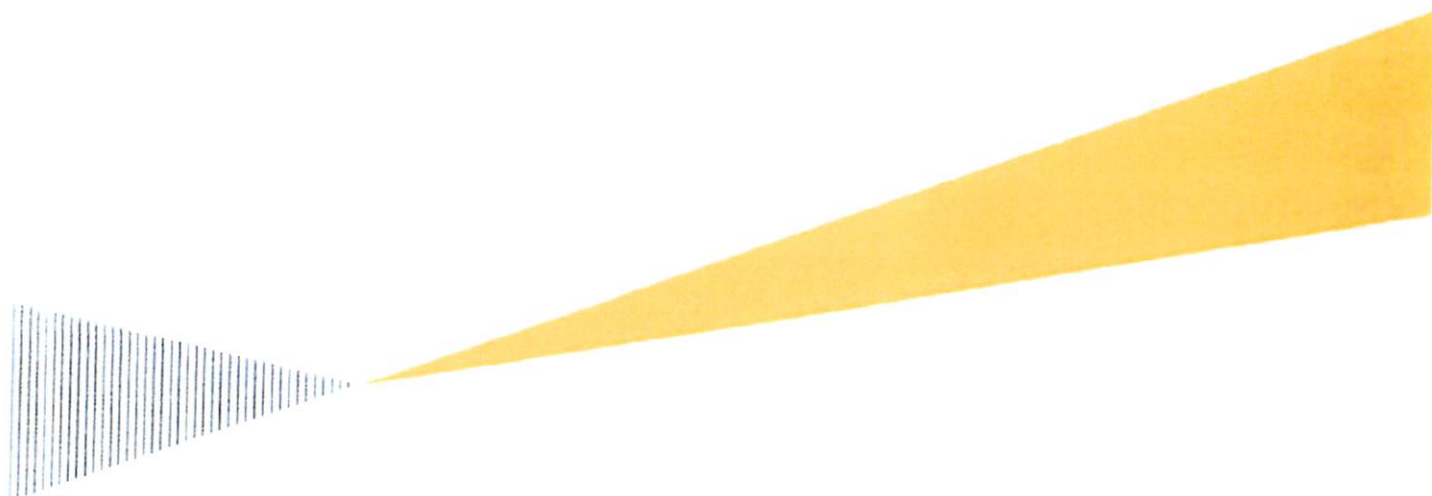


# Universal Robots A/S

Energivej 25, 5260 Odense S

CVR no. 29 13 80 60



## Annual report 2015

Approved at the Company's annual general meeting on 23 February 2016

Chairman:

**EY**

Building a better  
working world



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## Management's review

### Company details

Name	Universal Robots A/S
Address, zip code, city	Energivej 25, 5260 Odense S
CVR no.	29 13 80 60
Established	4 October 2005
Registered office	Odense
Financial year	1 January - 31 December
E-mail	info@universal-robots.com
Board of Directors	Gregory Robert Beecher, Chairman Michael Dennis Callahan Charles Jeffrey Gray
Executive Board	Enrico Krog Iversen
Auditors	Ernst & Young, Godkendt Revisionspartnerselskab Englandsgade 25, P O Box 200, 5100 Odense C, Denmark

## Management's review

### Financial highlights for the Group

DKK thousands	2015	2014	2013	2012	2011
<b>Key figures</b>					
Revenue	417.908	218.385	128.137	76.053	40.321
Ordinary operating profit/loss	67.120	30.577	15.107	4.679	1.240
Profit/Loss from financial income and expense	-1.720	-1.084	-404	-5.189	-341
<b>Profit/loss for the year</b>	<b>48.651</b>	<b>21.639</b>	<b>10.149</b>	<b>3.030</b>	<b>4.529</b>
<b>Total assets</b>					
Investment in property, plant and Equipment	13.289	16.020	4.369	2.579	1.820
<b>Equity</b>	<b>78.111</b>	<b>43.713</b>	<b>25.536</b>	<b>14.475</b>	<b>11.445</b>
<b>Financial ratios</b>					
EBIT margin	16,1	14,0	11,8	6,2	3,1
Return on assets	42,9	37,7	32,9	16,3	7,8
Equity ratio	37,7	41,1	45,7	40,3	53,5
Return on equity	79,9	62,5	50,7	23,4	73,2
<b>Average number of full-time employees</b>					
	154	92	62	35	22

2013-2015 shows key figures for the Group. 2011-2012 shows key figures for the parent company. From 2013 production overhead are included in the cost of inventories. The key figures are not restated to reflect the policy change.

