Beckman Coulter Danmark ApS

Åbenrå 23, 1124 København K

CVR no. 31 08 87 98

Annual report for 2016

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 31.05.17

Simon Rasmussen
Dirigent

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Company information etc.

The company

Beckman Coulter Danmark ApS
Åbenrå 23
1124 København K
Registered office: Copenhagen
CVR no.: 31 08 87 98
Founded: 10. december 2007
Financial year: 01.01 - 31.12

Executive Board

Pasquale della Puca
Keith Graham Ward

Auditors

Ernst & Young
Godkendt Revisionspartnerselskab

Statement of the Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.16 - 31.12.16 for Beckman Coulter Danmark ApS.

The annual report is presented in accordance with Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the the company's assets, liabilities and financial position as at 31.12.16 and of the results of the the company's activities for the financial year 01.01.16 - 31.12.16.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Copenhagen, May 29, 2017

Executive Board

Pasquale della Puca Keith Graham Ward

Independent auditor’s report

To the capital owner of Beckman Coulter Danmark ApS

AUDITORS'S REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Beckman Coulter Danmark ApS for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 31.12.16 and of the results of the company's operations for the financial year 01.01.16 - 31.12.16 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 about 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement 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.

- 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 is 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 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 regarding the management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover 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 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 management's review provides the information required under the Danish Financial Statements Act.

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

Report on other legal and regulatory requirements

Violation of the Danish Bookkeeping Act

In our opinion, the Company has not complied with the requirements of the Danish Bookkeeping Act regarding storing of accounting records abroad. Management may incur liability in this respect.

Copenhagen, May 29, 2017

Ernst & Young

Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Henrik Kronborg Iversen	Rasmus Bloch Jespersen
State Authorized Public Accountant	State Authorized Public Accountant

Primary activities

The company focuses on analytical laboratory equipment, and has in this year supported group companies in this business.

Development in activities and financial affairs

The income statement for the period 01.01.16 - 31.12.16 showed a result of DKK -127,180 against a result of DKK -379,180 for the period 01.01.15 - 31.12.15. The balance sheet showed equity of DKK 4,243,457.

The management considers the net profit for the year to be satisfactory.

The Company expects a result for 2017 at the same level as 2016.

Subsequent events

No significant events have occurred after the end of the financial year.

Income statement

Note		2016 DKK	2015 DKK
	Gross profit	**1.018.971**	**575.169**
1	Staff costs	-652.382	-627.054
	Profit/loss before depreciation, amortisation, write-downs and impairment losses	**366.589**	**-51.885**
2	Financial income	52.893	139.569
3	Financial expenses	-127.809	-57.614
	Profit/loss before tax	**291.673**	**30.070**
4	Tax on profit or loss for the year	-418.853	-409.250
	Profit/loss for the year	**-127.180**	**-379.180**

Proposed appropriation account

Retained earnings	-127.180	-379.180
Total	**-127.180**	**-379.180**

Balance sheet

ASSETS

Note		31.12.16 DKK	31.12.15 DKK
	Manufactured goods and goods for resale	184.828	104.270
	Total inventories	**184.828**	**104.270**
	Trade receivables	7.119.324	7.387.160
	Deferred tax asset	8.718	16.100
	Prepayments	705.238	879.714
	Total receivables	**7.833.280**	**8.282.974**
	Cash	**6.381.546**	**4.784.958**
	Total current assets	**14.399.654**	**13.172.202**
	Total assets	**14.399.654**	**13.172.202**

Balance sheet

EQUITY AND LIABILITIES

Note		31.12.16 DKK	31.12.15 DKK
	Contributed capital	125.000	125.000
	Retained earnings	4.118.457	4.245.637
	Total equity	**4.243.457**	**4.370.637**
	Trade payables	52.108	24.941
	Payables to group enterprises	7.013.326	5.361.076
	Income taxes	411.466	404.694
	Other payables	2.136.335	2.420.329
	Deferred income	542.962	590.525
	Total short-term payables	**10.156.197**	**8.801.565**
	Total payables	**10.156.197**	**8.801.565**
	Total equity and liabilities	**14.399.654**	**13.172.202**

5 Contingent liabilities
6 Related parties

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings
Statement of changes in equity for 01.01.15 - 31.12.15		
Balance pr. 01.01.15	125.000	4.624.817
Net profit/loss for the year	0	-379.180
Balance as at 31.12.15	125.000	4.245.637
Statement of changes in equity for 01.01.16 - 31.12.16		
Balance as at 01.01.16	125.000	4.245.637
Net profit/loss for the year	0	-127.180
Balance as at 31.12.16	125.000	4.118.457

There have been no changes in share capital during the four preceding financial years.

Notes

	2016 DKK	2015 DKK

1. Staff costs

Wages and salaries	593.934	571.036
Other staff costs	58.448	56.018
Total	652.382	627.054
Average number of employees during the year	1	1

2. Financial income

Other interest income	52.893	63.331
Foreign exchange gains	0	76.238
Total	52.893	139.569

3. Financial expenses

Interest, group enterprises	14.603	21.454
Other interest expenses	30.278	20.627
Foreign exchange losses	66.737	0
Other financial expenses	16.191	15.533
Total	127.809	57.614

4. Tax on profit or loss for the year

Current tax for the year	411.466	404.694
Adjustment of deferred tax for the year	7.382	7.945
Adjustment of tax in respect of previous years	5	-3.389
Total	418.853	409.250

5. Contingent liabilities

Lease commitments

The company has concluded operating lease agreements with terms to maturity of 11 months and average lease payments of DKK 7,127 (2015: DKK 6,729), a total of DKK 78,397 (2015: DKK 154,767).

Joint taxation
The company is jointly taxed with Danaher Tax Administration ApS, which is the management company (Administrationsselskab) 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 dividens, which are payable on 1 July 2012 or later.

At 31 december 2016, the jointly taxed companies' net liability to SKAT is disclosed in the annual report for Danaher Tax Administraion 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.

6. Related parties

The company is included in the consolidated financial statements of the ultimate parent Danaher Corporation, Delaware, USA. Requisition of the parents consolidated financial statements can be seen at http://investors.danaher.com/annual-report-and-proxy.

Information about shareholdes holding 5 % or more of the share capital or the voting rights:

Beckman Coulter Inc.
California, USA

7. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for reporting class C medium-sized.

Effective 1 January 2016, the Company has adopted act no. 738 of 1 July 2015. The adoption did not impact the income statement or the balance sheet for 2016 or the comparative figures. As such, the accounting policies are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial income or expenses. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

7. Accounting policies - continued -

LEASES

Lease payments relating to operating and finance leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue and raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year. Revenue is determined at fair value exclusive of VAT and discounts.

Income from delivery of services is recognised in step with delivery of the services, which means that revenue corresponds to the sales value of the work performed for the year stated on the basis of the stage of completion at the balance sheet date (percentage of completion method).

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

7. Accounting policies - continued -

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs. The item is net of refunds made by public authorities.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in financial income and financial expenses.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish group enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Inventories

Inventories are measured at cost calculated according to the FIFO principle. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

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

7. Accounting policies - continued -

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Current and deferred tax

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

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings within the same jurisdiction.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

7. Accounting policies - continued -

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.