

KAVO DENTAL 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 23 May 2016**

Sven Ambjørn

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COMPANY DETAILS

Company	KaVo Dental Finance ApS Åkandevej 21 2700 Brønshøj
	CVR no.: 32 32 01 20 Established: 21 April 2010 Registered Office: Brønshøj Financial Year: 1 January - 31 December
Board of Executives	Frank T. McFaden
Auditor	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuhs Vej 4 2000 Frederiksberg

STATEMENT BY BOARD OF EXECUTIVES

Today the board of executives have discussed and approved the Annual Report of KaVo Dental 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, 23 May 2016

Board of Executives

Frank T. McFaden

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of KaVo Dental Finance ApS

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of KaVo Dental 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, 23 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.

Development in activities and financial position

The Company's income statement for the year ended 31 December 2015 shows a net profit of EUR 21,137 thousand, and the balance sheet at 31 December 2015 shows a total equity of EUR 851,807 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, taking development in the general interest level into consideration.

Future expectations

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

ACCOUNTING POLICIES

The annual report of KaVo Dental 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.

Changes have been made in the financial statements regarding the presentation and classification of items to reflect the Company's loans to subsidiaries. Comparative figures have been restated to reflect the presentation and classification. In the balance sheet, Receivables from group enterprises of EUR 456,374 thousand, previously presented as Receivables from group enterprises under current assets have been reclassified to non-current financial assets. The changes have not affected the results of operations, equity or balance sheet total.

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 securities are measured at market value. Market value is measured at the balance sheet date if the securities are listed and at a value calculated using generally recognised valuation principles if the securities are not quoted.

Receivables

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

Cash and cash equivalents

Cash and cash equivalents comprises cash balances and bank balances.

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

The financial statements are presented in EUR based on bookkeeping records expressed in EUR. The foreign exchange rate in relation to Danish kroner on the balance day is 746.27.

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 EUR '000	2014 EUR '000
Other external expenses.....		-15	-17
GROSS PROFIT.....		-15	-17
OPERATING LOSS.....		-15	-17
Other financial income.....	1	21.801	26.409
Other financial expenses.....	2	-91	-60
PROFIT BEFORE TAX.....		21.695	26.332
Tax on profit/loss for the year.....	3	-558	-1.328
PROFIT FOR THE YEAR.....		21.137	25.004
PROPOSED DISTRIBUTION OF PROFIT			
Retained profit.....		21.137	25.004
TOTAL.....		21.137	25.004

BALANCE SHEET 31 DECEMBER

ASSETS	Note	2015	2014
		EUR '000	EUR '000
Other securities and investments.....		181.006	161.628
Receivables from group enterprises.....		675.230	672.819
Fixed asset investments.....	4	856.236	834.447
FIXED ASSETS.....		856.236	834.447
Cash and cash equivalents.....		861	864
CURRENT ASSETS.....		861	864
ASSETS.....		857.097	835.311

BALANCE SHEET 31 DECEMBER

EQUITY AND LIABILITIES	Note	2015	2014
		EUR '000	EUR '000
Share capital.....		74	74
Retained profit.....		851.733	830.596
EQUITY.....	5	851.807	830.670
Trade payables.....		8	8
Payables to group enterprises.....		4.723	3.304
Corporation tax.....		559	1.329
Current liabilities.....		5.290	4.641
LIABILITIES.....		5.290	4.641
EQUITY AND LIABILITIES.....		857.097	835.311
Contingencies etc.	6		

NOTES

	2015 EUR '000	2014 EUR '000	Note
Other financial income			1
Group enterprises.....	2.410	5.460	
Other interest income.....	19.391	20.949	
	21.801	26.409	
 Other financial expenses			 2
Group enterprises.....	30	25	
Other interest expenses.....	61	35	
	91	60	
 Tax on profit/loss for the year			 3
Calculated tax on taxable income of the year.....	558	1.328	
	558	1.328	
			 Note
 Fixed asset investments			 4
		Receivables from Other securities group enterprises	
Cost 1 January 2015.....	137.116	672.819	
Addition.....	0	4.062	
Disposal.....	0	-1.651	
Cost 31 December 2015.....	137.116	675.230	
 Revaluation 1 January 2015.....	 24.512	 0	
Revaluation and write-up for the year.....	19.378	0	
Revaluation 31 December 2015.....	43.890	0	
 Carrying amount at 31 December 2015.....	 181.006	 675.230	

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	Share capital	Retained profit	Total
Equity 1 January 2015.....	74	830.596	830.670
Proposed distribution of profit.....		21.137	21.137
Equity 31 December 2015.....	74	851.733	851.807

Changes in share capital in the latest 5 years, EUR

	2015	2014	2013	2012	2011
Balance at 1 January.....	74.350	63.751	34.176	34.176	12.563
Capital increase.....		10.599	29.575		21.613
Balance at 31 December.....	74.350	74.350	63.751	34.176	34.176

Contingencies etc.

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Joint taxation

The company is jointly taxed with Danaher Tax Administration ApS, which is the management company (Administrationssselskab) for the Danish joint taxation. The company is jointly and severally unlimited liable with the other jointly taxed companies for payment of corporation tax for the income year 2013 and later, and for withholding tax on interest, royalties and dividends, which are payable on 1 July 2012 or later.

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

Other contingencies

The company has no other contingent assets or liabilities.