

**Abbott Laboratories A/S  
Emdrupvej 28C  
2100 Copenhagen**

**Business Registration No. 31 52 86 15**

**Annual report 2018**

The Annual General Meeting adopted the annual report on 31.05.2019

Chairman of the General Meeting

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Name: Ulrik Bangsbo

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**Please note that Danish decimal and digit grouping symbols have been used in the financial statements.**

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## *Entity details*

### **Entity**

Abbott Laboratories A/S  
Emdrupvej 28C  
DK-2100 Copenhagen Ø

Central Business Registration No: 31 52 86 15  
Registered in: Copenhagen  
Financial year: 01.01.2018 - 31.12.2018  
Established: 04.02.1971

### **Board of Directors**

Benjamin Edward Oosterbaan, Chairman  
Fredrik Björnulfson  
Ole Martin Christiansen

### **Executive Board**

Ole Martin Christiansen, Chief Executive Officer

### **Auditors**

Ernst & Young Godkendt Revisionspartnerselskab  
Osvald Helmuths Vej 4  
DK-2000 Frederiksberg

### **Bank**

Handelsbanken, Lyngby

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## **Statement by Management on the annual report**

The Board of Directors and the Executive Board have today considered and approved the annual report of Abbott Laboratories A/S for the financial year 01.01.2018 - 31.12.2018.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31.12.2018 and of the results of the Company's operations for the financial year 01.01.2018 - 31.12.2018.

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

Copenhagen, 31.05.2019

### **Executive Board**

Ole Martin Christiansen  
Chief Executive Officer

### **Board of Directors**

Benjamin Edward Oosterbaan  
Chairman

Fredrik Björnulfson

Ole Martin Christiansen

## **Independent auditor's reports**

### **To the owners of Abbott Laboratories A/S**

#### **Opinion**

We have audited the financial statements of Abbott Laboratories A/S for the financial year 1 January – 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, 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 of 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 responsibilities 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 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 scepticism throughout the audit. We also:

## Independent auditor's reports

- 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 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 the 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 Statement Act. We did not identify any material misstatement of the Management's review.

## **Independent auditor's reports**

Copenhagen, 31.05.2019

### **Ernst & Young**

Godkendt Revisionspartnerselskab

CVR-nr. 30 70 02 28

Birgit Morville Schrøder

State Authorised Public Accountant

mne21337

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## Management commentary

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
	<b><u>DKK'000</u></b>	<b><u>DKK'000</u></b>	<b><u>DKK'000</u></b>	<b><u>DKK'000</u></b>	<b><u>DKK'000</u></b>
<b>Financial highlights</b>					
<b>Key figures</b>					
Revenue	128.992	147.370	133.978	140.659	149.805
Gross profit/loss	22.502	34.397	38.816	43.945	51.260
Operating profit/loss	2.983	7.823	4.747	13.788	20.479
Net financials	(2)	263	111	301	59
Profit/loss for the year	(2.128)	5.706	3.314	10.467	15.091
Total assets	187.175	82.679	77.382	74.454	62.670
Investments in property, and equipment	913	439	2.159	2.479	2.157
Equity	150.850	58.869	53.163	49.849	39.381
<b>Ratios</b>					
Gross margin (%)	17,4	23,3	28,8	31,2	34,2
Net margin (%)	(1,4)	3,9	2,5	7,4	10,1
Return on equity (%)	(2,0)	10,2	6,4	23,4	62,1
Solvency ratio (%)	80,6	71,0	68,7	67,0	39,0

As a consequence of the divestment of the EPD division in February 2015, 2015 is not comparable with prior year's figures.

As of 01.01.2018, the AV/SH division was transferred to Abbott Medical Danmark A/S and as a consequence of this, 2018 is not comparable with prior year's figures.



## Management commentary

### Primary activities

The Company's activities consist of marketing, sale and distribution of, hospital supplies, electronic medical equipment and diagnostics equipment to the hospital and health sector in Denmark, the Faroe Islands and Iceland.

### Development in activities and finances

Revenue for the year amounts to DKK 128.992 thousand compared to DKK 147.370 thousand from last year. Loss after tax amounts to DKK 2.128 thousand comparing to a profit after tax of DKK 5.706 thousand last year.

