



Tel.: +45 39 15 52 00
koebenhavn@bdo.dk
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 Copenhagen V
CVR no. 20 22 26 70

DAKO DENMARK A/S
PRODUKTIONSVEJ 42, 2600 GLOSTRUP
ANNUAL REPORT
1 NOVEMBER 2017 - 31 OCTOBER 2018

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 22 March 2019**

Simon Østergaard

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 33 21 13 17

CONTENTS

	Page
Company Details	
Company Details.....	3
Statement and Report	
Statement by Board of Directors and Board of Executives.....	4
Independent Auditor's Report.....	5-6
Management's Review	
Financial Highlights.....	7
Management's Review	8-11
Financial Statements 1 November 2017 - 31 October 2018	
Income Statement.....	12
Balance Sheet.....	13-14
Equity.....	15
Notes.....	16-21
Accounting Policies.....	22-26

COMPANY DETAILS

Company	Dako Denmark A/S Produktionsvej 42 2600 Glostrup Telefax: +45 45 82 06 30 Website: www.dako.com E-mail: ishwer_mathpal@agilent.com CVR No.: 33 21 13 17 Established: 15 June 1967 Registered Office: Glostrup Financial Year: 1 November 2017 - 31 October 2018
Board of Directors	Richard Norman Larsen, chairman Majken Nielsen Ieva Blekte Tackie
Board of Executives	Lene Klejs Stuhr Simon Østergaard
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V
Bank	Nordea Bank Danmark A/S Hovedvejen 116 2600 Glostrup

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Dako Denmark A/S for the financial year 1 November 2017 - 31 October 2018.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's financial position at 31 October 2018 and of the results of the Company's operations for the financial year 1 November 2017 - 31 October 2018.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Glostrup, 22 March 2019

Board of Executives

Lene Klejs Stuhr

Simon Østergaard

Board of Directors

Richard Norman Larsen
Chairman

Majken Nielsen

Ieva Blekte Tackie

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Dako Denmark A/S

Opinion

We have audited the Financial Statements of Dako Denmark A/S for the financial year 1 November 2017 - 31 October 2018, which comprise income statement, balance sheet, statement of changes in equity, notes and 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 assets, liabilities and financial position of the Company's at 31 October 2018 and of the results of the Company's operations for the financial year 1 November 2017 - 31 October 2018 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 requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibility for the Financial Statements

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 Responsibility for 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 the 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 these Financial Statements.

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

INDEPENDENT AUDITOR'S REPORT

- 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 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 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 Statements Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 22 March 2019

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Ole C. K. Nielsen
State Authorised Public Accountant
MNE no. mne23299

FINANCIAL HIGHLIGHTS

	2017/18	2016/17	2015/16	2014/15	2013/14
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Income statement					
Net revenue.....	1.510.286	2.297.540	1.727.949	1.601.475	1.317.649
Gross profit/loss.....	560.742	1.117.152	663.102	657.913	611.144
Operating profit/loss.....	36.206	515.986	69.678	11.351	-78.483
Financial income and expenses, net.....	31.082	-69.346	-9.341	-23.406	-11.503
Profit/loss for the year.....	53.304	342.120	128.926	9.949	-113.161
Balance sheet					
Balance sheet total.....	2.266.047	2.012.254	2.090.056	2.606.437	2.094.572
Equity.....	1.272.418	1.379.487	1.019.919	1.048.064	1.038.115
Invested capital.....	836.916	745.717	886.600	1.233.784	791.652
Investment in tangible fixed assets.....	-12.059	-78.188	-28.922	-28.230	-82.479
Average number of full-time employees.....	2	137	639	696	722
Ratios					
Solvency ratio.....	56,2	68,6	48,8	40,2	49,6
Return on equity.....	4,0	28,5	12,5	1,0	-10,3

The ratios stated in the list of key figures and ratios have been calculated as follows:

Solvency ratio:	$\frac{\text{Equity ex. minorities, at year end} \times 100}{\text{Total equity and liabilities, at year end}}$
Return on equity:	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

The ratios follow in all material respects the recommendations of the Danish Finance Society.

