SEK 29m.
- **Pakistan** has been a bit slow for Opus, and as previously reported the establishment has been delayed. The company now seems a little more upbeat that things have started to move and that phase 2 of the station network deployment can be implemented. A further 37 stations will be built and put into service in 2017-18.

Vehicle Inspection Sweden

- Both revenue and earnings were slightly better than we expected in Q3. Margins are a bit lower Y/Y due to costs related to newly opened stations that are not yet operating at full pace.
- Market shares for Opus have been relatively stable at around 26 percent in 2017, but are now slightly lower than last year. This is partially offset by a growing vehicle base and a higher average price per inspection.
- Since all the providers now have differentiated prices it is no longer possible for third parties to see whether there have been price rises. We believe that prices will continue upward for a while yet, mainly because it is currently only Opus and Besikta that have sufficient profitability. AB Svensk Bilprovning and Carspect have narrow margins and Dekra showed a loss at the end of 2016.
- Opus opened two new stations during the quarter, in Halmstad and Gothenburg. Over the past year the company has opened six new stations, and it probably takes at least a year for a new station to achieve sufficient bookings to become profitable.
- So far this year the industry has opened a total of 18 new inspection stations in Sweden (according to AB Svensk Bilprovning's Q3 report). The growth rate was slower last year due to uncertainty about possible changes to inspection intervals and because Besikta bought Clearcar and closed a number of overlapping stations. Everyone seems to still want to win market share, but the overall market is unfortunately limited. However, as mentioned above, continued establishments should also lead to continued price rises.

Market shares								
Inspection companies	May	Oct	Dec	2017				
				Jan	May	Aug	Sept	Oct
AB Svensk Bilprovning	30.3%	28.2%	25.7%	27.0%	29.3%	28.1%	28.0%	27.4%
Opus Bilprovning	27.7%	27.6%	27.8%	26.1%	26.2%	26.0%	25.8%	26.1%
Besikta Bilprovning	20.3%	25.2%	25.4%	26.6%	25.2%	25.4%	25.1%	25.3%
Carspect (A-Katsastus)	9.8%	11.2%	12.3%	11.6%	11.5%	12.3%	12.8%	12.5%
Clearcar	4.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DEKRA (inkl Applus)	6.7%	7.1%	8.0%	8.1%	7.2%	7.5%	7.6%	8.2%
Others (5 comp)	0.6%	0.6%	0.7%	0.6%	0.6%	0.8%	0.7%	0.6%
Total: (10 comp)	100%	100%	100%	100%	100%	100%	100%	100%

Source: Transportstyrelsen

Forecasts & Valuation

Only minor forecast adjustments

We have not included New Jersey... yet

Better transparency in 2018 reporting

We have made only minor adjustments to our forecasts even though the Q3 report has some positive impact on the current year. However, the recent dollar appreciation against the Swedish krona has a more lasting impact. Even though we believe Opus will receive good news regarding New Jersey we have not included this contract in our forecasts. This deal could eventually add an estimated 10 percent to group EBITDA. Some of the new and growing operations are potentially very profitable, but we are somewhat cautious about fully factoring these in yet. Opus will have more transparent external reporting from 2018, which should offer a better picture of the performance of these expanding businesses.

We expect **Vehicle Inspection Sweden** to continue to grow by a few percent per year. We believe prices will continue to rise over the next few years, which means Opus will be able to defend its margins and, in a best case, even raise them somewhat.

Vehicle Inspection International will experience healthy growth in the coming years, initially mainly from the Autologic acquisition and EaaS, but also in Pakistan and Latin America. RAP and FastLign are still at a modest level but may eventually become significant.

High level of investment and depreciation and amortisation

Investment will remain high for the next few years due to foreign expansion and EaaS. Depreciation and amortisation levels will continue to rise, masking underlying profitability. Accordingly, EBITDA is a more relevant margin measurement than EBIT.