As of 1/1-2018 Abbott Laboratories A/S transferred the activities of its Vascular and Structural Heart business to Abbott Medical Danmark A/S in order to have all the groups Cardio-vascular business within one company.

The transfer of the Vascular/Structural Heart business has had a negative effect on both the revenue and the final result.

Management consider the result for the financial year satisfactory considering the transfer of the AV/SH business.

During the year, the company has acquired Abbott Medical Danmark A/S and in this respect received a capital increase of DKK 94.108.747.

### Uncertainty relating to recognition and measurement

Management evaluates that no particular uncertainties are related to recognition and measurement in connection with the presentation of the annual report.

### Outlook

The company expects increasing revenue compared to 2018 as a result of further market development of Freestyle Libre. For 2019 it is expected that the revenue will be from DKK 175 – 185 mio and the results will be from DKK 4 - 6 mio.

### Particular risks

#### Operating risks

The company is not exposed to any special risks besides from what is normal to the business.

#### Currency risks

Purchase of goods and services are mainly executed in DKK. To a minor extent, the company is invoiced in EUR, NOK, SEK and USD. Abbott Laboratories A/S do not hedge any of these amounts.

#### Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enter-prises (medium).

The accounting policies have been applied consistently with previous years.

### Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements are prepared. The financial statements for Abbott Laboratories A/S and its group entities are part of the consolidated financial statements for Abbott Laboratories ([www.abbott.com](http://www.abbott.com)).

### Foreign currency translation

On initial recognition, foreign currency transac tions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

### Operating leases

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

### Income statement

#### Revenue

Revenue from goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Service agreements are accrued over the term of the agreements.

#### Other operating income/expenses

Other operating income/expenses comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Other operating income/expenses comprise of income from divestment of divisions.

#### Costs of goods for resale and consumables

Costs of goods for resale and consumables comprise the consumption of goods for resale and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary write-downs of the relevant inventories.

## Accounting policies

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Other external expenses also include research costs and costs of development projects that do not meet the criteria for recognition in the balance sheet.

### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc. for entity staff.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

### Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme, etc.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme, etc.

### Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company is jointly taxed with all Danish sister subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

## Accounting policies

### Balance sheet

#### Property, plant and equipment

Plant and machinery, other fixtures and fittings, tools and equipment as well as leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made based on the following estimated useful lives of the assets:

Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	3-10 years

For leasehold improvements, assets subject to finance leases and for assets lent to customers recognised as operational lease contracts, the depreciation period cannot exceed the contract period.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

#### Investment in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Dividends received are recognised in the income statement in the financial year in which they are declared. If proposed dividends exceed accumulated earnings after the acquisition date, dividends are however, recognised as a reduction of the cost of the investments.

The carrying amount of investments in subsidiaries is subject to an annual test for indications of impairment. Write-down is made to the recoverable amount if this is lower than the carrying amount.

Impairment losses are recognised in the income statement.

#### Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

## **Accounting policies**

### **Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost of goods for resale and consumables consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less costs incurred to execute sale.

### **Income tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### **Cash**

Cash comprises cash in hand and bank deposits.

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 entities'.

## **Equity**

### **Proposed dividends**

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

### **Other provisions**

Other provisions comprise of anticipated costs to warranties and returns.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date.

Warranties comprise of commitments to remedy defects and deficiencies within the guarantee period.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### **Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

## Accounting policies

### Omission to present a Cash flow statement

With reference to the section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The entity's cash flow is part of the consolidated cash flow statement for the parent company, Abbott Laboratories, Abbott Park, Illinois, USA.

Consolidated group financial statements including consolidated group cash flow statement may be retrieved from the following webpage: <http://www.abbott.com/investors.html>.

### Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

<b>Ratios</b>	<b>Calculation formula</b>
Gross margin (%)	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Net margin (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Revenue}}$
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Solvency ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$

### Ratios reflect

#### *Gross margin*

The Entity's operating gearing.

#### **Net margin**

The Entity's operating profitability.

#### **Return on equity**

The Entity's return on capital invested in the Entity by the owners.

#### **Solvency ratio**

The financial strength of the Entity.