MANAGEMENT'S REVIEW

Principal activities

Dako Denmark A/S hereinafter referred to as “Dako” became part of Agilent Technologies Inc. hereinafter referred to as “Agilent” in June 2012. Apart from the demerger of its field function into Agilent Technologies Denmark ApS, it continues to operate as a standalone entity within Agilent.

Dako continues to build its business on a legacy of more than 50 years within Pathology-from playing a pioneering role in the standardization of antibodies to Dako’s current role within Agilent as a leader in the Pathology segment of the in vitro diagnostics (IVD) industry.

Dako’s products are sold in more than 110 countries around the world and dedicated employees work to develop, manufacture and market reagents, antibodies, instruments and software for use in anatomic pathology laboratories worldwide.

Performance in 2018

In 2018, Dako realized total sales of DKK 1,510 Million compared to DKK 2,298 Million in 2017. The decline is largely due to high one-time revenue in 2017 related to operationalization of Dako Logistics Company ApS. The management expects growth in test volumes and in market value in the coming years.

Profit before financial income and expenses amounted to DKK 36.2 Million compared to DKK 516 Million in 2017. Net profit for the year amounted to DKK 53.3 Million compared to a Net profit of DKK 342.1 Million in 2017.

Developments during the year

In 2018, the company distributed cash dividend of DKK 160 Million. The company stabilized its operations after the initiatives in past year.

Profit/loss for the year compared to expectations

The management expects a profitable fiscal ahead. The management continues to work towards achieving operational efficiencies through process realignment and development.

The management continues to work towards achieving operational efficiencies through process realignment and development.

Significant events after the end of the financial year

Apart from the abovementioned developments, the Board of Directors and Executive Management are not aware of any event after 31st October 2018 that may have a material impact on the company’s financial position.

Research and Development

Dako has a long tradition of leading the way in cancer diagnostics research and development beginning with Dako’s pioneering work on antibody production, purification and standardization in the 1960s. With the acquisition by Agilent, the Dako portfolio is expected to develop further and faster meeting market and customer demands.

Dako’s development pipeline focuses on solutions that will continue to take customers to the next level with regards to diagnostic quality and speed. Dako R&D constantly interacts with customers to understand the challenges they face, the breakthrough technologies they need to gain a new level of diagnostic value and which improvements will make their lives easier.

Know-how and pharma partnerships

The approval of Dako’s pharmDx™ product HercepTest™ and Herceptin® (by Genentech) in 1998 was the first example of an oncology drug directly linked to a specific diagnostic test. By selecting the right drug for the right patient, companion diagnostics (pharmDx™) help drive the benefits of personalized medicine over the shortcomings of trial-and-error medicine.

MANAGEMENT'S REVIEW

Know-how and pharma partnerships (continued)

As an independent player in this field, Dako today is an important partner for pharmaceutical companies. Dako, as a pharma partner, is committed to improving patient care by helping pharmaceutical companies efficiently to develop and commercialize drugs with increased efficacy and better safety profiles. Dako is currently working with major Tier 1 and Tier 2 pharmaceutical companies to develop new potential pharmDx™ products.

Strategic initiatives

In 2018, Dako continued to pursue partnership opportunities within the increasingly critical field of personalized medicine and other partnerships with companies holding complementary technologies.

Operational initiatives/developments

During the year, Dako strengthened the Omnis platform with improved instrument hardware, customer friendly software and accommodation for wider range of reagents. The improved version has been positively received in the market and the future looks promising.

Stakeholders

As an Agilent Technologies company, Dako continues to be committed to sharing knowledge and engaging in dialog with all relevant stakeholders. Dako strives to ensure an open, timely and trustworthy communication that supports the company's strategic agenda and builds on Agilent's core values.

Risk Management

Risk is an inherent part of operating within the diagnostics industry and therefore also influences many aspects of Dako's business worldwide. Continued global growth, an increasing regulatory environment and changes in the market dynamics create both challenges and opportunities for Dako.

