



Press release - August 24, 2015

Facts about the Swedish implementation of the new EU inspection Directive

In response to today's speculation in the media Opus Group hereby publishes facts about the new EU inspection Directive, the Swedish implementation and the Vehicle Inspection Industry conclusions.

EU inspection package

A new EU directive for technical inspection of vehicles (Directive 2014/45 /EU) was adopted in spring 2014. The new directive contains a number of stringent requirements including introduction of monitoring of electronically controlled safety systems, the introduction of controls of vehicles with speed over 40 km/h etc. The Directive will be implemented gradually until 2018 by legislation in each Member State. The main purpose of the inspection package is to improve road safety in Europe through an **elevated minimum level** of vehicle inspection and more harmonization between Member States by making assessments more uniform. The Inspection Package is a so-called **minimum directive**, which means that each Member State has the right to impose **stricter** but **not more lenient**, regulations than what the directive proposes.

How often should a vehicle be inspected?

The new EU directive has **not** changed the **call-in intervals**, i.e. how often a vehicle must be inspected. Under the EU minimum requirements for vehicles under three and a half tons, the first technical inspection takes place after four years. Thereafter, the inspection will take place at the latest every two years. This system is therefore often known as 4-2-2. Just over half of the EU countries already today apply more frequent inspections than the minimum requirement. In Sweden, for example, the first vehicle inspection takes place after three years, the second after another two years and then annually. This system is called 3-2-1.

The first step in implementing the directive in Sweden was taken when the government gave the Transport Agency the assignment to evaluate how Sweden should relate to the new directive and to suggest recommended actions. One option that is being investigated is to "thin out" the intervals between each inspection, from 3-2-1 to 4-2-2. This despite the fact that the intentions of the new EU directive is **not** lowered ambition levels for the inspection policy, but on the contrary increased levels of ambition.

What would a thinning out of the inspection intervals mean?

Preventive maintenance is expected to decrease drastically if cars are inspected more seldom. Already after an average Swedish car has passed three years the maintenance services drops drastically. Necessary repairs may be delayed or withheld for vehicles that fail professional review through an inspection company or a workshop. Vehicle inspection contributes to a reduced environmental impact and increased environmental awareness among vehicle owners. Exhaust gas measurement carried out at an inspection verifies that emissions are within the limits the Transport Agency established for the vehicle and its age. Control of vehicle exhausts is our main effort to reduce the negative impact of the traffic on the environment.

A thinning out of the inspection intervals therefore risks leading to a negative impact on the climate and environment. If the Swedish automobiles' emission control systems are not checked often enough, it is likely that emissions will increase.

Sweden has many old cars, whose average mileage is comparatively high even up to about the age of fifteen. It is precisely older cars that often have flaws, which increases the risk of traffic accidents. The Swedish climate is causing even more rust problems than in southern countries, and wear and corrosion related failures increase rapidly with increasing age of the vehicle.



German scientists have studied what the economic impact would be if Germany, which currently applies 4-2-2, would chose to move to closer inspection intervals¹. According to the study, it would be economically viable to switch to 3-2-1 or 3-2-2-1. The study found that states with higher demands lose by lowering the regulation to the minimum level. Welfare losses at such a reform would be higher than the cost savings for car owners.

Conclusions and comments by the Vehicle Inspection Industry

Last year, The Economist magazine wrote that Sweden has the world's safest roads². One reason for this is our high ambitions for regular vehicle inspection. SWETIC-SF welcomes the trend towards higher standards, clearer rules and improved equality for vehicle inspection throughout the EU that this new EU-directive may pose.

A thinning of the inspection intervals, by contrast, **increases risks of road accidents and environmental emissions**. Therefore the Vehicle Inspection Industry as well as the organizations Bil Sweden and NTF (National Society for Road Safety) are critical towards the idea to thin out the intervals. Instead, let Sweden continue to be a pioneer of road safety and reduced environmental impact from vehicles.

¹ http://papers.ssm.com/sol3/papers.cfm?abstract_id=2601329

² <http://www.economist.com/blogs/economist-explains/2014/02/economist-explains-16?fsrc=scn/fb/te/bl/ed/whyswedenhassofewroaddeaths>

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About Opus Group

Opus Group is a leading vehicle inspection company with a strong focus on customer service and innovative technology. Opus Group is one of the market leaders in vehicle inspection operations in the US and Sweden. Opus Bilprovning has 74 vehicle inspection stations in Sweden. Opus Inspection operates vehicle inspection programs in the U.S., Bermuda, Chile, Peru and Pakistan and is active in sales and service of emission control equipment in North America and Mexico. Opus Group's revenues amounted to approximately SEK 1,458 million in 2014. Opus Group's shares are listed on Nasdaq Stockholm.

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