Redeye estimates						
SEKm	2014	2015	2016	2017E	2018E	2019E
Vehicle Inspection Sweden						
Net sales	560	587	623	626	657	681
EBITDA	86	80	105	100	106	110
EBITDA-margin	15.3%	13.7%	16.8%	16.0%	16.1%	16.1%
Vehicle Inspection International						
Net sales	783	1,017	1,093	1,242	1,440	1,584
EBITDA	161	214	246	236	290	353
EBITDA-margin	20.6%	21.1%	22.5%	19.0%	20.2%	22.3%
Group & Eliminations						
EBITDA	-9	-23	-19	-15	-20	-20
Total sales	1,460	1,644	1,698	1,848	2,077	2,245
EBITDA	246	275	332	321	376	443
EBITDA-margin	16.9%	16.7%	19.6%	17.4%	18.1%	19.7%
Depreciation & amortization	-98	-166	-183	-200	-231	-237
EBIT	148	109	149	121	145	206
EBIT-margin	10.2%	6.6%	8.8%	6.5%	7.0%	9.2%

Source: Opus Group, Redeye Research

*Fair value estimate:
SEK ~9.9 per share*

Valuation

Our cash flow model values the business at just over SEK 3.6bn. With a deduction for net debt of SEK 0.7bn, this gives a fair market value of almost SEK 2.9bn, or **SEK 9.9 per share**. This is slightly higher than in our last research update of 20 August 2017.

Valuation assumptions (unchanged)

- Sustainable EBIT margins around 15%. This corresponds to approximately the level of today with a normalised level of depreciation and amortisation.
- For the period 2020-25, we have assumed an annual growth rate of 6 percent. Opus's own new target for the period until 2021 is to double revenue, which corresponds to about 15 percent average annual growth.
- From 2026 (terminal growth rate): 2%.
- WACC: 9.5%.

WACC

The WACC we use is calculated by applying a number of parameters that, combined, make up the Redeye rating model. The underlying factors are aimed at picking up company-specific risk and involve everything from management and owners to market position and balance sheet. These criteria, however, do not include share liquidity and volatility, which sets our WACC calculation apart from most others. We add the risk-free rate to this company-specific risk premium.

Conservative forecasts vs Opus's growth plan

The new growth plan presented earlier this year is certainly not impossible or unrealistic to achieve but there is still a long way to go before it can be factored in. Our Bull Case valuation scenario is based on the company hitting the target; see page 10. However, our Base Case valuation scenario is clearly more conservative and primarily considers business opportunities that are relatively concrete and feasible now. This probably means that we underestimate the growth rate in the next few years. On the other hand, new business also means investment and lower initial profitability, a partially offsetting factor purely in terms of valuation.

Sensitivity analysis: WACC vs margin

The table below shows various values for WACC and long-term profitability, in the form of the EBIT margin. The box indicates the valuation assumptions in our Base Case scenario. Even if profitability does not quite reach our long-term assumptions, the stock still appears to be undervalued.

DCF-value, SEK per share					
Sustainable EBIT-margin	11%	13%	15%	17%	19%
WACC					
8.5%	8.6	10.3	11.9	13.6	15.3
9.5%	7.0	8.4	9.9	11.3	12.7
10.5%	5.9	7.0	8.3	9.5	10.7

Source: Redeye Research

Valuation multiples slightly below historical levels

The earnings measure somewhere between EBITA and EBITDA is the most relevant for Opus's underlying profitability since this takes into account both net debt and the extremely high depreciation and amortisation levels in relation to the level of maintenance investment.

The share is now back to levels where it once again looks really attractive. Based on our forecasts, Opus has historically been valued much higher than it is currently.