The financial ratios have been prepared in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

## Management's review

### Operating review

#### Principal activities of the Group

As in prior years the Group's main activity is development, manufacturing and selling of flexible, easy programmable and collaborative industrial robots.

#### Development in activities and financial matters

##### Financial review

The Group reported a profit for 2015 of DKK 48.651 thousand and the equity amounts to DKK 78.111 thousand as of 31st of December 2015. The results are consistent with prior announced expectations.

Revenue increased 91% compared to the prior year and was consistent with our forecast. The rising activity level is partly due to the increasing knowledge of robots on existing markets and partly due to market penetration on upcoming markets.

The Group has established distribution in approx. 50 countries around the world and has subsidiaries in 5 countries USA, China, Spain, Singapore and India.

In mid-2015, the product range was expanded with a market introduction of a new smaller UR3 robot. The introduction of this robot has developed as planned.

Universal Robots A/S continues to invest many resources in the continuous development of the company's products and markets. The company is in that way dependent on being able to attract and maintain the right human resources and skills.

On June 11th 2015, the Group was acquired by Teradyne Inc, who owns 100% of the Group. The acquisition resulted in transaction costs, which have been expensed in the P&L statement in 2015.

In 2015 Universal Robots A/S bought the remaining 30% of the shares in Universal Robots (Shanghai) Co. Ltd.

Management considers the net income as satisfactory and expects a continuously positive development and growth in the Group during 2016.

### Outlook

#### Risks

The Group has a natural exposure in currency primarily in Euro and as well in US Dollars and Renminbi, and the Group is therefore in some degree exposed to variation in exchange rates. The Groups foreign exchange policy is not to hedge these exposures.

#### Environmental issues

The activities of the Group does not in high degree expose the external environment but work on reducing the level of energy continuously.

#### Post balance sheet events

The subsidiary in the US (Universal Robots Inc.,) has of 1st of January been acquired by the parent company (Teradyne, Inc). This transaction will result in a gain in the amount of DKK 14.700 thousand in Universal Robots A/S's P&L in 2016.

Beside the above no significant events have occurred subsequent to the financial year.

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Universal Robots A/S for the financial year 1 January - 31 December 2015.

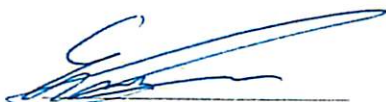
The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Company's financial position at 31 December 2015 and of the results of the Group's and the Company's operations and consolidated cash flows for the financial year 1 January - 31 December 2015.

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

We recommend that the annual report be approved at the annual general meeting.

Odense, 15 February 2016  
Executive Board:



Enrico Krog Iversen  
CEO

Board of Directors:



Gregory Robert Beecher  
Chairman



Michael Dennis Callahan



Charles Jeffrey Gray

## Independent auditors' report

To the shareholder of Universal Robots A/S

### **Independent auditors' report on the consolidated financial statements and the parent company financial statements**

We have audited the consolidated financial statements and the parent company financial statements of Universal Robots A/S for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the parent company and consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

### ***Management's responsibility for the consolidated financial statements and the parent company financial statements***

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' responsibility***

Our responsibility is to express an opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of consolidated financial statements and parent company 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 consolidated financial statements and the parent company financial statements.

Our audit has not resulted in any qualification.

### ***Opinion***

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

## Continued - Independent auditors' 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 consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.

Odense, 15 February 2016  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

A blue ink signature in cursive script, appearing to read 'Lars Koch-Pedersen'.

Lars Koch-Pedersen  
State Authorised Public Accountant

A blue ink signature in cursive script, appearing to read 'Peter Eilertsen'.