Key Business Risks

The regulatory environment

As a manufacturer and supplier of products for clinical diagnostics, Dako is subject to a range of requirements in the countries in which it operates. Dako is focused on complying with these regulations and is dedicated to having a constructive and collaborative dialogue with the authorities. Dako continues to work towards complying with the upcoming IVD Regulations.

Research and development

Dako engages in research and development of new products and the risk that the research or development efforts do not materialize in a new product is an integrated part of such activities. Dako is constantly monitoring and assessing the status of potential new products in its pipeline to ensure that it is using its resources for the best product candidates.

Intellectual property rights

Dako is focused on offering high quality products to its customers and is continuously engaged in R&D activities to ensure that it can maintain a high-quality product portfolio. Research and development of new products is expensive and thus Dako must protect the investments made in research and development of new products. Wherever possible, Dako aims that inventions arising out of its R&D activities are covered by intellectual property rights. Such intellectual property rights safeguard Dako's business against other companies' or an individual's utilization of inventions by Dako.

MANAGEMENT'S REVIEW

Product supply

Dako carefully monitors the supply situation and maintains a safety inventory to ensure that it can supply its customers in the event of a temporary production breakdown or if other unforeseen events should occur which impact Dako's ability to manufacture or ship products to its customers.

Sourcing

To ensure that Dako purchases materials and other products needed for its operations at competitive prices, a large part of such purchases have been centralized. This way Dako ensures that parameters such as volume, range and the term of the sourcing agreements can be used to achieve better prices and payment terms than if each purchase had been made as a stand-alone purchase.

Market conditions

Many Dako products are sold with reimbursement from public authorities. Reductions in these reimbursements may impact Dako's consolidated sales and cash flow. The competitive environment is expected to be stable with high entry barriers due to technological and investment reasons. Overall the market is expected to grow due to aging populations and healthcare expansion in new geographies.

Financial risks

The financial risk factors primarily comprise foreign exchange, and credit risks. Dako's financial risk management is based on policies approved by the Board of Directors. The company may use derivatives to hedge financial risks. Hedging of financial risks is managed at management level and is only focused on managing risks arising from the company's operations and financing.

Foreign exchange risk

Foreign exchange risk occurs both due to imbalance between income and expenses in each foreign currency and because the company has net assets in number of foreign subsidiaries. Subsidiaries outside Denmark mainly do business in local currencies with external partners.

Interest rate risk

Interest rate risk occurs due to imbalance between interest-bearing assets and liabilities, and changes in the interest rate influence both the balance sheet and the income statement.

Credit risk

The company's credit risk primarily relates to receivables, securities, cash and cash equivalents, and positive fair values of derivative financial instruments. The balance sheet valuation of all the items mentioned corresponds to the size of the maximum credit risk. The company has historically not experienced any material loss on receivables, as most customers are public hospitals or laboratories.

Counterparty risks concerning cash and cash equivalents and financial instruments are managed by only entering into agreements with financial institutions which have achieved a satisfactory rating from recognized international credit-rating institutions.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities as they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

MANAGEMENT'S REVIEW

Environmental responsibility

Dako finds it very important to comply with or exceed applicable environmental regulations of the countries and local communities in which Dako operates. Acting in a responsible manner is essential, and Dako acknowledges that environmental sustainability goes together with an efficient use of resources, which is why Dako strives to reduce the use of energy, water and raw materials and the production emission and waste. Dako systematically considers environmental aspects when remodeling any of its sites, particularly with respect to initiatives that can reduce energy consumption.

Future expectations

Operating in a market with attractive growth, Dako holds greater potential and expects higher future growth rates and results. Dako expects continued organic sales growth in future with improved operating profits.

Corporate social responsibility

Agilent Technologies group is committed to conducting business in an ethical, socially responsible and environmentally sustainable manner. Our Citizenship Objective is to be an economic, intellectual and social asset to each nation and community in which we operate. Agilent's Community Relations and Giving Programs and the Agilent Foundation are tangible examples of our commitment to exemplary Corporate Citizenship.

