

**DANAHER MEDICAL APS**  
**ÅKANDEVEJ 21, 2700 BRØNSHØJ**  
**ANNUAL REPORT**  
**2015**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 28 April 2016**

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**Sven Ambjørn**

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## COMPANY DETAILS

<b>Company</b>	Danaher Medical ApS Åkandevej 21 2700 Brønshøj
	Telephone: +45 38 27 38 27 Telefax: +45 38 27 27 27
	CVR no.: 27 55 95 22 Established: 23 January 2004 Registered Office: Åkandevej 21, DK-2700 Brønshøj Financial Year: 1 January - 31 December
<b>Board of Executives</b>	Frank T. McFaden
<b>Auditor</b>	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuths Vej 4 2000 Frederiksberg

## STATEMENT BY BOARD OF EXECUTIVE

Today the board of executive have discussed and approved the Annual Report of Danaher Medical ApS for 1 January - 31 December 2015.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In my opinion the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

In my opinion the Management's Review includes a fair review of the matters discussed in the management review.

I recommend that the Annual Report be approved at the annual general meetings.

Copenhagen, 28 April 2016

Board of Executives

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Frank T. McFaden

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholder of Danaher Medical ApS

### **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**

We have audited the financial statements of Danaher Medical ApS for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. 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 that Management determines is necessary to enable the preparation of financial statements that are 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 conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 Company'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 Company'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 evaluating 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.

Our audit has not resulted in any qualification.

#### **Opinion**

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

### **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 other 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.

Copenhagen, 28 April 2016

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

Carsten Kjær  
State Authorised Public Accountant

## KEY FIGURES AND RATIOS

	2015 DKK '000	2014 DKK '000	2013 DKK '000	2012 DKK '000	2011 DKK '000
<b>Income statement</b>					
Net revenue.....	130.021	112.168	105.968	102.013	89.327
Operating profit/loss.....	29.816	16.222	16.439	20.116	15.441
Financial income and expenses, net.....	2.622	2.117	1.886	2.298	2.527
Profit/loss for the year before tax.....	32.438	18.339	18.325	22.414	17.968
Profit/loss for the year.....	31.891	19.549	42.954	16.896	13.709
<b>Balance sheet</b>					
Balance sheet total.....	2.663.696	2.531.038	2.461.502	2.402.865	2.330.017
Equity.....	2.299.428	2.267.537	2.247.988	2.205.034	2.188.138
<b>Ratios</b>					
Profit margin..... (operating profit/loss as a % of net revenue)	22,9	14,5	15,5	19,7	17,3
Rate of return..... (operating profit/loss as a % of avg. balance sheet total)	1,1	0,6	0,7	0,9	0,7
Equity ratio (solvency ratio)..... (equity as a % of assets at year end)	86,3	89,6	91,3	91,8	93,9
Return on equity..... (profit/loss before tax as a % of avg. equity including minority interests)	1,4	0,8	0,8	1,0	0,8

## 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 activity now consists of the licensing of these assets.

### Development in activities and financial position

The company's income statement for the period January 1 - December 31, 2015 shows a net profit of TDKK 31.891, and the shareholders' equity amounts to TDKK 2.299.428 at the balance sheet of December 31, 2015.

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

The Executive Board recommends appropriation of the profit as stated under appropriation of profit/loss.

### Significant events after the end of the financial year

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

### Future expectations

The company expects earnings on the same level as in the current year.

## ACCOUNTING POLICIES

The annual report of Danaher Medical ApS for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in accounting class C.

The Annual Report is prepared consistently with the accounting principles used last year.

### General about recognition and measurement

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities. Any costs, including depreciation, amortisation and writedown, are also 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.

The carrying amount of intangible and tangible fixed assets should be estimated annually to determine if there is any indication of impairment in excess of the amount reflected by normal amortisation or depreciation. If this is the case, write-down should be made to the lower recoverable amount.

### Consolidated financial statements

The ultimate consolidated financial statements are prepared by Danaher Corporation Inc. USA, and can be acquired at [www.danaher.dom/investors/](http://www.danaher.dom/investors/).

## INCOME STATEMENT

### Net revenue

The revenue consists of royalty income which is recognized at the time when the underlying transaction is carried out.

### Other external costs

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

### Financial income and expenses in general

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from investments in financial assets, 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 for the intangible assets which includes trademarks etc. is estimated to be more than 20 years, but depreciation period is limited to 20 years. The trademarks are globally registered on relevant markets without time limitations and therefore the depreciation period is 20 years.

The carrying amount of intangible fixed assets is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted of 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

Accounts receivable are measured at amortised cost which usually corresponds to nominal value. Write-down 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 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 the scheme, considered cash, but are recognised under "Receivables from group enterprises".