Earnings multiples					
Share price: 6.0 SEK	2015	2016	2017E	2018E	2019E
P/E	26.2	22.0	29.0	45.2	21.3
EV/EBIT	22.4	17.2	22.2	18.5	13.0
EV/EBITA	12.1	10.0	11.2	9.3	7.5
EV/EBITDA	8.9	7.7	8.4	7.1	6.1

Source: Redeye Research

RWC over 15% of shares

At the end of September RWC Asset Management announced that it owns just over 15% of share capital in Opus Group, which means RWC is the single largest share holder. Kommandoran, owned by the founders Magnus Greko and Jörgen Hentschel being second largest. This may not imply any changes since RWC is already represented in the nomination committee for the executive board.

Scenarios and fair value range

Our main scenario, under the Base Case heading below, is the starting point for our valuation and provides a fair value **around SEK 10 per share**. We have also outlined two other possible outcomes. These scenarios are both entirely possible, albeit clearly positive or negative.

Bull Case

Our assumptions for this positive scenario are based on the company delivering in line with its five-year growth plan, communicated at the start of 2017. This would double revenue to around SEK 3,600m (USD 400m) and improve the EBITDA margin to 25%. It would also require investment of an estimated SEK 1.5-2bn. The fair value in this scenario is much higher, at **just over SEK 15 per share**.

Bear Case

We should not ignore the risk of the company losing some of its existing contracts in the US. There is nothing to suggest that customers are currently dissatisfied, but this could naturally change. In a negative scenario, we could also imagine the competition in Sweden intensifying significantly and Opus losing market share, resulting in impaired capacity utilisation and profitability. However, prices for inspection services in Sweden will in all likelihood continue to rise since all the other providers currently have lower profitability than Opus. In this scenario, we simulate 1-2% annual growth until 2021 and operating margins not exceeding 12%. This makes the fair value around **SEK 6 per share**.

Bull Case					
SEKm	2021E	Assumptions:	2017-21	DCF-value, SEK per share	
Revenues	3600	Annual growth	15.0%	EV	17.7
EBITDA	900	CAPEX, total:	1800	Net Debt	-2.4
EBITDA-margin	25%			DCF-value	15.3
EBIT-margin	18%				
Base Case					
SEKm	2021E	Assumptions:	2017-21	DCF-value, SEK per share	
Revenues	2523	Annual growth	7.0%	EV	12.4
EBITDA	560	CAPEX, total:	600	Net Debt	-2.4
EBITDA-margin	22%			DCF-value	9.9
EBIT-margin	15%				
Bear Case					
SEKm	2021E	Assumptions:	2017-21	DCF-value, SEK per share	
Revenues	1880	Annual growth	2.0%	EV	8.4
EBITDA	377	CAPEX, total:	600	Net Debt	-2.4
EBITDA-margin	20%			DCF-value	6.1
EBIT-margin	12%				

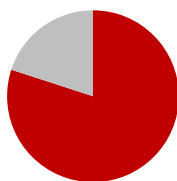
Source: Redeye Research

Summary Redeye Rating

The rating consists of five valuation keys, each constituting an overall assessment of several factors that are rated on a scale of 0 to 2 points. The maximum score for a valuation key is 10 points.

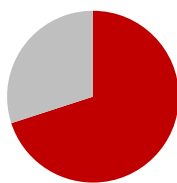
Rating changes in the report: No changes.

Management 8.0p



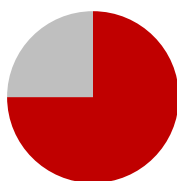
Management performance has been outstanding at growing the company in recent years. This has been accomplished both through winning new and profitable business and a few truly major acquisitions. Industry experience is considerable and the company culture seems strong.

Ownership 7.0p



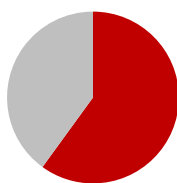
There is strong commitment among management and directors through their ownership of the company. Founder and former CEO, Magnus Greko, as well as the newly appointed, Lothar Geilen, both have substantial holdings. However, no single shareholder controls more than 20% of the votes, which limits the rating for Ownership.

