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AGILENT TECHNOLOGIES DENMARK APS
PRODUKTIONSVEJ 42, 2600 GLOSTRUP
ANNUAL REPORT
2015/16
16 TH FINANCIAL YEAR

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 31 March 2017**

Ieva Tackie

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COMPANY DETAILS

Company	Agilent Technologies Denmark ApS Produktionsvej 42 2600 Glostrup Telephone: 70137313 Telefax: 82332865 Website: www.agilent.dk CVR no.: 21 85 29 02 Established: 1 July 1999 Registered Office: Glostrup Financial Year: 1 November 2015 - 31 October 2016
Board of Directors	Richard Norman Larsen, formand Majken Nielsen Jan Vesth-Wiersholm
Board of Executives	Klaus Christian Sauber Lene Klejs Stuhr
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Agilent Technologies Denmark ApS for the year 1 November 2015 - 31 October 2016.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the financial statements give a true and fair view of the company's financial position at 31 October 2016 and of the results of the company's operations for the financial year 1 November 2015 - 31 October 2016.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the review.

We recommend that the Annual Report be approved at the Annual General meetings.

København, den 31. marts 2017

Board of Executives

Klaus Christian Sauber

Lene Klejs Stuhr

Board of Directors

Richard Norman Larsen
Chairman

Majken Nielsen

Jan Vesth-Wiersholm

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Agilent Technologies Denmark ApS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Agilent Technologies Denmark ApS for the financial year 1 November 2015 to 31 October 2016, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We have conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit Legislation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

The audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31 October 2016 and of the results of the company's operations for the financial year 1 November 2015 - 31 October 2016 in accordance with the Danish Financial Statements Act.

INDEPENDENT AUDITOR'S REPORT

STATEMENT ON THE MANAGEMENT'S REVIEW

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the management's review is consistent with the financial statements.

København, den 31. marts 2017

BDO Statsautoriseret revisionsaktieselskab, CVR-nr. 20 22 26 70

Ole C. K. Nielsen
State Authorised Public Accountant

KEY FIGURES AND RATIOS

	2015/16 DKK '000	2014/15 DKK '000	2013/14 DKK '000	2012/13 DKK '000	2011/12 DKK '000
Income statement					
Net revenue.....	1.004.025	121.473	93.585	115.381	98.379
Gross profit.....	152.152	18.432	15.146	15.995	15.564
Operating profit/loss.....	6.506	1.687	4.270	468	2.286
Financial income and expenses, net.....	-245	-1.511	610	-69	274
Profit/loss for the year.....	1.259	136	5.367	228	922
Balance sheet					
Balance sheet total.....	468.746	56.132	60.613	51.215	45.451
Equity.....	68.190	19.515	19.379	17.758	17.530
Ratios					
Gross margin.....	15,2	15,2	16,2	13,9	15,8
Rate of return.....	2,4	0,3	8,7	0,8	5,6
Solvency ratio.....	14,5	34,8	32,0	34,7	38,6
Return on equity.....	2,9	0,7	28,9	1,3	5,4

The key figures follow in all material respects the recommendations of the Danish Association of Financial Analysts. Reference is made the definitions and concepts in the accounting policies.

MANAGEMENT'S REVIEW

Principal activities

Agilent Technologies Denmark ApS, hereinafter referred to as “company”, operates as a reseller of products/services covering life sciences, diagnostics and applied chemicals markets. The major part of the products/services range is purchased from group companies within and outside of Denmark.

Developments during the year

In line with the plans shared in the FY15 Management review, the company executed the following transactions of corporate restructuring:

i) A demerger with a Danish group entity called “Dako Denmark A/S” covering the latter’s field function. This demerger was executed on 1st Nov 2016 but was retrospective in effect i.e. 1st Nov 2015 for Danish financial reporting and tax purposes. Consequently, the company acquired the assets, obligations and employees associated with the field function from Dako Denmark A/S. Revenue acquired as part of the restructuring amounts to 856 mio. DKK, and net assets booked to retained earnings amounts to 49 mio. DKK.

ii) In June 2016, the company made an acquisition of the shares of another group entity in Denmark called “Seahorse Bioscience Europe ApS”. It was immediately followed by a merger between the two, whereby Seahorse Bioscience Europe ApS ceased to exist. The merger took effect from 1st Nov 2015 for financial reporting and tax purposes. Revenue acquired as part of the restructuring amounts to 21 mio. DKK, and net assets booked to retained earnings amounts to -1,9 mio. DKK.