Peter Eilertsen  
State Authorised Public Accountant



## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Income statement

Note	DKK'000	Consolidated		Parent company	
		2015	2014	2015	2014
	Revenue	417.908	218.385	403.737	216.280
	Raw materials and consumables	-187.442	-93.894	-187.087	-94.150
	Other operating income	0	24	0	0
	Other external expenses	-69.992	-45.972	-71.983	-41.694
	<b>Gross profit/loss</b>	<b>160.474</b>	<b>78.543</b>	<b>144.667</b>	<b>80.436</b>
2	Staff costs	-79.301	-39.313	-68.305	-37.989
3	Amortisation/depreciation of intangible assets and property, plant and equipment	-13.987	-8.216	-13.297	-8.022
	Other operating expenses	-66	-437	-66	-420
	<b>Operating profit/loss</b>	<b>67.120</b>	<b>30.577</b>	<b>62.999</b>	<b>34.005</b>
4	Financial income	17	93	132	93
5	Financial expenses	-1.737	-1.177	-1.684	-1.124
	<b>Profit/loss from ordinary activities before Tax</b>	<b>65.400</b>	<b>29.493</b>	<b>61.447</b>	<b>32.974</b>
6	Tax on profit/loss from ordinary activities	-16.749	-7.854	-16.394	-7.777
	<b>Profit/loss for the year</b>	<b>48.651</b>	<b>21.639</b>	<b>45.053</b>	<b>25.197</b>
	Non-controlling interests' share of the profit for the year	-1	911		
	<b>The Group's share of profit/loss for the year</b>	<b>48.650</b>	<b>22.550</b>		
	<b>Proposed appropriation of the profit/loss for the year</b>				
	Proposed dividend recognised under equity			0	17.000
	Retained earnings			45.053	8.197
				<b>45.053</b>	<b>25.197</b>

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Balance sheet

Note	DKK'000	Consolidated		Parent company	
		2015	2014	2015	2014
		<b>ASSETS</b>			
		<b>Non-current assets</b>			
7	<b>Intangible assets</b>				
	Completed development projects	30.095	17.318	30.095	17.318
	Acquired intangible assets	4.640	3.684	4.640	3.684
	Goodwill	1.924	0	0	0
		<b>36.659</b>	<b>21.002</b>	<b>34.735</b>	<b>21.002</b>
8	<b>Property, plant and equipment</b>				
	Leasehold improvements	7.190	8.411	6.415	7.603
	Fixtures and fittings, tools and equipment	16.814	9.988	15.184	8.411
	Property, plant and equipment under construction	923	0	923	0
		<b>24.927</b>	<b>18.399</b>	<b>22.522</b>	<b>16.014</b>
	<b>Investments</b>				
9	Investments in subsidiaries	0	0	5.274	3.431
	Other receivables	1.642	26	0	26
		<b>1.642</b>	<b>26</b>	<b>5.274</b>	<b>3.457</b>
	<b>Total non-current assets</b>	<b>63.228</b>	<b>39.427</b>	<b>62.531</b>	<b>40.473</b>
	<b>Current assets</b>				
	<b>Inventories</b>				
	Raw materials and consumables	19.574	7.070	19.574	7.411
	Finished goods and goods for resale	8.619	11.266	6.862	10.125
		<b>28.193</b>	<b>18.336</b>	<b>26.436</b>	<b>17.536</b>
	<b>Receivables</b>				
	Trade receivables	40.841	30.567	40.910	30.370
	Amounts owed by subsidiaries	0	0	8.323	7.142
10	Prepayments	2.071	1.335	1.411	1.301
	Other receivables	6.920	3.627	5.767	3.181
		<b>49.832</b>	<b>35.529</b>	<b>56.411</b>	<b>41.994</b>
	<b>Cash at bank and in hand</b>	<b>65.858</b>	<b>13.093</b>	<b>56.335</b>	<b>9.636</b>
	<b>Total current assets</b>	<b>143.883</b>	<b>66.958</b>	<b>139.182</b>	<b>69.166</b>
	<b>TOTAL ASSETS</b>	<b>207.111</b>	<b>106.385</b>	<b>201.713</b>	<b>109.639</b>