## Income statement for 2018

	Notes	<b>2018</b> <b>DKK</b>	<b>2017</b> <b>DKK</b>
	<u>        </u>	<u>        </u>	<u>        </u>
Revenue		128.992.247	147.369.875
Other operating income/expenses	1	0	(156.507)
Costs of goods of sale and consumables		(80.174.829)	(85.041.558)
Other external expenses		(26.315.488)	(27.775.148)
<b>Gross profit/loss</b>		<b>22.501.930</b>	<b>34.396.662</b>
Staff costs	2	(24.654.357)	(25.453.029)
Amortisation, depreciation and impairment losses	3	(830.642)	(1.120.841)
Operating profit/loss		<b>(2.983.069)</b>	<b>7.822.792</b>
Other financial income	4	95.161	330.128
Other financial expenses	5	(96.947)	(67.453)
<b>Profit/loss from ordinary activities before tax</b>		<b>(2.984.855)</b>	<b>8.085.467</b>
Tax on profit/loss from ordinary activities	6	856.726	(2.379.052)
<b>Profit/loss for the year</b>		<b>(2.128.129)</b>	<b>5.706.415</b>

**Balance sheet at 31.12.2018**

	<u>Notes</u>	<u>2018</u> <u>DKK</u>	<u>2017</u> <u>DKK</u>
Plant and machinery		2.318.117	2.570.563
Other fixtures and fittings, tools and equipment		52.771	120.019
Leasehold improvements		58.000	0
<b>Property, plant and equipment</b>	<b>7</b>	<b>2.428.888</b>	<b>2.690.582</b>
<b>Investments</b>			
Investment in subsidiary	8	97.197.666	0
<b>Investments</b>		<b>97.197.666</b>	<b>0</b>
Deferred tax	9	319.358	0
<b>Fixed asset investments</b>		<b>319.358</b>	<b>0</b>
<b>Non-current assets</b>		<b>99.945.912</b>	<b>2.690.582</b>



**Balance sheet at. 31.12.2018**

	Notes	<b>2018</b> <b>DKK</b>	<b>2017</b> <b>DKK</b>
Goods for resale		1.003.575	2.423.160
<b>Inventories</b>		<b>1.003.575</b>	<b>2.423.160</b>
Trade receivables		17.533.830	20.397.849
Receivables from group enterprises	11	53.600.759	49.637.906
Other Receivables		647.928	552.927
Income tax receivable		4.822.100	527.926
Prepayments		158.321	496.649
<b>Receivables</b>		<b>76.762.937</b>	<b>71.613.257</b>
<b>Cash</b>		<b>9.462.628</b>	<b>5.951.656</b>
<b>Current assets</b>		<b>87.229.140</b>	<b>79.988.073</b>
<b>Assets</b>		<b>187.175.052</b>	<b>82.678.655</b>

**Balance sheet at 31.12.2018**

	Notes	<u>2018</u> <u>DKK</u>	<u>2017</u> <u>DKK</u>
Contributed capital		4.026.000	4.026.000
Retained earnings		96.823.664	54.843.046
Proposed dividend		50.000.000	0
<b>Equity</b>		<u><b>150.849.664</b></u>	<u><b>58.869.046</b></u>
Other provisions	10	624.038	0
<b>Provisions</b>		<u><b>624.038</b></u>	<u><b>0</b></u>
Prepayments received from customers		345.178	278.307
Trade Payable		3.928.219	1.684.167
Payables to group enterprises	11	21.014.781	7.727.493
Other payables		10.413.172	14.003.840
Deferred tax	9	0	115.802
<b>Current liabilities other than provisions</b>		<u><b>35.701.350</b></u>	<u><b>23.809.609</b></u>
<b>Liabilities other than provisions</b>		<u><b>35.701.350</b></u>	<u><b>23.809.609</b></u>
<b>Equity and liabilities</b>		<u><u><b>187.175.052</b></u></u>	<u><u><b>82.678.655</b></u></u>
Related parties with control	11		
Appropriation of profit/loss	12		
Unrecognised rental and lease commitments	13		
Contingent liabilities	14		
Consolidation	15		