Profit outlook 7.5p



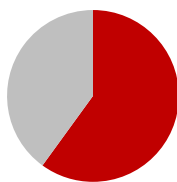
The profit outlook is very good and Opus almost takes the jackpot for all criteria. The company has obvious competitive advantages that are creating the conditions to continue growing while maintaining high profitability. Underlying market growth is limited in the Western world, but there is significant long-term potential in other parts of the world.

Profitability 6.0p



The business has demonstrated good profitability and stable positive cash flows for a long time. Reported profits and return figures have been modest, however, due to high amortisation of intangible assets from previous acquisitions. Profitability and key financial data are set to improve over the next years in pace with the company's planned expansion.

Financial strength 6.0p



Opus has stable earnings and a good credit rating, although net debt is relatively high after a couple of major acquisitions and investments into EaaS business. As revenues from the new businesses are picking up, key ratios for Financial Strength will improve. To hit the jackpot, however, would also require significantly higher revenues than currently.

Income statement	2015	2016	2017E	2018E	2019E
Net sales	1,652	1,698	1,848	2,077	2,246
Total operating costs	-1,377	-1,366	-1,527	-1,701	-1,803
EBITDA	275	332	321	376	443
Depreciation	-92	-107	-119	-143	-152
Amortization	-74	-76	-81	-88	-84
Impairment charges	0	0	0	0	0
EBIT	109	149	121	145	206
Share in profits	0	0	0	0	0
Net financial items	-29	-4	-83	-91	-91
Exchange rate dif.	0	0	0	0	0
Pre-tax profit	80	145	38	54	115
Tax	-14	-60	20	-16	-33
Net earnings	66	85	60	39	82

Balance	2015	2016	2017E	2018E	2019E
Assets					
<i>Current assets</i>					
Cash in banks	256	507	462	519	561
Receivables	97	100	148	166	180
Inventories	81	85	129	125	135
Other current assets	165	224	224	224	224
Current assets	599	917	963	1,034	1,100
<i>Fixed assets</i>					
Tangible assets	739	815	896	952	950
Associated comp.	0	0	0	0	0
Investments	14	23	23	23	23
Goodwill	791	791	851	851	851
Cap. exp. for dev.	427	381	441	382	328
O intangible rights	33	49	53	60	65
O non-current assets	0	0	0	0	0
Total fixed assets	2,003	2,058	2,263	2,268	2,216
Deferred tax assets	29	32	32	32	32
Total (assets)	2,631	3,007	3,257	3,334	3,347

Liabilities					
<i>Current liabilities</i>					
Short-term debt	264	204	231	241	235
Accounts payable	39	42	111	125	135
O current liabilities	392	350	350	350	350
Current liabilities	695	597	692	716	719
Long-term debt	696	988	1,118	1,167	1,136
O long-term liabilities	0	0	0	0	0
Convertibles	0	0	0	0	0
Total Liabilities	1,391	1,585	1,810	1,882	1,855
Deferred tax liab	234	280	280	280	280
Provisions	115	100	100	100	100
Shareholders' equity	891	1,029	1,055	1,058	1,100
Minority interest (BS)	0	13	13	13	13
Minority & equity	891	1,042	1,067	1,071	1,112
Total liab & SE	2,631	3,007	3,257	3,334	3,347

Free cash flow	2015	2016	2017E	2018E	2019E
Net sales	1,652	1,698	1,848	2,077	2,246
Total operating costs	-1,377	-1,366	-1,527	-1,701	-1,803
Depreciations total	-166	-183	-200	-231	-237
EBIT	109	149	121	145	206
Taxes on EBIT	-19	-62	-35	-42	-60
NOPLAT	90	87	86	103	147
Depreciation	166	183	200	231	237
Gross cash flow	256	271	286	334	383
Change in WC	16	-105	-23	0	-13
Gross CAPEX	-561	-239	-404	-237	-185
Free cash flow	-290	-73	-142	98	185

Capital structure	2015	2016	2017E	2018E	2019E
Equity ratio	34%	35%	33%	32%	33%
Debt/equity ratio	108%	116%	128%	133%	125%
Net debt	704	685	887	888	809
Capital employed	1,595	1,727	1,954	1,959	1,921
Capital turnover rate	0.6	0.6	0.6	0.6	0.7