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Balance sheet

Note	DKK'000	Consolidated		Parent company	
		2015	2014	2015	2014
		<b>EQUITY AND LIABILITIES</b>			
		<b>Equity</b>			
11	Share capital	546	507	546	507
	Retained earnings	77.565	26.206	79.024	31.636
	Proposed dividends	0	17.000	0	17.000
	<b>Total equity</b>	<b>78.111</b>	<b>43.713</b>	<b>79.570</b>	<b>49.143</b>
12	<b>Minority interests</b>	<b>5</b>	<b>2</b>		
	<b>Provisions</b>				
	Deferred tax	7.679	4.794	7.620	4.773
	Other provisions	3.000	1.600	3.000	1.600
	<b>Total provisions</b>	<b>10.679</b>	<b>6.394</b>	<b>10.620</b>	<b>6.373</b>
	<b>Liabilities other than provisions</b>				
13	<b>Non-current liabilities other than provisions</b>				
	Payables to group entities	34.266	0	34.266	0
	Other payables	1.200	1.800	1.200	1.800
		<b>35.466</b>	<b>1.800</b>	<b>35.466</b>	<b>1.800</b>
	<b>Current liabilities other than provisions</b>				
13	<b>Current portion of non-current liabilities other than provisions</b>				
	Bank loans and overdrafts	600	600	600	600
	Prepayments received from customers	688	259	642	259
	Trade payables	1.920	1.374	0	0
	Corporation tax payable	56.465	36.479	55.158	36.339
	Deferred income	1.147	5.036	547	5.030
14	Other payables	0	278	0	0
		22.030	10.450	19.110	10.095
		<b>82.850</b>	<b>54.476</b>	<b>76.057</b>	<b>52.323</b>
	<b>Total liabilities other than provisions</b>	<b>118.316</b>	<b>56.276</b>	<b>111.523</b>	<b>54.123</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>207.111</b>	<b>106.385</b>	<b>201.713</b>	<b>109.639</b>

- 1 Accounting policies
- 15 Security for loans
- 16 Contingent liabilities and other financial obligations
- 17 Related party disclosures

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Statement of changes in equity

DKK'000	Consolidated			Total
	Share capital	Retained earnings/ accumulated loss	Dividend proposed for the year	
<b>Equity at 1 January 2014</b>	<b>500</b>	<b>20.736</b>	<b>4.300</b>	<b>25.536</b>
Dividends	0	0	-4.300	-4.300
Capital increase	7	514	0	521
Other value adjustments of equity	0	-446	0	-446
Exchange rate adjustment	0	-148	0	-148
Profit/loss for the year, cf. appropriation of profit/loss	0	5.550	17.000	22.550
<b>Equity at 1 January 2015</b>	<b>507</b>	<b>26.206</b>	<b>17.000</b>	<b>43.713</b>
Dividend distributed	0	0	-17.000	-17.000
Capital increase	39	2.335	0	2.374
Other value adjustments of equity	0	485	0	485
Exchange rate adjustment	0	-111	0	-111
Profit/loss for the year, cf. appropriation of profit/loss	0	48.650	0	48.650
<b>Equity at 31 December 2015</b>	<b>546</b>	<b>77.565</b>	<b>0</b>	<b>78.111</b>

DKK'000	Parent company			Total
	Share capital	Retained earnings / accumulated loss	Dividend proposed for the year	
<b>Equity at 1 January 2014</b>	<b>500</b>	<b>22.925</b>	<b>4.300</b>	<b>27.725</b>
Dividends distributed	0	0	-4.300	-4.300
Capital increase	7	514	0	521
Profit/loss for the year, cf. appropriation of profit/loss	0	8.197	17.000	25.197
<b>Equity at 1 January 2015</b>	<b>507</b>	<b>31.636</b>	<b>17.000</b>	<b>49.143</b>
Dividend distributed	0	0	-17.000	-17.000
Capital increase	39	2.335	0	2.374
Profit/loss for the year, cf. appropriation of profit/loss	0	45.053	0	45.053
<b>Equity at 31 December 2015</b>	<b>546</b>	<b>79.024</b>	<b>0</b>	<b>79.570</b>

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Cash flow statement

Note	DKK'000	Consolidated	
		2015	2014
	Profit/loss of the year	48.651	21.639
18	Adjustments	31.776	16.304
19	Changes in working capital	9.079	-3.199
	<b>Cash flow from operating activities before net financials</b>	<b>89.506</b>	<b>34.744</b>
	Income tax paid	-17.900	44
	<b>Cash flows from operating activities</b>	<b>71.606</b>	<b>34.788</b>
	Acquisition of intangible assets	-21.868	-11.607
	Acquisition of property, plant and equipment	-13.289	-16.020
	Disposal of property, plant and equipment	0	114
	Acquisition of financial assets	-1.576	0
	<b>Cash flows from investing activities</b>	<b>-36.733</b>	<b>-27.513</b>
	Dividends distributed	-17.000	-4.300
	Increase in bank loans and overdrafts	-600	1.073
	Increase in payables to group entities	34.266	0
	Cash capital increase	797	1.025
	<b>Cash flows from financing activities</b>	<b>17.463</b>	<b>-2.202</b>
	<b>Net cash flow</b>	<b>52.336</b>	<b>5.073</b>
	<b>Cash and cash equivalents</b>		
20	Cash and cash equivalents at 1 January	12.834	7.761
	Net cash flow	52.336	5.073
	<b>Cash and cash equivalents at 31 December</b>	<b>65.170</b>	<b>12.834</b>