## Statement of changes in equity for 2018

DKK	Contributed capital	Retained earnings	Dividend proposed for the year	Total
<b>Equity at 1 January 2017</b>	4.026.000	49.136.631	0	53.162.631
Dividend distribution	0	0	0	0
Transfer, see " notes 12 Appropriation of profit/loss	0	5.706.415	0	5.706.415
<b>Equity at 1 January 2018</b>	4.026.000	54.843.046	0	58.869.046
Dividend distribution	0	0	0	0
Increase of capital	0	94.108.747	0	94.108.747
Transfer, see " notes 12 Appropriation of profit/loss	0	(52.128.129)	50.000.000	(2.128.129)
<b>Equity at 31 December 2018</b>	<b>4.026.000</b>	<b>96.823.664</b>	<b>50.000.000</b>	<b>150.849.664</b>

During the year, the company has acquired Abbott Medical Danmark A/S and in this respect received a capital increase of DKK 94.108.747 in terms of conversion of debt.

	2018 DKK	2017 DKK	2016 DKK	2015 DKK	2014 DKK
<b>Changes in contributed - capital</b>					
Contributed capital beginning of year	4.026.000	4.026.000	4.026.000	4.026.000	4.026.000
<b>Contributed capital end of year</b>	<b>4.026.000</b>	<b>4.026.000</b>	<b>4.026.000</b>	<b>4.026.000</b>	<b>4.026.000</b>

	Number	Par value DKK	Nominal value DKK
<b>Contributed capital</b>			
Ordinary shares	4.026	1.000	4.026.000

## Notes

### 1. Other operating income/expenses

During 2017, Abbott divested the division for Medical Optics. The sale was completed in February 2017 and has resulted in a loss of DKK 156 thousand for the Danish entity.

	<u>2018</u> <u>DKK</u>	<u>2017</u> <u>DKK</u>
<b>2. Staff costs</b>		
Wages and salaries	22.509.419	23.257.032
Pension costs	1.923.810	1.956.732
Other social security costs	221.128	239.265
	<u>24.654.357</u>	<u>25.453.029</u>
	<u>2018</u>	<u>2017</u>
Average number of full-time employees	<u>29</u>	<u>31</u>

Remuneration has not been paid to the Board of Directors in the financial year. Management remuneration is not disclosed in accordance with the exemption clause in section 98b of the Danish Financial Statements Act.

### 3. Amortisation, depreciation and impairment losses

	<u>2018</u> <u>DKK</u>	<u>2017</u> <u>DKK</u>
Depreciation on property, plant and equipment	830.642	1.120.841
	<u>830.642</u>	<u>1.120.841</u>

## Notes

<b>4. Other financial income</b>	<b>2018</b>	<b>2017</b>
	<b><u>DKK</u></b>	<b><u>DKK</u></b>
Other interest income	1.405	651
Currency translation adjustments	93.756	329.477
	<b><u>95.161</u></b>	<b><u>330.128</u></b>
<b>5. Other financial expenses</b>	<b>2018</b>	<b>2017</b>
	<b><u>DKK</u></b>	<b><u>DKK</u></b>
Other interest expenses	38.817	25.831
Currency translation adjustments	58.130	41.622
	<b><u>96.947</u></b>	<b><u>67.453</u></b>
<b>6. Tax on profit/loss from ordinary activities</b>	<b>2018</b>	<b>2017</b>
	<b><u>DKK</u></b>	<b><u>DKK</u></b>
Current tax	(557.273)	1.995.233
Change in deferred tax	(435.160)	254.490
Adjustment relating to previous years	135.708	129.329
	<b><u>(856.725)</u></b>	<b><u>2.379.052</u></b>

## Notes

<b>7. Property, plant and equipment</b>	<b>Plant and machinery</b>	<b>Other fixtures and fittings, tools and equipment</b>	<b>Leasehold improve- ments</b>
	<b><u>DKK</u></b>	<b><u>DKK</u></b>	<b><u>DKK</u></b>
Cost at 1 January 2018	5.922.281	755.871	208.713
Additions	852.863	0	60.000
Disposals	(1.116.800)	(29.160)	0
<b>Cost at 31 December 2018</b>	<b><u>5.658.344</u></b>	<b><u>726.711</u></b>	<b><u>268.713</u></b>
Depreciation and impairment losses at 1 January 2018	(3.351.718)	(635.852)	(208.713)
Depreciation for the year	(772.935)	(55.705)	(2.000)
Reversal regarding disposals	784.426	17.617	0
<b>Depreciation and impairment losses at 31 December 2018</b>	<b><u>(3.340.227)</u></b>	<b><u>(673.940)</u></b>	<b><u>(210.713)</u></b>
<b>Carrying amount at 31 December 2018</b>	<b><u>2.318.117</u></b>	<b><u>52.771</u></b>	<b><u>58.000</u></b>

Plant and machinery mainly consist of equipment lent to customers recognized as operational lease contracts.