These transactions have significantly increased the scale of operations of the company.

Further, the company also adopted SAP as part of the financial reporting platform change implemented in the overall group.

Financial Position for the year

The result for the year is a Profit of TDKK 1,259.

Significant events after the end of the financial year

On 1st Nov 2016, the company sold the Asia Pacific portion of the field business it had acquired as part of its demerger with Dako Denmark over to another group entity in Singapore which had better coverage of the territory involved.

On 1st Feb 2017, the company took over all the remaining employees of Dako Denmark A/S and simultaneously entered into a labor services agreement whereby such employees would continue to provide their services to Dako Denmark A/S. This will help the employees to use same kind of ERP tools/services as the rest of the employees in the wider group.

Future expectations

The Management expects a profitable fiscal ahead.

ACCOUNTING POLICIES

The annual report of Agilent Technologies Denmark ApS for 2015/16 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C.

The accounting policies applied remain unchanged from previous years.

The Annual Report for 2015/16 is presented in DKK.

Sammenligningstal

As a result of the restructuring described in the management's review, the figures for the present year and for last year in the income statement, balance sheet and notes are not comparable.

General about recognition and measurement

The financial statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is likely that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is likely that future economic benefits will flow from the company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant effective interest over the term. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the maturity period.

The recognition and measurement takes into account predictable losses and risks arising before the year-end reporting and which prove or disprove matters that existed at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

INCOME STATEMENT

Net revenue

The net revenue from sale of merchandise and finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year.

Revenues is recognised exclusive of VAT, duties and less discounts related to the sale.

Production costs

Cost of sales comprises costs incurred to achieve revenue for the year. Under line production costs are included costs of good sold, salaries to sale support employees and depreciation.

Distribution costs

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

ACCOUNTING POLICIES

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Financial income and expenses in general

Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that can be attributed to the profit for the year, and is recognised directly in the equity by the portion that can be attributed to entries directly to the equity.

The company is jointly taxed with wholly owned Danish and foreign subsidiary enterprises. The current Danish corporation tax is distributed between the jointly taxed Danish companies in proportion to their taxable income, and with full distribution with refund regarding taxable losses. The jointly taxed companies are included in the tax-on-account scheme.

BALANCE SHEET

Intangible fixed assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 10 years. The estimate is on basis of the expected lifetime of products.

Tangible fixed assets

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation of machinery and equipment is provided mainly under the declining balance method using rates which are calculated to extinguish the cost of these assets over their estimated useful lives.

	Useful life	Residual value
Buildings.....	5-10 år	0%
Other investment assets.....	5-10 år	0%
Production plant and machinery.....	3-8 år	0-30%
Other plants, fixtures and equipment.....	3-10 år	0 %
Leasehold improvements.....	10-15 år	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Inventories

Stocks are measured at the lower of cost under the FIFO method and net realisable value.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

ACCOUNTING POLICIES

Other provisions for liabilities

Provisions for liabilities include the expected cost of warranty commitments, pension, and deferred tax.

Warranty commitments include liabilities for improvement of work within the warranty period of 1 year. The provision for liabilities is measured and recognised on the basis of experience with warranty work.

Pension commitments:

To the extent that the pension commitments are not covered by insurance, they are included in the balance sheet as provisions. The calculation of the liability is based on actuarial computations.

Tax payable and deferred tax

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax unit.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Liabilities

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Accruals, liabilities

Accruals recognised as liabilities include payments received regarding income in subsequent years.

ACCOUNTING POLICIES

Foreign currency translation

Transactions in foreign currencies are translated using “Average monthly rate” for the month in which the transaction is recorded. This average rate is derived from and closely represents the actual exchange rates in force during that month. Exchange differences arising between the “Average monthly rate” and the rate on the payment date are recognized in the Income Statement as financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognised directly in the equity.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivable or payable is recognised in the income statement as financial income or expenses.