The cash flow statement cannot be derived from the other components of the consolidated and parent company financial statements.

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Universal Robots A/S for 2015 has been prepared in accordance with the provisions applying to reporting class C medium-sized enterprises under the Danish Financial Statements Act.

The accounting policies used in the preparation of the consolidated financial statements and the parent company financial statements are consistent with those of last year.

#### Consolidated financial statements

The consolidated financial statements comprise the parent company, Universal Robots A/S, and subsidiaries in which Universal Robots A/S directly or indirectly holds more than 50% of the voting rights or which it, in some other way, controls. Enterprises in which the Group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets or liabilities at the acquisition date.

#### Business combinations

Enterprises formed during the year are recognised in the consolidated financial statements from the date of formation. The comparative figures are not adjusted for acquisitions or disposals.

#### Non-controlling interests

In the consolidated financial statements, the items of subsidiaries are recognised in full. The non-controlling interests' proportionate shares of the subsidiaries' results and equity are adjusted annually and recognised separately in the income statement and balance sheet.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the year, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income statement

###### Revenue

Income from the sale of goods for resale and finished goods, is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

###### Other operating income and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of fixed assets.

###### Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

###### Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

###### Other external costs

Other external costs comprise costs for distribution, sale, advertising, administration, premises, bad debt losses, etc.

###### Amortisation/depreciation of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The estimated useful lives for intangible assets are as follows:

	<u>Useful life (year)</u>
Completed development projects	5
Acquired IP rights	3
Goodwill	10

Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of each individual asset. The depreciation basis is the cost plus revaluations.

The cost of an item of property, plant and equipment is broken down under separate parts, which are depreciated separately, if the useful lives of the component are different.

The expected useful lives of the assets are as follows:

	<u>Useful life (year)</u>
Leasehold improvements	5
Fixtures and fittings, tools and equipment	2-10

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax on profit/loss for the year

Tax on profit/loss for the year comprises current tax on the taxable income for the year, adjustment of deferred tax for the year less the part of tax for the year relating to changes in equity are taken directly to equity.

The company is jointly taxed its Danish group enterprises (Teradyne Holdings Denmark ApS and Litepoint Europe A/S). The current Danish corporation tax is allocated by settlement off joint taxation contribution between profitable and loss-making Danish companies in proportion to their taxable income (full absorption with refund for tax losses).

##### Balance sheet

##### Intangible assets

###### *Goodwill*

Goodwill is amortised over its estimated useful life determined on the basis of Management's experience of the specific business areas. Goodwill is amortised on a straight-line basis over a amortisation period of 10 years.

###### *Development projects, patents and licences*

Development costs comprise costs, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement when incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5 years and is not to exceed 5 years.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the licence period, although not exceeding 5 years.

Gains and losses on the disposal of development projects, patents and licences are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.



## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Property, plant and equipment

Plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

##### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Dividends received which exceed the accumulated earnings in the subsidiary in the period of ownership are treated as a cost reduction.

##### Impairment of non-current assets

Every year, intangible assets and property, plant and equipment as well as investments in subsidiaries and associates are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount. Where an impairment loss is recognised on a group of assets, a loss must first be allocated to goodwill and then to the other assets on a pro rata basis.

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs as well as other costs directly attributable to the acquisition.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment used in the production process.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

##### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a receivable portfolio has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made based on an individual assessment.

##### Prepayments

Prepayments recognised under 'Assets' comprise costs incurred concerning subsequent financial years.

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Cash and cash equivalents

Cash comprises cash balances and bank balances.

##### Equity

###### *Dividends*

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Joint taxation is recognised in the balance sheet as "Corporation tax payable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where different tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

##### Provisions

Provisions comprise anticipated costs related to guarantee commitments. Provisions are recognised when, as a result of past events, the Group has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realisable value or fair value. If the obligation is expected to be settled far into the future, the obligation is measured at fair value.