As part of Agilent Technologies, Dako is committed to conducting business in an ethical, socially responsible and environmentally sustainable manner. This commitment is consistent with Agilent's corporate objectives and is essential for the company's continued business success.

Target figures and policies for the underrepresented gender

Board of Directors - Gender distribution goal

The Board has a total strength of three members out of which two are female, hence a female participation of 67 %.

It is Dako's position that a diverse organization is value-adding and contributes to the achievement of Dako's business goals. It is therefore Dako's policy to encourage a balanced gender distribution at all management levels by:

- Securing that filling of all management positions, whether facilitated by HR or external consultants, is done by assessment of the collective skill set of each candidate independent of gender.
- Requiring that external search consultants engaged for recruitment for management positions propose a reasonable number of candidates of each gender.
- Having succession planning practices in place requiring managers to identify a gender-diverse range of potential successors for critical management positions.
- Requiring managers to discuss with qualified subordinates of the under-represented gender as part of their recurrent performance review how and if advancement to a (higher) management position could be relevant and what potentially would be required.
- Regularly obtaining qualitative data regarding the background for the gender distribution at various management levels both from a potential candidate perspective and from an employer perspective.

INCOME STATEMENT 1 NOVEMBER - 31 OCTOBER

	Note	2017/18 DKK '000	2016/17 DKK '000
NET REVENUE	1	1.510.286	2.297.540
Cost of sales and development expenses.....		-949.544	-1.180.388
GROSS PROFIT/LOSS		560.742	1.117.152
Research and development expenses.....	3	-326.321	-309.126
Marketing expenses.....	3	0	0
Marketing expenses.....	3	-47.216	-42.999
Administrative expenses.....	2, 3	-150.999	-249.932
OPERATING PROFIT		36.206	515.095
Other operating income.....		0	891
OPERATING PROFIT		36.206	515.986
Result of equity investments in group and associat.....	4	0	-581
Financial income.....	5	36.380	12.657
Financial expenses.....	6	-5.298	-82.003
PROFIT BEFORE TAX		67.288	446.059
Tax on profit/loss for the year.....	7	-13.984	-103.939
PROFIT FOR THE YEAR	8	53.304	342.120

BALANCE SHEET AT 31 OCTOBER

ASSETS	Note	2018 DKK '000	2017 DKK '000
Development projects completed.....		85.265	131.121
Intangible fixed assets acquired.....		424	1.151
Goodwill.....		0	1.752
Intangible fixed assets	9	85.689	134.024
Land and buildings.....		351.192	360.262
Production plants and machinery.....		58.264	60.947
Other plants, machinery, tools and equipment.....		2.886	3.948
Tangible fixed assets in progress and prepayment.....		967	16.157
Tangible fixed assets	10	413.309	441.314
Investments in subsidiaries.....		272.824	272.824
Equity investments in associated enterprises.....		3.645	3.645
Receivables from group enterprises.....		746.801	524.490
Rent deposit and other receivables.....		3.107	3.758
Fixed asset investments	11	1.026.377	804.717
FIXED ASSETS		1.525.375	1.380.055
Raw materials and consumables.....		309.125	260.386
Work in progress.....		46.579	41.483
Finished goods and goods for resale.....		1.779	36.278
Inventories		357.483	338.147
Receivables from group enterprises.....		253.058	141.201
Other receivables.....		7.470	9.217
Prepayments and accrued income.....	12	1.368	3.992
Receivables		261.896	154.410
Cash and cash equivalents		121.293	139.642
CURRENT ASSETS		740.672	632.199
ASSETS		2.266.047	2.012.254

BALANCE SHEET AT 31 OCTOBER

EQUITY AND LIABILITIES	Note	2018 DKK '000	2017 DKK '000
Share capital.....	13	61.682	61.682
Retained profit.....		1.210.736	1.317.805
EQUITY.....		1.272.418	1.379.487
Provision for deferred tax.....	14	63.968	64.483
PROVISION FOR LIABILITIES.....		63.968	64.483
Payables to group enterprises.....		177.288	0
Corporation tax.....		14.499	112.177
Other liabilities.....		3.758	4.377
Long-term liabilities.....	15	195.545	116.554
Trade payables.....		39.179	67.859
Payables to group enterprises.....		684.608	371.509
Other liabilities.....		10.329	12.362
Current liabilities.....		734.116	451.730
LIABILITIES.....		929.661	568.284
EQUITY AND LIABILITIES.....		2.266.047	2.012.254
Contingencies etc.	16		
Charges and securities	17		
Related parties	18		
Consolidated financial statements	19		