Fixed Assets acquired in foreign currencies are translated using “Average monthly rate” as described above for the month in which the transaction is recorded.

KEY FIGURES

The key figures are prepared in accordance with the guidance of Den Danske Finansanalytikerforening on “Recommendation & Key Figures”. Reference is made to survey of principal figures and key figures concerning the formula for calculation of individual key figures.

Gross margin:

$$\frac{\text{Gross profit} \times 100}{\text{Net revenue}}$$

Rate of return:

$$\frac{\text{Profit before tax} \times 100}{\text{Avg. assets}}$$

Solvency ratio:

$$\frac{\text{Equity, end of period} \times 100}{\text{Total liabilities, end of period}}$$

Return on equity:

$$\frac{\text{Profit after tax} \times 100}{\text{Avg. equity}}$$

INCOME STATEMENT 1 NOVEMBER - 31 OCTOBER

	Note	2015/16 DKK '000	2014/15 DKK '000
NET REVENUE		1.004.025	121.473
Cost of sales.....		-851.873	-103.041
GROSS PROFIT		152.152	18.432
Distribution costs.....		-113.596	-12.762
Administrative expenses.....		-32.848	-4.040
OPERATING PROFIT		5.708	1.630
Other operating income.....		798	57
Operating profit		6.506	1.687
Financial income.....	1	1.491	153
Financial expenses.....	2	-1.736	-1.664
Profit before tax		6.261	176
Tax on profit/loss for the year.....	3	-5.002	-40
PROFIT FOR THE YEAR		1.259	136
PROPOSED DISTRIBUTION OF PROFIT			
Accumulated profit.....		1.259	136
TOTAL		1.259	136

BALANCE SHEET AT 31 OCTOBER

ASSETS	Note	2016 DKK '000	2015 DKK '000
Goodwill.....		170.163	0
Intangible fixed assets.....	4	170.163	0
Other plants, machinery, tools and equipment.....		3.103	0
Tangible fixed assets.....	5	3.103	0
Fixed asset investments.....		0	0
Fixed asset investments.....	6	0	0
FIXED ASSETS.....		173.266	0
Finished goods and goods for resale.....		4.247	5.772
Inventory.....		4.247	5.772
Trade receivables.....		193.899	15.232
Receivables from group enterprises.....		20.041	14.625
Deferred tax assets.....		1.306	1.987
Other receivables.....		45.266	5
Receivables corporation tax.....		12.812	3.966
Accounts receivable.....		273.324	35.815
Cash and cash equivalents.....		17.909	14.545
CURRENT ASSETS.....		295.480	56.132
ASSETS.....		468.746	56.132

BALANCE SHEET AT 31 OCTOBER

EQUITY AND LIABILITIES	Note	2016 DKK '000	2015 DKK '000
Share capital.....		5.000	5.000
Retained profit.....		63.190	14.515
EQUITY.....	7	68.190	19.515
Other provisions for liabilities.....	8	4.692	3.374
PROVISION FOR LIABILITIES.....		4.692	3.374
Accruals and deferred income.....		1.483	815
Long-term liabilities.....		1.483	815
Trade payables.....		3.248	2.651
Payables to group enterprises.....		311.375	11.390
Corporation tax.....		23.642	3.911
Other liabilities.....		28.211	6.694
Accruals and deferred income.....	9	27.905	7.782
Current liabilities.....		394.381	32.428
LIABILITIES.....		395.864	33.243
EQUITY AND LIABILITIES.....		468.746	56.132
Contingencies etc.	10		
Related parties	11		
Ownership	12		
Staff costs	13		