Guarantee commitments comprise obligations to make good any defects within the warranty period. Provisions for warranties are measured at net realisable value and recognised based on past experience.

##### Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

##### Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of enterprises is shown separately in cash flows from investing activities. Cash flows from acquisitions of enterprises are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of enterprises are recognised up until the date of disposal.

##### Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital and corporation tax paid.

##### Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of intangible assets, property, plant and equipment and investments.

##### Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are subject to an insignificant risk of changes in value.

##### Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".



## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

The financial ratios stated in the survey of financial highlights have been calculated as follows:

EBIT margin	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Operating profit} \times 100}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit from ordinary activities after tax} \times 100}{\text{Average equity}}$

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

DKK'000	Consolidated		Parent company	
	2015	2014	2015	2014
<b>2 Staff Costs</b>				
Analysis of staff costs:				
Wages/Salaries	66.319	34.253	56.980	32.983
Pensions	4.178	3.382	4.178	3.382
Other social security costs	1.276	444	866	390
Other staff costs	7.528	1.234	6.281	1.234
	<u>79.301</u>	<u>39.313</u>	<u>68.305</u>	<u>37.989</u>
Average number of employees	<u>154</u>	<u>92</u>	<u>125</u>	<u>82</u>
Number of employees at the balance sheet date	<u>211</u>	<u>123</u>	<u>173</u>	<u>106</u>

#### Consolidated

Remuneration of the parent company Executive Board and the parent company Board of Directors of DKKt. 4.479 are included in staff costs.

#### Parent Company

Remuneration of the parent company Executive Board and the parent company Board of Directors of DKKt. 4.479 are included in staff costs.

#### Non-subscribed warrants:

In 2015, all earlier issued warrants were redeemed.

DKK'000	Consolidated		Parent company	
	2015	2014	2015	2014
<b>3 Amortisation/depreciation of intangible assets and property, plant and equipment</b>				
Amortisation of intangible assets	8.273	4.397	8.135	4.397
Depreciation of property, plant and equipment	5.714	3.819	5.162	3.625
	<u>13.987</u>	<u>8.216</u>	<u>13.297</u>	<u>8.022</u>
<b>4 Financial income</b>				
Interest income from subsidiaries	0	0	115	40
Other interest/financial income	17	93	17	53
	<u>17</u>	<u>93</u>	<u>132</u>	<u>93</u>
<b>5 Financial expenses</b>				
Interest expense to group enterprises	561	0	561	0
Other interest/financial expense	1.176	1.177	1.123	1.124
	<u>1.737</u>	<u>1.177</u>	<u>1.684</u>	<u>1.124</u>

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

DKK'000	Consolidated		Parent company	
	2015	2014	2015	2014
<b>6 Tax for the year</b>				
Estimated tax charge for the year	13.891	4.823	13.536	4.746
Deferred tax adjustments in the year	3.173	2.933	3.173	2.933
Tax adjustments, prior year	1	285	1	285
Change in tax rate	-316	-187	-316	-187
	<u>16.749</u>	<u>7.854</u>	<u>16.394</u>	<u>7.777</u>
<b>7 Intangible assets</b>				
	Completed Development projects	Acquired intangible assets	Goodwill	Total
Consolidated (DKK'000)				
Balance at 1 January 2015	25.436	6.310	0	31.746
Additions in the year	18.665	3.203	2.062	23.930
Cost at 31 December 2015	<u>44.101</u>	<u>9.513</u>	<u>2.062</u>	<u>55.676</u>
Amortisation and impairment losses				
Balance at 1 January 2015	8.118	2.626	0	10.744
Exchange adjustments	0	0	0	0
Amortisation in the year	5.888	2.247	138	8.273
Amortisation and impairment losses at 31 December 2015	<u>14.006</u>	<u>4.873</u>	<u>138</u>	<u>19.017</u>
Carrying amount at 31 December 2015	<u>30.095</u>	<u>4.640</u>	<u>1.924</u>	<u>36.659</u>
	Completed Development projects	Acquired intangible assets		Total
Parent company (DKK'000)				
Balance at 1 January 2015	25.436	6.310		31.746
Additions in the year	18.665	3.203		21.868
Cost at 31 December 2015	<u>44.101</u>	<u>9.513</u>		<u>53.614</u>
Amortisation and impairment losses				
Balance at 1 January 2015	8.118	2.626		10.744
Amortisation in the year	5.888	2.247		8.135
Amortisation and impairment losses at 31 December 2015	<u>14.006</u>	<u>4.873</u>		<u>18.879</u>
Carrying amount at 31 December 2015	<u>30.095</u>	<u>4.640</u>		<u>34.735</u>