Growth	2015	2016	2017E	2018E	2019E
Sales growth	13%	3%	9%	12%	8%
EPS growth (adj)	-59%	29%	-30%	-36%	112%

DCF valuation		Cash flow, MSEK	
WACC (%)	9.5 %	NPV FCF (2017-2019)	130
		NPV FCF (2020-2026)	1412
		NPV FCF (2027-)	2056
		Non-operating assets	452
		Interest-bearing debt	-1192
		Fair value estimate MSEK	2858
Assumptions 2020-2025 (%)			
Average sales growth	6 %	Fair value, per share, SEK	9.9
EBIT margin	15 %	Share price, SEK	6.0

Profitability	2015	2016	2017E	2018E	2019E
ROE	9%	9%	6%	4%	8%
ROCE	6%	7%	5%	6%	8%
ROIC	7%	5%	5%	5%	7%
EBITDA margin	17%	20%	17%	18%	20%
EBIT margin	7%	9%	7%	7%	9%
Net margin	4%	5%	3%	2%	4%

Data per share	2015	2016	2017E	2018E	2019E
EPS	0.23	0.30	0.21	0.13	0.28
EPS adj	0.22	0.29	0.20	0.13	0.27
Dividend	0.10	0.12	0.12	0.14	0.16
Net debt	2.44	2.37	3.06	3.06	2.79
Total shares	288.67	288.67	290.30	290.30	290.30

Valuation	2015	2016	2017E	2018E	2019E
EV	2,436.0	2,583.9	2,649.4	2,650.6	2,570.4
P/E	26.2	22.0	29.0	45.2	21.3
P/E diluted	26.9	22.6	29.8	46.4	21.9
P/Sales	1.0	1.1	0.9	0.8	0.8
EV/Sales	1.5	1.5	1.4	1.3	1.1
EV/EBITDA	8.9	7.8	8.3	7.0	5.8
EV/EBIT	22.4	17.3	21.9	18.3	12.5
P/BV	1.9	1.8	1.7	1.6	1.6

Share performance		Growth/year	15/17e
1 month	-6.3 %	Net sales	5.8 %
3 month	-15.5 %	Operating profit adj	5.5 %
12 month	-10.5 %	EPS, just	-5.0 %
Since start of the year	-7.7 %	Equity	9.5 %