EQUITY

	Share capital	Retained profit	Proposed dividend	Total
Equity at 1 November 2017.....	61.682	1.317.804	0	1.379.486
Proposed distribution of profit.....		-107.068	160.372	53.304
Distributed extraordinary dividend.....			-160.372	-160.372
Equity at 31 October 2018.....	61.682	1.210.736	0	1.272.418

NOTES

	2017/18 DKK '000	2016/17 DKK '000	Note
Net revenue			1
Geographical segments			
Americas.....	4.133	87.796	
APAC.....	9.232	3.744	
EMEA.....	1.496.921	2.206.000	
	1.510.286	2.297.540	
Business segments			
Pathology.....	1.344.129	2.107.952	
Reagent Partnership.....	166.157	189.588	
	1.510.286	2.297.540	
<p>The business segments in the company are controlled by revenue per product group and by three regions: EMEA (Europe, Middle East and Africa, Africa), Americas (North and South America) and APAC (Asian Pacific).</p>			
Fee to statutory auditors			2
Total fee:			
BDO.....	834	962	
	834	962	
Fee specification:			
Statutory audit.....	428	428	
Tax consultancy.....	288	247	
Other services.....	118	287	
	834	962	
Staff costs			3
Average number of employees 2 (2016/17: 137)			
Wages and salaries.....	0	61.975	
Pensions.....	0	778	
Social security costs.....	0	749	
	0	63.502	
Remuneration of management and board of directors.....	4.821	3.897	
	4.821	3.897	

In accordance to section 98 B (3) of the Danish Financial Statements Act, remuneration to the Executive Board has not been disclosed.

NOTES

	2017/18 DKK '000	2016/17 DKK '000	Note
Result of equity investments in group and associat			4
Result of equity investments in group enterprises.....	0	-3	
Result of equity investments in associated enterprises.....	0	-578	
	0	-581	
Financial income			5
Group enterprises.....	14.349	11.654	
Other financial income.....	22.031	1.003	
	36.380	12.657	
Financial expenses			6
Group enterprises.....	5.027	3.046	
Other financial expenses.....	271	78.957	
	5.298	82.003	
Tax on profit/loss for the year			7
Calculated tax on taxable income of the year.....	14.499	112.177	
Adjustment of deferred tax.....	-515	-8.238	
	13.984	103.939	
Proposed distribution of profit			8
Extraordinary dividend.....	160.372	0	
Retained earnings.....	-107.068	342.120	
	53.304	342.120	
Intangible fixed assets			9
	Development projects completed	Intangible fixed assets acquired	Goodwill
Cost at 1 November 2017.....	536.998	74.044	52.565
Disposals.....	-232	-37	0
Cost at 31 October 2018.....	536.766	74.007	52.565
Amortisation at 1 November 2017.....	405.876	72.893	50.813
Reversal of amortisation of assets disposed of ..	-232	-37	0
Depreciation for the year.....	45.857	727	1.752
Depreciation at 31 October 2018.....	451.501	73.583	52.565
Carrying amount at 31 October 2018.....	85.265	424	0

The company's development projects constitutes the development of electronic measuring equipment and machines. Development projects are recognized in the balance sheet on the basis of the up-to-date sales of the products and the expectation of the market over the remaining lifetime of the technology.