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 8 Property, plant and equipment

Consolidated (DKK'000)	Leasehold improve- ments	Fixtures and fittings, tools and equipment	Property, plant and equipment under con- struction	Total
<b>Cost</b>				
Balance at 1 January 2015	9.769	14.440	0	24.209
Additions in the year	861	11.505	923	13.289
Disposals in the year	0	-336	0	-336
<b>Cost at 31 December 2015</b>	<b>10.630</b>	<b>25.609</b>	<b>923</b>	<b>37.162</b>
<b>Depreciation and impairment losses</b>				
Balance at 1 January 2015	1.358	4.334	0	5.692
Exchange adjustments	-1	-4	0	-5
Depreciation in the year	2.083	4.620	0	6.703
Reversal of depreciation and impairment losses, disposals	0	-155	0	-155
<b>Depreciation and impairment losses at 31 December 2015</b>	<b>3.440</b>	<b>8.795</b>	<b>0</b>	<b>12.235</b>
<b>Carrying amount at 31 December 2015</b>	<b>7.190</b>	<b>16.814</b>	<b>923</b>	<b>24.927</b>

Parent company (DKK'000)	Leasehold improve- ments	Fixtures and fittings, tools and equipment	Property, plant and equipment under con- struction	Total
<b>Cost</b>				
Balance at 1 January 2015	8.896	12.603	0	21.499
Additions in the year	659	11.149	923	12.731
Disposals in the year	0	-221	0	-221
<b>Cost at 31 December 2015</b>	<b>9.555</b>	<b>23.531</b>	<b>923</b>	<b>34.009</b>
<b>Depreciation and impairment losses</b>				
Balance at 1 January 2015	1.293	4.192	0	5.485
Exchange adjustments	0	0	0	0
Depreciation in the year	1.847	4.311	0	6.158
Reversal of depreciation and impairment losses, disposals	0	-155	0	-155
<b>Depreciation and impairment losses at 31 December 2015</b>	<b>3.140</b>	<b>8.348</b>	<b>0</b>	<b>11.488</b>
<b>Carrying amount at 31 December 2015</b>	<b>6.415</b>	<b>15.184</b>	<b>923</b>	<b>22.522</b>

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 9 Investments in subsidiaries

DKK'000	Parent company
<b>Cost</b>	
Balance at 1 January 2015	3.431
Additions in the year	1.843
<b>Cost at 31 December 2015</b>	<b>5.274</b>
<b>Carrying amount at 31 December 2015</b>	<b>5.274</b>

Subsidiaries	Domicile	Interest (%)	Equity DKK'000	Profit/loss DKK'000
Universal Robots Inc.	New York, USA	100,00	905	602
Universal Robots (Shanghai) Co. Ltd.	Shanghai, Kina	100,00	801	2.581
Universal Robots (India) Private Limited	Bangalore, Indien	99,00	546	54
Universal Robots Spain S.L.	Barcelona, Spanien	100,00	186	122
Universal Robots (Singapore) Pte. Ltd.	Singapore, Singapore	100,00	626	351

#### 10 Prepayments

##### Consolidated

Prepayments include accrual of expenses relating to subsequent financial years.

##### Parent company

Prepayments include accrual of expenses relating to subsequent financial years.