## Notes

<b>8. Investments</b>	<b>Investment in subsidiaries DKK</b>
Cost at 1 January 2018	0
Additions	97.197.667
Disposals	0
<b>Cost at 31 December 2018</b>	<b><u>97.197.667</u></b>
Revaluations at 1 January 2018	0
Revaluation during the year	0
<b>Revaluations at 31 December 2018</b>	<b><u>0</u></b>
<b>Carrying amount at 31 December 2018</b>	<b><u>97.197.667</u></b>

Name and place	Ownership	Result	Equity
<b>Subsidiary</b>			
Abbott Medical Danmark A/S, Glostrup	100%	10.222.857	104.921.489

<b>9. Deferred tax</b>	<b>2018 DKK</b>	<b>2017 DKK</b>
Deferred tax at 1 January	(115.802)	138.688
Adjustment of the deferred tax for the year	435.160	(254.490)
	<b><u>319.358</u></b>	<b><u>(115.802)</u></b>
The deferred tax asset relates to:		
Property, plant and equipment	161.552	(140.888)
Fixed asset investments	(20)	(3)
Inventories	18.647	25.089
Receivables from sales and services	1.891	0
Provisions	137.288	0
	<b><u>319.358</u></b>	<b><u>(115.802)</u></b>

## Notes

### 10. Other provisions

	2018 DKK	2017 DKK
Other provisions consist of provisions for non-recourse guarantee commitments	624.038	0
	624.038	0

The Company grants a warranty of 24 months on Diagnostics products and is obliged to repair or replace products which are not satisfactory. For our Free Style Libre products, the company grants a warranty of 3 and 12 months depending on the product.

### 11. Related parties

#### Related parties with a controlling interest

The following related parties have a controlling interest in Abbott Laboratories A/S:

Name	Registered office	Basis of influence
Abbott Laboratories	Abbott Park, Illinois, USA	Ultimate Parent
St. Jude Medical International Holding	Luxembourg	Parent

#### Transactions with related parties

Related party	Country	Revenue	2018 DKK	2017 DKK
Abbott GmbH & Co. KG	Germany	Expense recharge	2.605.315	2.256.224
		Sale of goods	130.306	105.379
		Regional allocation	0	943.466
Abbott Laboratories Limited	UK	Sale of services	614.493	1.112.132
Abbott Norge AS	Norway	Sale of Services	2.974.731	1.864.167
Abbott Oy	Finland	Sale of Services	1.935.529	1.089.947
		Sales of goods	0	240.547
Abbott Scandinavia AB	Sweden	Sales of services	3.239.362	2.039.678
Abbott Vascular International BVBA	Belgium	Expense recharge	27.934	1.319.096
Abbott International Ltd. (AIL)	USA	Expense recharge	134.000	0
Abbott Established Products Holdings (Gibraltar) Limited	Gibraltar	Sale of services	0	227.200
Alere A/S	Denmark	Sale of goods	0	8.448
<b>Total</b>			<b>11.661.670</b>	<b>11.206.283</b>



