

KAVO FINANCE APS
ÅKANDEVEJ 21, 2700 BRØNSHØJ
ANNUAL REPORT
2015

The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 10 May 2016

Sven Ambjørn

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COMPANY DETAILS

Company

KaVo Finance ApS
Åkandevej 21
2700 Brønshøj

CVR no.: 32 28 79 21
Established: 3 July 2009
Registered Office: Brønshøj
Financial Year: 1 January - 31 December

Board of Executive

Frank T. McFaden

Auditor

Ernst & Young Godkendt Revisionspartnerselskab
Osvald Helmuths Vej 4
2000 Frederiksberg

STATEMENT BY BOARD OF EXECUTIVE

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

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

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

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

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

Copenhagen, 10 May 2016

Board of Executive

Frank T. McFaden

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of KaVo Finance ApS

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of KaVo Finance ApS for the financial year 1 January to 31 December 2015, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

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

STATEMENT ON THE MANAGEMENT'S REVIEW

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 10 May 2016

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

Brian Stubtoft
State Authorised Public Accountant

MANAGEMENT'S REVIEW

Principal activities

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

In the financial year the company has made loans to a number of other group companies.

Development in activities and financial position

The Company's income statement for the year ended 31 December 2015 shows a net profit of DKK 530,650 thousand, and the balance sheet at 31 December 2015 shows equity of DKK 14,807,269 thousand.

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

Significant events after the end of the financial year

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

Future expectations

The company expects the financial activities to generate stable earnings, taking development in the general interest into consideration.

ACCOUNTING POLICIES

The annual report of KaVo Finance ApS for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B.

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

General about recognition and measurement

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

Assets are recognised in the balance sheet when it is likely that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is likely that future economic benefits will flow from the company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Consolidated financial statements

The ultimate consolidated financial statements are prepared by Danaher Corporation Inc. USA, and can be acquired at www.danaher.com/investors/

INCOME STATEMENT

Other external costs

Other external costs include costs relating to administration etc.

Financial income and expenses in general

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

The company is jointly taxed with affiliated Danish enterprises. The current Danish corporation tax is distributed between the jointly taxed Danish enterprises in proportion to their taxable income, and with full distribution with refund regarding taxable losses. The jointly taxed companies are included in the tax-on-account scheme.

ACCOUNTING POLICIES

BALANCE SHEET

Fixed asset investments

Other investments are measured at fair value. The fair value is made up at the market value at the balance sheet date if the securities are listed and at a value made up using generally recognised valuation principles if the securities are unlisted.

Receivables

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

Tax payable and deferred tax

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

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

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax unit.

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

Liabilities

Liabilities are measured at amortised cost equal to nominal value.

Foreign currency translation

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

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2015 DKK '000	2014 DKK '000
Other external expenses.....		-171	-201
GROSS PROFIT.....		-171	-201
OPERATING LOSS.....		-171	-201
Other financial income.....	1	556.397	493.520
Other financial expenses.....	2	-3.186	-2.208
PROFIT BEFORE TAX.....		553.040	491.111
Tax on profit/loss for the year.....	3	-22.390	-28.470
PROFIT FOR THE YEAR.....		530.650	462.641
PROPOSED DISTRIBUTION OF PROFIT			
Retained profit.....		530.650	462.641
TOTAL.....		530.650	462.641

BALANCE SHEET 31 DECEMBER

ASSETS	Note	2015 DKK '000	2014 DKK '000
Other securities and investments.....		0	2.939.089
Receivables from group enterprises.....		8.021.913	8.179.633
Fixed asset investments.....	4	8.021.913	11.118.722
FIXED ASSETS.....		8.021.913	11.118.722
Receivables from group enterprises.....		7.050.304	3.437.278
Accounts receivable.....		7.050.304	3.437.278
CURRENT ASSETS.....		7.050.304	3.437.278
ASSETS.....		15.072.217	14.556.000

BALANCE SHEET 31 DECEMBER

EQUITY AND LIABILITIES	Note	2015 DKK '000	2014 DKK '000
Share capital.....		559	563
Retained profit.....		14.806.710	14.376.056
EQUITY.....	5	14.807.269	14.376.619
Trade payables.....		48	48
Payables to group enterprises.....		242.510	150.863
Corporation tax.....		22.390	28.470
Current liabilities.....		264.948	179.381
LIABILITIES.....		264.948	179.381
EQUITY AND LIABILITIES.....		15.072.217	14.556.000
Contingencies etc.	6		

NOTES

	2015 DKK '000	2014 DKK '000	Note
Other financial income			1
Group enterprises.....	97.324	117.530	
Non taxable netprofit of shares.....	459.073	375.990	
	556.397	493.520	
Other financial expenses			2
Group enterprises.....	1.876	1.224	
Other interest expenses.....	1.310	984	
	3.186	2.208	
Tax on profit/loss for the year			3
Calculated tax on taxable income of the year.....	22.390	28.470	
	22.390	28.470	
			Note
Fixed asset investments			4
	<div> <div>Other securities</div> <div>Receivables from group enterprises</div> </div>		
Cost 1 January 2015.....	2.494.360	7.990.279	
Addition.....	0	3.796.588	
Disposal.....	-2.494.360	-3.764.954	
Cost 31 December 2015.....	0	8.021.913	
Revaluation 1 January 2015.....	444.729	0	
Revaluation and write-down for the year.....	-444.729	0	
Revaluation 31 December 2015.....	0	0	
Carrying amount at 31 December 2015.....	0	8.021.913	

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	Share capital	Retained profit	Total
Equity 1 January 2015.....	563	14.376.056	14.376.619
Capital reduction.....	-4	-99.996	-100.000
Proposed distribution of profit.....		530.650	530.650
Equity 31 December 2015.....	559	14.806.710	14.807.269

Changes in share capital in the latest 5 years

	2015	2014	2013	2012	2011
Balance at 1 January.....	563	563	507	500	298
Capital increase/reduction.....	-4		56	7	202
Balance at 31 December.....	559	563	563	507	500

Contingencies etc.

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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 dividends, which are payable on 1 July 2012 or later.

At 31 December 2015, the jointly taxed companies' net liability to SKAT is disclosed in the annual report for Danaher Tax Administration ApS, registration number - 28 31 68 87. Any subsequent assessments of the taxable income subject to joint taxation or withholding taxes on dividends, interest and royalties may entail that the Company's liability will increase.

Other contingencies

The company has no other contingent assets or liabilities