#### 11 Share capital

The share capital consists of 546.115 shares of nominal DKK 1 each. No shares have been ascribed special rights. The company's share capital has increased in the following way during the past 5 years:

DKK'000	2015	2014	2013	2012	2011
Opening balance	507	500	500	435	335
Capital increase	39	7	0	65	100
Closing balance	546	507	500	500	435



## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

DKK'000	Consolidated	
	2015	2014
<b>12 Minority interests</b>		
Minority interests as of 1 January	-444	0
Foreign exchange adjustments	-40	-37
Share of profit/loss for the year	1	-911
Share of changes in the equity	3	504
Acquisitions for the year	485	0
Minority interests as of 31 December	<u>5</u>	<u>-444</u>
<b>Recognised in the financial statements as follows:</b>		
Minority interests	5	2
Positive minority interests set off against equity	0	-446
	<u>5</u>	<u>-444</u>

### 13 Long-term liabilities

#### Consolidated

Analysis of long-term liabilities:

DKK'000	Falling due between 1 and 5 years	Falling due after more than 5 years	Total long-term liabilities at 31 December 2015	Currency portion of long-term liabilities
Amounts owed to group enterprises	34.266	0	34.266	0
Other payables	1.200	0	1.800	600
	<u>35.466</u>	<u>0</u>	<u>36.066</u>	<u>600</u>

#### Parent company

Analysis of long-term liabilities:

DKK'000	Falling due between 1 and 5 years	Falling due after more than 5 years	Total long-term liabilities at 31 December 2015	Currency portion of long-term liabilities
Amounts owed to group enterprises	34.266	0	34.266	0
Other payables	1.200	0	1.800	600
	<u>35.466</u>	<u>0</u>	<u>36.066</u>	<u>600</u>

### 14 Deferred income

Deferred income comprises payments relating to the sale, which will not be recognised as income until in the subsequent financial year once the recognition criteria are satisfied.

## Consolidated financial statements and parent company financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 15 Security for loans

##### Consolidated

Through Danske Bank, the Group has provided payment guarantees to third parties totalling DKK 2.882 thousand.

The parent company has provided a guarantee for Universal Robots USA Inc and Universal Robots Singapore Pte Ltd's bank loans.

Universal Robots A/S has issued a letter of undertaking to Universal Robots (Shanghai) Co., Ltd.

The Group have capital commitments contracted for DKK 260 thousand.

##### Parent company

Through Danske Bank, the Company has provided payment guarantees to third parties totalling DKK 2.882 thousand.

The parent company has provided a guarantee for Universal Robots USA Inc and Universal Robots Singapore Pte Ltd's bank loans.

Universal Robots A/S has issued a letter of undertaking to Universal Robots (Shanghai) Co., Ltd.

The company is jointly taxed with its parent, Teradyne Holdings Denmark ApS, which acts as management company, and has limited and secondary liability together with other jointly taxed group entity (Litepoint Europe A/S) for the payment of income taxes for the income year 2015 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 12 June 2015 (date for when the company joined the joint taxation.)

The companies included in the joint taxation have joint and several unlimited liabilities for Danish corporation taxes and withholding taxes on dividends, interest and royalties amounting to DKK 1.078 thousand.

#### 16 Contingent liabilities and other financial obligations

##### Other financial obligations

	Consolidated		Parent company	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
DKK'000				
<b>Other rent and lease liabilities:</b>				
Rent and liabilities	48.851	46.906	39.245	42.780

#### 17 Related party disclosures

Related party transactions not carried through on normal market terms:

##### Parties exercising control

Teradyne Holdings Denmark ApS, c/o Harbour House Sundkrogsgade 21, 2100 København Ø holds the majority of the share capital in the Company.

##### Ownership

The ultimate shareholder is Teradyne Inc.

The company is recognised in the consolidated financial statements of Teradyne Inc. (USA), which is the largest group in which the Company is included. The consolidated financial statements of Teradyne Inc. may be obtained by contacting Universal Robots A/S.

**Consolidated financial statements and parent company financial statements for the period 1 January - 31 December**

**Notes to the financial statements**

DKK'000	Consolidated 2015	2014
<b>18 Adjustments - Cash flow statement</b>		
Amortisation/depreciation and impairment losses	13.987	8.216
Gain/loss on the sale of fixed assets	66	437
Financial expenses	0	-356
Tax for the year	16.749	7.853
Other adjustments	974	154
	<u>31.776</u>	<u>16.304</u>
<b>19 Changes in working capital, cash flow statement</b>		
Change in inventories	-9.857	-9.278
Change in receivables	-14.303	-17.483
Change in trade and other payables	31.839	22.962
Other changes in working capital	1.400	600
	<u>9.079</u>	<u>-3.199</u>
<b>20 Cash and cash equivalents, cash flow statement</b>		
Cash and cash according to the balance sheet	65.858	13.093
Short-term debt to banks	-688	-259
	<u>65.170</u>	<u>12.834</u>