## Notes

Related party	Country	Cost	2018 DKK	2017 DKK
Abbott S.A.	Belgium	Expense recharge	0	0
Abbott Diagnostics GmbH	Germany	Product purchase	77.526.038	61.670.483
Abbott GmbH & Co. KG	Germany	Purchase of services	3.160.971	2.219.824
		Product purchase	987.183	1.374.621
Abbott International Ltd. (AIL)	USA	Expense recharge	0	46.712
Abbott Laboratories LLC	USA	Product purchase	27.154	(48.371)
		Expense recharge	(144.601)	62.628
Abbott Laboratories Limited	UK	Product purchase	1.308.214	334.520
		Purchase of services	2.450.114	3.496.267
		Expense recharge	0	115.244
Abbott B.V.	Netherlands	Purchase of services	0	124.055
Abbott Norge AS	Norway	Expense recharge	128.375	0
		Purchase of services	5.075.032	6.255.522
Abbott Oy	Finland	Purchase of services	284.471	323.078
Abbott Scandinavia AB	Sweden	Purchase of services	3.320.878	2.198.015
		Expense recharge	62.979	138.942
Abbott Vascular Netherlands B.V.	Netherlands	Product purchase	25.447.642	18.989.868
Abbott Vascular International BVBA	Belgium	Expense recharge	429.548	93.765
Abbott S.r.l.	Italy	Expense recharge	108.956	8.931
Omnilab S.r.l.	Italy	Product purchase	8.196	419.079
Abbott Ireland Limited	Ireland	Purchase of services	1.845.455	717.470
Abbott Vascular Deutschland GMBH	Germany	Expense recharge	0	18.598
Alere A/S	Denmark	Product purchase	1.062.587	0
<b>Grand Total</b>			<b>123.089.192</b>	<b>98.559.251</b>

As of 1/1-2018 Abbott Laboratories A/S transferred the activities of its Vascular and Structural Heart business to Abbott Medical Danmark A/S at book value, DKK 3.088.919.

During the year Abbott Laboratories A/S acquired Abbott Medical Danmark A/S at book value through a capital increase of DKK 94.108.747.

## Notes

### Receivables from affiliated companies

<b>Related party</b>	<b>Country</b>	<b>2018 DKK</b>	<b>2017 DKK</b>
Abbott Laboratories Finance B.V.	Netherlands	53.183.270	49.273.382
Abbott GmbH & Co. KG	Germany	282.999	173.461
Abbott Vascular International BVBA	Belgium	0	191.048
Abbott International Ltd. (AIL)	USA	134.400	0
<b>Other sister companies</b>		90	15
<b>Grand Total</b>		<b>53.600.759</b>	<b>49.637.906</b>

### Payables to affiliated companies

<b>Related party</b>	<b>Country</b>	<b>2018 DKK</b>	<b>2017 DKK</b>
Abbott Diagnostics GmbH	Germany	6.301.862	4.795.543
Abbott GmbH & Co. KG	Germany	1.124.149	578.003
Abbott Ireland Limited	Ireland	805.383	0
Abbott Laboratories International LLC	USA	(32.523)	(20.273)
Abbott Laboratories Limited	UK	129.255	(337.927)
Abbott Laboratories SA	USA	0	1.243.629
Abbott S.r.l.	Italy	0	8.931
Abbott AS, Norge S.r.l.	Norway	0	5.901
Abbott Vascular International BVBA	Belgium	0	1.458.282
Abbott Medical Danmark A/S	Denmark	12.697.490	0
Alere A/S	Denmark	(8.981)	0
<b>Other sister companies</b>		(1.853)	(4.596)
<b>Grand Total</b>		<b>21.014.781</b>	<b>7.727.493</b>

## 12. Appropriation of profit/loss

	<b>2018 DKK</b>	<b>2017 DKK</b>
<b>Recommended appropriation of profit/loss</b>		
Proposed Dividend	50.000.000	0
Transferred to reserves under equity	(52.128.129)	5.706.415
	<u>(2.128.129)</u>	<u>5.706.415</u>

## Notes

### 13. Unrecognised rental and lease commitments

	<u>2018 DKK</u>	<u>2017 DKK</u>
Commitments under rental agreements or leases until expiry	4.221.455	5.533.297
<i>Due within the next 12 months</i>	2.587.278	2.620.803

### 14. Contingent liabilities

	<u>2018 DKK</u>	<u>2017 DKK</u>
Guarantee and warranty commitments	0	1.500.000
<b>Contingent liabilities</b>	<u>0</u>	<u>1.500.000</u>

The Company participates in a Danish joint taxation arrangement with Danish sister subsidiaries, with Abbott Laboratories A/S as the management company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 01.07.2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies

### 15. Consolidation

Name and registered office of the Parent preparing consolidated financial statements:

Abbott Laboratories, Abbott Park, Illinois, USA

<https://www.abbottinvestor.com/financials/annual-reports>