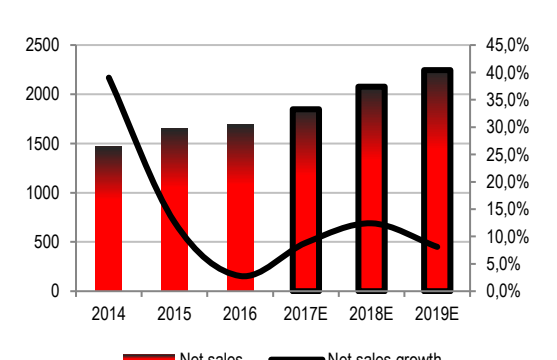
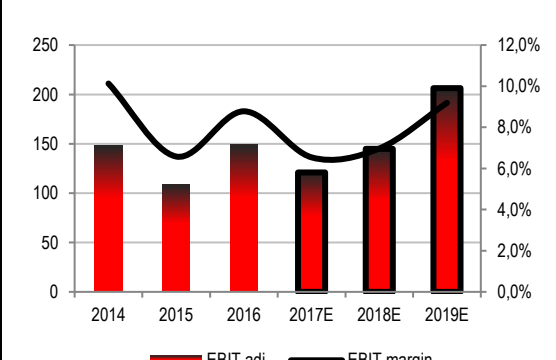
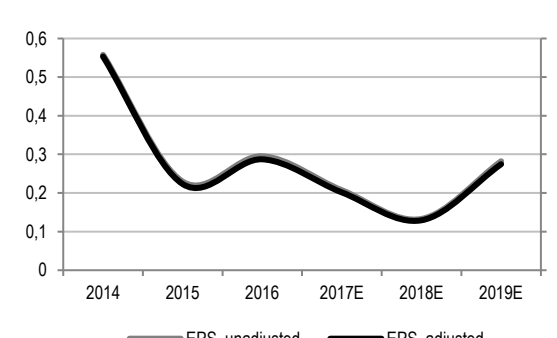
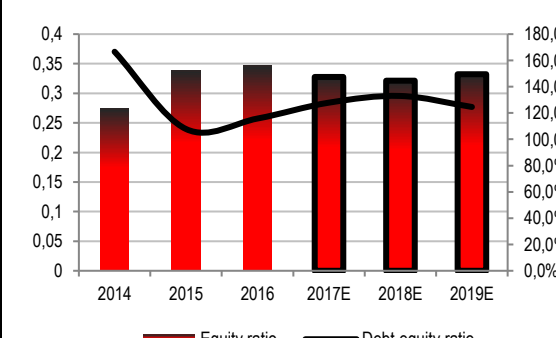
Shareholder structure %	Capital	Votes
RWC Fonder	15.2 %	15.2 %
Kommandoran	14.6 %	14.6 %
Lothar Geilen	6.8 %	6.8 %
Avanza Pension	6.6 %	6.6 %
Andra AP-fonden	6.4 %	6.4 %
Dimensional Fund Advisors	2.7 %	2.7 %
Nordnet Pensionsförsäkring	1.4 %	1.4 %
Schroders	1.3 %	1.3 %
COGEFI Gestion	1.0 %	1.0 %
Per Hamburg	0.9 %	0.9 %

Share information	
Reuters code	OPUS.ST
List	Mid Cap
Share price	6.0
Total shares, million	290.3
Market Cap, MSEK	1741.8

Management & board	
CEO	Lothar Geilen
CFO	Linus Brandt
IR	Helene Carlson
Chairman	Katarina Bonde

Financial information	
FY 2017 Results	February 16, 2018

Analysts	Redeye AB
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Revenue & Growth (%)	EBIT (adjusted) & Margin (%)
 <p>Net sales (bars) and Net sales growth (line) from 2014 to 2019E. Net sales are shown in red bars on the left axis (0 to 2500). Net sales growth is shown as a black line on the right axis (0,0% to 45,0%).</p>	 <p>EBIT adj (bars) and EBIT margin (line) from 2014 to 2019E. EBIT adj is shown in red bars on the left axis (0 to 250). EBIT margin is shown as a black line on the right axis (0,0% to 12,0%).</p>
Earnings per share	Equity & debt-equity ratio (%)
 <p>EPS, unadjusted (grey line) and EPS, adjusted (black line) from 2014 to 2019E. Both are shown on the left axis (0 to 0,6).</p>	 <p>Equity ratio (bars) and Debt-equity ratio (line) from 2014 to 2019E. Equity ratio is shown in red bars on the left axis (0 to 0,4). Debt-equity ratio is shown as a black line on the right axis (0,0% to 180,0%).</p>
Sales division	Geographical areas
Conflict of interests	Company description
<p>Henrik Alveskog owns shares in the company: Yes</p> <p>Redeye performs/have performed services for the Company and receives/have received compensation from the Company in connection with this.</p>	<p>Opus är en serviceleverantör inom miljö- och säkerhetskontroll av fordon. Bolaget driver bilprovsningsprogram i Nordamerika och sedan 2012 i Sverige. De har även tillverkning av utrustning för bilprovsningsanläggningar och verkstäder.</p>

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Redeye Rating (2017-11-19)

Rating	Management	Ownership	Profit outlook	Profitability	Financial Strength
7,5p - 10,0p	43	40	17	11	22
3,5p - 7,0p	69	64	96	34	44
0,0p - 3,0p	17	25	16	84	63
Company N	129	129	129	129	129

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