


DANAHER MEDICAL APS
ÅKANDEVEJ 21, 2700 BRØNSHØJ
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2018

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 22 March 2019**



Anders Birkebæk Clausen

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COMPANY DETAILS

Company	Danaher Medical ApS Åkandevej 21 2700 Brønshøj CVR no.: 27 55 95 22 Established: 23 January 2004 Registered Office: Åkandevej 21, DK-2700 Brønshøj Financial Year: 1 January - 31 December
Board of Executives	Frank T. McFaden Vibeke Holst-Andersen Claus Lønberg Madsen
Auditor	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4 2000 Frederiksberg

STATEMENT BY BOARD OF EXECUTIVES

Today the Board of Executives have discussed and approved the Annual Report of Danaher Medical ApS for the year 1 January - 31 December 2018.

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 December 2018 and of the results of the the Company's operations for the financial year 1 January - 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 22 March 2019

Board of Executives

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730E80650A84490...
Frank T. McFaden


Vibeke Holst-Andersen


Claus Lønborg Madsen

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Danaher Medical ApS

Opinion

We have audited the financial statements of Danaher Medical ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 22 March 2019

Ernst & Young Godkendt Revisionspartnerselskab
CVR-nr. 30 70 02 28


Henrik Kronborg Iversen
State Authorised Public Accountant
mne24687


Rasmus Bloch Jespersen
State Authorised Public Accountant
mne35503

FINANCIAL HIGHLIGHTS

	2018 DKK '000	2017 DKK '000	2016 DKK '000	2015 DKK '000	2014 DKK '000
Income statement					
Net revenue.....	154.461	147.350	138.929	130.021	112.168
Operating profit/loss.....	44.822	40.929	35.405	29.816	16.222
Financial income and expenses, net.....	-74	545	1.522	2.622	2.117
Profit/loss for the year before tax.....	44.748	41.474	36.927	32.438	18.339
Profit/loss for the year.....	34.679	32.120	28.812	31.891	19.549
Balance sheet					
Balance sheet total.....	1.923.589	2.711.430	2.700.624	2.663.698	2.531.038
Equity.....	1.595.039	2.360.361	2.328.240	2.299.428	2.267.537
Ratios					
Profit margin.....	29,0	27,8	25,5	22,9	14,5
Rate of return.....	1,9	1,5	1,3	1,1	0,6
Solvency ratio.....	82,9	87,1	86,2	86,3	89,6
Return on equity.....	1,8	1,4	1,2	1,4	0,8

Financial ratios are calculated in accordance with the recommendations of the Danish Finance Society.

The ratios stated in the list of key figures and ratios have been calculated as follows:

Profit margin:

$$\frac{\text{Operating profit / loss} \times 100}{\text{Net revenue}}$$

Rate of return:

$$\frac{\text{Operating profit / loss} \times 100}{\text{Average invested capital}}$$

Solvency ratio:

$$\frac{\text{Equity, at year end} \times 100}{\text{Total equity and liabilities, at year end}}$$

Return on equity:

$$\frac{\text{Profit / loss for the year} \times 100}{\text{Average equity}}$$

MANAGEMENT'S REVIEW

Principal activities

The objectives of the company are to carry on commercial and manufacturing business as well as financing and investment.

In December 2009, the company acquired intangible assets from Radiometer Medical ApS. The company's principal activity now consists of the outlicensing of these assets to other Danaher group entities.

Development in activities and financial position

The company's income statement for the period January 1 - December 31, 2018 shows a net profit of DKK 34.679 thousand, and balance sheet at December 31, 2018 shows equity of DKK 1.595.039 thousand.

Income related to licensing of the acquired intangible fixed assets and the result for the year is considered satisfactory.

In the financial statements for 2017 management expected profit/loss for 2018 to be within a margin of +/- 10% compared to 2017. Profit for the year increased 8% compared to 2017.

The Board of Executives recommends distribution of the profit as stated under distribution of profit.

Significant events after the end of the financial year

No events of material importance for the company's financial position have occurred after the end of the financial year.

Future expectations

The company expects earnings on the same level as in the current year. The profit/loss for the year is expected to be within a margin of +/- 10% compared to 2018.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2018 DKK '000	2017 DKK '000
NET REVENUE		154.461	147.350
Other external expenses.....		-852	-802
GROSS PROFIT		153.609	146.548
Amortisation		-108.787	-105.619
OPERATING PROFIT		44.822	40.929
Other financial income.....	1	936	1.588
Other financial expenses.....	2	-1.010	-1.043
PROFIT BEFORE TAX		44.748	41.474
Tax on profit/loss for the year.....	3	-10.069	-9.354
PROFIT FOR THE YEAR	4	34.679	32.120

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2018 DKK '000	2017 DKK '000
Intangible fixed assets.....		1.338.718	1.447.505
Intangible fixed assets.....	5	1.338.718	1.447.505
FIXED ASSETS.....		1.338.718	1.447.505
Receivables from group enterprises.....		584.871	1.263.925
Receivables.....		584.871	1.263.925
CURRENT ASSETS.....		584.871	1.263.925
ASSETS.....		1.923.589	2.711.430

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2018 DKK '000	2017 DKK '000
Share capital.....		127	127
Retained profit.....		1.594.912	1.560.234
Proposed dividend.....		0	800.000
EQUITY.....		1.595.039	2.360.361
Provision for deferred tax.....	6	294.518	318.451
PROVISION FOR LIABILITIES.....		294.518	318.451
Trade payables.....		32	31
Corporation tax.....		34.000	32.587
Current liabilities.....		34.032	32.618
LIABILITIES.....		34.032	32.618
EQUITY AND LIABILITIES.....		1.923.589	2.711.430
Contingencies etc.	7		
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EQUITY