NOTES

	2015/16 DKK '000	2014/15 DKK '000	Note
Financial income			1
Group enterprises.....	37	12	
Other interest income.....	1.454	141	
	1.491	153	
 Financial expenses			 2
Other financial expenses.....	1.736	1.664	
	1.736	1.664	
 Tax on profit/loss for the year			 3
Calculated tax on taxable income of the year.....	6.666	-55	
Adjustment of deferred tax.....	-1.664	95	
	5.002	40	
 Intangible fixed assets			 4
		Goodwill	
Addition.....		189.070	
Cost at 31 October 2016.....		189.070	
Depreciation.....		18.907	
Depreciation at 31 October 2016.....		18.907	
Carrying amount at 31 October 2016.....		170.163	
 Tangible fixed assets			 5
		Other plants, machinery, tools and equipment	
Additions from merger.....		4.895	
Cost at 31 October 2016.....		4.895	
Depreciation.....		1.792	
Depreciation and write-down at 31 October 2016.....		1.792	
Carrying amount at 31 October 2016.....		3.103	

NOTES

	Note
Fixed asset investments	6

	Fixed asset investments
Addition.....	6.448.536
Merger.....	-6.448.536
Cost at 31 October 2016.....	0

Equity	7
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	Share capital	Retained profit	Total
Equity at 1 November 2015.....	5.000	14.515	19.515
Additions/disposals relating to equity by mergers and acquisitions.....		47.416	47.416
Proposed distribution of profit.....		1.259	1.259
Equity at 31 October 2016.....	5.000	63.190	68.190

At 1st November 2015 the share capital was raised by 1 share at a value of 1 DKK.

Other provisions for liabilities	8
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Pensionsforpligtelser, der ikke er forsikringsmæssigt afdækkede, er indregnet i andre hensatte forpligtelser med TDKK 1.065 (14/15: TDKK 1.476).

Pensions commitments that are not covered by insurance are included in the other provisions with TDKK 1,065 (14/15: TDKK 1,476).

Garantiforpligtelser er indregnet i andre hensatte forpligtelser med TDKK 3.627 (14/15: TDKK 1.899)

Warranties are included in other provisions with TDKK 3,627 (14/15: TDKK 1,899).

Accruals and deferred income	9
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Periodeafgrænsningsposter vedrører hovedsageligt forudbetalte servicekontrakter. Deferred income mainly relates to prepaid service contracts.

Contingencies etc.	10
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Leje og leasingkontrakter
Rental agreements and leases

	2016 DKK '000	2015 DKK '000
Indenfor det første år.....	1.333	870
Within 1 year		
Mellem 1-5 år.....	2.219	1.166
Between 1-5 years		

NOTES

Note

Related parties

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Koncern

Group

Selskabet er et helejet datterselskab af Agilent Technologies Luxco Sarl, 46a, Avenue J.F. Kennedy, L 1855 Luxembourg (bestemmende indflydelse). Det ultimative moderselskab, hvori selskabet indgår som datterselskab, er Agilent Technologies Inc (bestemmende indflydelse). Dette selskab og dets datterselskaber anses for nærtstående parter.

The company is a wholly owned subsidiary of Agilent Technologies Luxco Sarl, 46a, Avenue J.F. Kennedy, L 1855 Luxembourg. The ultimate parent company in which the Company is included as a subsidiary is Agilent Technologies Inc. This Company and its subsidiaries are considered as related parties.

Regnskab for Agilent Technologies Luxco Sarl, Luxembourg kan rekvireres hos det pågældende selskab. Regnskab for Agilent Technologies Inc. Santa Clara, USA, kan rekvireres hos Agilent Technologies Denmark ApS, Danmark.

The accounts of Agilent Technologies Luxco Sarl can be obtained by request to the Company, and the accounts of Agilent Technologies Inc. Santa Clara, USA can be obtained by request to, Agilent Technologies Denmark ApS, Denmark.

Ownership

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The following shareholder is recorded in the company's register of shareholders as sole proprietor of the share capital:

Agilent Technologies Luxco Sarl
46a, Avenue J.F. Kennedy
L 1855 Luxembourg

Registration: B112.905

	2015/16	2014/15	
	DKK '000	DKK '000	
Staff costs			13
Average number of employees.....	36	22	
Wages and salaries.....	102.349	17.182	
Pensions.....	8.811	1.488	
Social security costs.....	385	47	
Other staff costs.....	1.529	1.351	
	113.074	20.068	
Remuneration of management and board of directors.....	2.502	1.817	
	2.502	1.817	