NOTES

Note

Tangible fixed assets

10

	Land and buildings	Production plants and machinery
Cost at 1 November 2017.....	598.865	180.153
Additions transferred from assets under construction.....	2.823	11.822
Additions.....	7.285	1.251
Disposals.....	0	-1.636
Cost at 31 October 2018.....	608.973	191.590
Depreciation and impairment losses at 1 November 2017.....	238.603	119.206
Reversal of depreciation of assets disposed of.....	0	-1.524
Depreciation for the year.....	19.178	15.644
Depreciation and impairment losses at 31 October 2018.....	257.781	133.326
Carrying amount at 31 October 2018.....	351.192	58.264
	Other plants, machinery, tools and equipment	Tangible fixed assets in progress and prepayment
Cost at 1 November 2017.....	41.578	16.157
Additions transferred from assets under construction.....	337	-14.983
Additions.....	109	3.414
Disposals.....	-228	-3.621
Cost at 31 October 2018.....	41.796	967
Depreciation and impairment losses at 1 November 2017.....	37.633	
Reversal of depreciation of assets disposed of.....	-181	
Depreciation for the year.....	1.458	
Depreciation and impairment losses at 31 October 2018.....	38.910	
Carrying amount at 31 October 2018.....	2.886	967

Fixed asset investments

11

	Investments in subsidiaries	Equity investments in associated enterprises
Cost at 1 November 2017.....	272.824	3.645
Cost at 31 October 2018.....	272.824	3.645
Carrying amount at 31 October 2018.....	272.824	3.645
	Receivables from group enterprises	Rent deposit and other receivables
Cost at 1 November 2017.....	746.801	3.107
Cost at 31 October 2018.....	746.801	3.107
Carrying amount at 31 October 2018.....	746.801	3.107

NOTES
Note
Investments in subsidiaries (DKK)

Name and registered office	Equity	Profit/loss for the year	Ownership
DAKO North America Inc., USA.....	634.573.494	60.476.205	100 %
DAKO Holding USA Inc., USA.....	361.761.390	3.444.403	100 %
DAKO Polska Sp.z.o.o., Poland.....	1.583.124	1.412.955	100 %
DAKO Instrumec AS, Norway.....	21.509.199	956.654	100 %
DAKO Denmark UK ApS, Denmark.....	17.053.044	662.887	100 %
DAKO Denmark Belgium ApS, Denmark.....	2.838.291	97.948	100 %
DAKO Denmark Brazil ApS, Denmark.....	1.027.575	16.473	100 %
DAKO Denmark Canada ApS, Denmark.....	37.462.146	-7.322	100 %
DAKO Denmark Canada Inc., Canada.....	36.611.177	3.450	100 %
DAKO Denmark China ApS, Denmark.....	49.705.930	2.013.185	100 %
DAKO Denmark France ApS, Denmark.....	14.608.424	572.657	100 %
DAKO Denmark Germany ApS, Denmark.....	52.100.274	2.063.214	100 %
DAKO Denmark Korea ApS, Denmark.....	30.675.031	1.227.016	100 %
DAKO Denmark Netherlands ApS, Denmark.....	20.540.098	804.110	100 %
Agilent DGG Norge AS, Norway.....	8.187.344	1.538.590	100 %
DAKO Logistics Company ApS, Denmark.....	38.316.305	243.309	100 %

Investments in associates (DKK)

Name and registered office	Equity	Profit for the year	Ownership
Agilent Technologies Japan Ltd., Japan.....	378.676.000	66.107.270	27,4 %

All foreign subsidiaries are recognised and measured as separate entities. Equity and result of investments in subsidiaries are based in locally presented annual reports for 2018 and is translated to DKK at year-end. If a subsidiary has not presented an annual report as the subsidiary is not subject to local statutory requirements in relation to this, equity and result have not been keyed-in above.

Prepayments and accrued income

The item constitutes prepaid cost pertaining to the following fiscal year.