	Share capital	Retained profit	Proposed dividend	Total
Equity at 1 January 2018.....	127	1.560.233	800.000	2.360.360
Dividend.....			-800.000	-800.000
Proposed distribution of profit.....		34.679		34.679
Equity at 31 December 2018.....	127	1.594.912	0	1.595.039

Changes in share capital in the latest 5 years in DKK thousand

	2018	2017	2016	2015	2014
Balance at 1 January.....	127	127	127	127	127
Balance at 31 December.....	127	127	127	127	127

NOTES

	2018 DKK '000	2017 DKK '000	Note
Other financial income			
Interest, group enterprises.....	936	1.588	1
	936	1.588	
Other financial expenses			
Other interest expenses.....	1.010	1.043	2
	1.010	1.043	
Tax on profit/loss for the year			
Calculated tax on taxable income of the year.....	34.000	32.587	3
Adjustment of deferred tax.....	-23.931	-23.233	
	10.069	9.354	
PROPOSED DISTRIBUTION OF PROFIT			
Proposed dividend for the year.....	0	800.000	4
Retained profit.....	34.679	-767.880	
	34.679	32.120	
Intangible fixed assets			5
		Intangible fixed assets	
Cost at 1 January 2018		2.160.789	
Cost at 31 December 2018		2.160.789	
Amortisation at 1 January 2018.....		713.284	
Amortisation for the year.....		108.787	
Amortisation at 31 December 2018.....		822.071	
Carrying amount at 31 December 2018.....		1.338.718	

NOTES

			Note
Provision for deferred tax			6
	2018	2017	
	DKK '000	DKK '000	
Deferred tax concerns:			
Intangible fixed assets, trademarks.....	294.518	318.451	
	294.518	318.451	
Deferred tax 1. januar 2018.....	318.451	341.685	
Adjustment during the year.....	-23.933	-23.234	
Provision for deferred tax 31 December 2018.....	294.518	318.451	

Contingencies etc.

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Joint taxation

The company is jointly taxed with Danaher Tax Administration ApS, which is the management company (Administrationssselskab) for the Danish joint taxation. The company is jointly and severally unlimited liable with the other jointly taxed companies for payment of corporation tax for the income year 2013 and later, and for withholding tax on interest, royalties and dividends, which are payable on 1 July 2012 or later.

At 31 December 2018, the jointly taxed companies' net liability to SKAT is disclosed in the annual report for Danaher Tax Administration ApS, registration number - 28 31 68 87. Any subsequent assessments of the taxable income subject to joint taxation or withholding taxes on dividends, interest and royalties may entail that the Company's liability will increase.

Other contingencies

The company has no other contingent assets or liabilities.

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Related parties having performed transactions with the company

The company's related parties comprise the significant shareholders of the Company and their subsidiaries, Board of Executives and executive and their close relatives. Related parties include also companies in which the above mentioned group of persons has material interests.

Transactions with related parties

The related parties transactions for 2018 are shown below. All amounts in DKK thousand.

Transactions	Parent	Group enterprises	Total
Royalty income	154.461		154.461
Administration cost	819		819
Interest income		936	936
Dividend paid	800.000		800.000
Balances per 31.12.18			
Tax receivable, Danaher Tax Administration ApS		325.766	325.766
Cash Pool, receivable		104.644	104.644
Royalty receivable	154.461		154.461

Consolidated financial statements

The ultimate parent of the group is:

Danaher Corporation (ultimate parent company in the group)
2200 Pennsylvania Avenue, NW
Suite 800W
Washington, DC 20037
USA

The consolidated financial statement for the Danaher group can be acquired at the following link:

http://filecache.investorroom.com/mr5ir_danaher/532/Danaher 2018 10-K.pdf

ACCOUNTING POLICIES

The annual report of Danaher Medical ApS for 2018 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C for medium enterprises.

The accounting policies are consistent with those of last year.

INCOME STATEMENT

Net revenue

Net revenue consists of royalty income which is recognized at the time when the underlying transactions is carried out. The revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf on third parties.

Other external expenses

Other external expenses include costs relating to administration of royalties, audit and accounting assistance.

Amortization

The item comprise amortization of intangible assets.

Financial income and expenses in general

Financial income and expenses include interest income and expenses, exchange rate adjustments from debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. 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 may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

The company is jointly taxed with affiliated Danish 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.

ACCOUNTING POLICIES

BALANCE SHEET

Intangible fixed assets

Acquired intangible fixed assets are measured at cost less accumulated amortization over the expected useful life. The economic lifetime of the intangible assets which includes trademarks etc. is estimated to 20 years. The trademarks are globally registered on relevant markets without time limitations. The amortization period is set at 20 years as a fair estimate of the lifetime for these assets. The amortization method applied is progressive based on anticipated development in royalty revenues from the intangible fixed assets of the determined useful life.

The carrying amount of intangible fixed assets is subject to an annual analysis for indications of impairment other than the decrease in value reflected by amortisation. The Impairment tests are conducted on individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net income from the use of the asset or the group of assets and expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. Writedown is made for bad debt losses when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is an objective evidence that an individual receivable has been impaired, write-down is made on an individual basis.

Cash and cash equivalents

Cash and cash equivalents comprises cash balances and bank balances.

Balances in the group's cash pool scheme are not, due to the nature of scheme, considered cash, but are recognised under "Receivables from group enterprises" or "Payable to group enterprises" as applicable.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

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 entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax.

Liabilities

Liabilities are measured at amortised cost which usually corresponds to nominal value.

ACCOUNTING POLICIES

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables 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 receivables or payables is recognised in the income statement as financial income or expenses.

CASH FLOW STATEMENT

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the company, as its cash flows are reflected in the consolidated cash flow statement of the ultimate parent.