#### 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 unit.

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 equal to nominal value.

## ACCOUNTING POLICIES

### KEY FIGURES

The key figures are prepared in accordance with the guidance of The Danish Finance Society (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.

### CASH FLOW STATEMENT

Cash flow statement has not been prepared because the ultimate owner prepares the cash flow statement.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2015 DKK '000	2014 DKK '000
<b>NET REVENUE</b> .....		<b>130.021</b>	<b>112.168</b>
Other external expenses.....		-1.113	-1.216
<b>GROSS PROFIT</b> .....		<b>128.908</b>	<b>110.952</b>
Depreciation, amortisation and impairment.....		-99.092	-94.730
<b>OPERATING PROFIT</b> .....		<b>29.816</b>	<b>16.222</b>
Other financial income.....	1	2.622	2.117
<b>PROFIT BEFORE TAX</b> .....		<b>32.438</b>	<b>18.339</b>
Tax on profit/loss for the year.....	2	-547	1.210
<b>PROFIT FOR THE YEAR</b> .....		<b>31.891</b>	<b>19.549</b>
<b>PROPOSED DISTRIBUTION OF PROFIT</b>			
Retained profit.....		31.891	19.549
<b>TOTAL</b> .....		<b>31.891</b>	<b>19.549</b>

**BALANCE SHEET 31 DECEMBER**

<b>ASSETS</b>	<b>Note</b>	<b>2015</b>	<b>2014</b>
		DKK '000	DKK '000
Intangible fixed assets acquired.....		1.655.665	1.754.757
<b>Intangible fixed assets.....</b>	<b>3</b>	<b>1.655.665</b>	<b>1.754.757</b>
<b>FIXED ASSETS.....</b>		<b>1.655.665</b>	<b>1.754.757</b>
Receivables from group enterprises.....		906.903	731.532
Corporation tax.....		101.128	44.749
<b>Accounts receivable.....</b>		<b>1.008.031</b>	<b>776.281</b>
<b>CURRENT ASSETS.....</b>		<b>1.008.031</b>	<b>776.281</b>
<b>ASSETS.....</b>		<b>2.663.696</b>	<b>2.531.038</b>

**BALANCE SHEET 31 DECEMBER**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2015</b> DKK '000	<b>2014</b> DKK '000
Share capital.....		127	127
Retained profit.....		2.299.301	2.267.410
<b>EQUITY.....</b>	<b>4</b>	<b>2.299.428</b>	<b>2.267.537</b>
Deferred tax.....		364.244	262.320
<b>PROVISION FOR LIABILITIES.....</b>		<b>364.244</b>	<b>262.320</b>
Trade payables.....		24	1.181
<b>Current liabilities.....</b>		<b>24</b>	<b>1.181</b>
<b>LIABILITIES.....</b>		<b>24</b>	<b>1.181</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>2.663.696</b>	<b>2.531.038</b>
Contingencies etc.	5		

NOTES

	2015 DKK '000	2014 DKK '000	Note		
<b>Other financial income</b>			<b>1</b>		
Group enterprises.....	2.116	1.865			
Other interest income.....	506	252			
	<b>2.622</b>	<b>2.117</b>			
<b>Tax on profit/loss for the year</b>			<b>2</b>		
Calculated tax on taxable income of the year.....	-101.128	-44.750			
Adjustment of tax for previous years.....	-249	-5.292			
Adjustment of deferred tax.....	101.924	48.832			
	<b>547</b>	<b>-1.210</b>			
<b>Intangible fixed assets</b>			<b>3</b>		
		Intangible fixed assets acquired			
Cost 1 January 2015.....		2.160.789			
Cost 31 December 2015.....		<b>2.160.789</b>			
Amortisation 1 January 2015.....		406.032			
Amortisation.....		99.092			
Amortisation 31 December 2015.....		<b>505.124</b>			
Carrying amount at 31 December 2015.....		<b>1.655.665</b>			
<b>Equity</b>			<b>4</b>		
	Share capital	Retained profit	Total		
Equity 1 January 2015.....	127	2.267.410	2.267.537		
Proposed distribution of profit.....		31.891	31.891		
Equity 31 December 2015.....	<b>127</b>	<b>2.299.301</b>	<b>2.299.428</b>		
<b>Changes in share capital in the latest 5 years</b>					
	2015	2014	2013	2012	2011
Balance at 1 January.....	127	127	127	127	127
Capital increase.....					
Balance at 31 December.....	<b>127</b>	<b>127</b>	<b>127</b>	<b>127</b>	<b>127</b>

## NOTES

### Note

#### **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 2015, 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.