12
Share capital

Specification of the share capital:

A-aktier, 61.682 stk. a nom. 1.000 DKK.....	61.682	61.682
	61.682	61.682

13

NOTES

				Note
Provision for deferred tax				14
Provision for deferred tax comprises deferred tax on securities, accounts receivable, intangible fixed assets, including recognised finance leases.				
The amount breaks down as follows:				
Intangible assets.....		16.955	25.887	
Property, plant and equipment.....		13.513	12.273	
Inventories.....		34.547	26.629	
Debts.....		-1.047	-306	
		63.968	64.483	
Deferred tax, beginning of year.....		64.483	72.721	
Consumption for the year.....		-515	-8.238	
Provision for deferred tax 31 October 2018.....		63.968	64.483	
 Long-term liabilities				15
	1/11 2017	31/10 2018	Repayment	Debt outstanding
	total liabilities	total liabilities	next year	after 5 years
Payables to group enterprises.....	0	177.288	0	0
Corporation tax.....	112.177	14.499	0	0
Other liabilities.....	4.377	3.758	619	0
	116.554	195.545	619	0
 Contingencies etc.				16
Contractual obligations				
The company has entered into contractual agreements including service agreements, minimum purchase agreements, ect. Total unrecognised commitments as per the balance sheet date amount to DKK 8.1 million.				
 Joint liabilities				
The company is jointly and severally liable together with the parent company and the other group companies in the jointly taxed group for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.				
Tax payable of the group's jointly taxed income is stated in the annual report of Agilent Technologies Denmark ApS, which serves as management company for the joint taxation.				
 Charges and securities				17
Bank securities amounting to a total of DKK ('000) 1.228 was given at year-end.				

NOTES**Note****Related parties****18**

Dako A/S, Parent company

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5 % of the votes or at least 5 % of the share capital:

Dako A/S, Produktionsvej 42, 2600 Glostrup

Consolidated Financial Statements

The company is included in the Group Annual Report of Agilent Technologies, Inc.

The Group Annual Report may be obtained at the following address:

5301 Stevens Creek Boulevard
Santa Clara, CA 95051

Consolidated financial statements**19**

The company is included in the Group Annual Report of Agilent Technologies Inc.

The Group Annual Report may be obtained at the following address:

5301 Stevens Creek Boulevard
Santa Clara, CA 95051

ACCOUNTING POLICIES

The Annual Report of Dako Denmark A/S for 2017/18 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, large enterprise.

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

Consolidated financial statements

Consolidated financial statements have not been prepared because the group fulfils the exemption provisions of section 112 of the Danish Financial Statements Act on sub-groups. The company is included in the consolidated financial statements of Agilent Technologies Inc., at 5301 Stevens Creek Boulevard, Santa Clara, CA 95051.

INCOME STATEMENT

Net revenue

Net revenue from sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Costs of sales

Cost of sales comprises costs, including wages and salaries and write-off, incurred to achieve the net revenue for the year. Commercial enterprises recognise cost of sales, and the manufacturing enterprises recognise production costs equal to the revenue for the year, including direct and indirect costs of raw materials and consumables, wages and salaries, rent and leasing and depreciation of production plant.

Research and development expenses

Research and development expenses include research costs attributable to the Company's research and development function, including wages and salaries and maintenance of patents, amortisation and other indirect costs.

Research costs are recognised in the income statement as the costs incur.

Development projects in clearly defined and identifiable products and processes for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets if there is a correlation between the costs incurred and future earnings. If not, development costs are recognised as costs in the income statement as incurred. In case of uncertainty in connection with the development of the new products, an assessment is made as to whether the capitalisation has not been fulfilled.

Public grants for research and development cost, which are recognised directly in the income statement, are recognised under Cost of sales and development expenses in such a way that they correspond to the costs for which they compensate. Grants awarded for acquisition of assets and development assets, which are recognised in the balance sheet, are set off against for which the grants are provided.

Amortisation of capitalised development and research costs and the development costs that do not fulfil the criteria for capitalisation are also recognised in production costs.

Impairment losses are recognised in connection with expected losses on project contracts.

Distribution costs

The costs incurred for distribution of goods sold during the year and for sales campaigns carried out during the year are recognised in distribution costs. The costs of the sales personnel, advertising and exhibition costs and amortisation are also recognised in distribution costs.

ACCOUNTING POLICIES

Administrative expenses

Administrative expenses recognise costs incurred during the year regarding management and administration of the group, inclusive of costs relating to the administrative staff, executives, office premises, office expenses etc and related amortisation.

Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible fixed assets.

Income from investments

Dividend from subsidiary is recognised in the financial year when the dividend is declared.

Financial income and expenses

Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

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 wholly owned Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

BALANCE SHEET

Intangible fixed assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 5 years.

Development projects, patents and licenses and other acquired intangible assets

Development projects, patents and licenses comprise development projects completed and in progress together with acquired patents and licenses.

Development projects on clearly and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

Development costs comprise costs, including contracted workforce, and amortisation, which directly or indirectly can be related to the company's development activities and which fulfil the criteria for recognition.

In connection with measurement of software developed for internal use, external costs for consultants and software as well as internal direct and indirect costs related to the development phase are capitalised recognised. Internal development of software and development costs related to IT projects for internal use are capitalised under completed development projects.

Completed development projects are amortised on a straight-line basis using the estimated useful lives of the assets. The amortisation period is a maximum of ten years. For development projects protected by intellectual property rights, the maximum amortisation period is the remaining duration of the relevant rights. Development projects are written down to the lower of recoverable amount and carrying amount.

ACCOUNTING POLICIES

Acquired patents, licenses, etc. are measured at cost less accumulated amortisation. The rights are amortised on a straight-line basis using the estimate useful lives. The amortisation period is five years, however not more than the remaining duration of the relevant rights.

Acquired patents, licenses. etc. are written down to the lower of recoverable amount and carrying amount.

Tangible fixed assets

Buildings, production plant and machinery, other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-downs.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value as follows:

	Useful life	Residual value
Buildings.....	40 years	5 %
Plant and machinery.....	3-20 years	0 %
Other fixtures and fittings, tools and equipment.....	3-20 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, the asset is written down to its lower recoverable amount.

Profit or loss from sale of tangible fixed assets is stated as the difference between sales price less cost of sales and the carrying amount at the time of sale. Profit or loss is recognised in the Income Statement.

Fixed asset investments

Equity investments in subsidiaries are measured at cost. If the cost exceeds the net realisable value, this is written down to the lower value.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

ACCOUNTING POLICIES

Inventories

Inventory is valued at standard cost, which approximates actual cost computed on a first-in, first-out basis, not in excess of market value. We assess the valuation of our inventory on a periodic basis and make adjustments to the value for estimated excess and obsolete inventory based on estimates about future demand.

The cost of finished goods and work in progress includes cost of raw materials, consumables, direct payroll cost and indirect production cost. Indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, cost of factory administration and management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

The inventory of rabbits, goats and pigs has not been recognised as assets, as it is not possible to make measurement of cost.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

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.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

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 entity.

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. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities usually corresponds to nominal value.

ACCOUNTING POLICIES

Derivative financial instruments

Derivative financial instruments are initially recognised in the Balance Sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised under receivables and payables, respectively.

Change in fair value of derivative financial instruments classified as and complying with the criteria for hedging of the fair value of a recognised asset or a recognised liability is recognised in the Income Statement together with possible changes in the fair value of the hedged asset or the hedged liability.

Change in fair value of derivative financial instruments classified as and complying with the criteria for hedging of future cash flows is recognised under receivables or payables and under equity. If the future transaction results in recognition of assets or liabilities, all amounts recognised under equity are transferred from equity and recognised under the initial cost of the asset or liability, respectively. If the future transaction results in income or expenses amounts recognised under equity are transferred to the Income Statement for the period where the Income Statement was affected by the hedged amount.

As regards possible derivative financial instruments, which do not comply with the criteria for classification as hedging instruments, any changes in fair value are recognised on a current basis in the Income Statement.

Foreign currency translation

Transactions in foreign currencies are translated using “Average monthly rate” for the month in which the transaction is recorded. This average rate is derived from and closely represents the actual exchange rates in force during that month. Exchange differences arising between the “Average monthly rate” and the rate on the payment date are recognized in the Income Statement as financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognised directly in the equity.

Receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivable or payable is recognised in the income statement as financial income or expenses.

Fixed Assets acquired in foreign currencies are translated using “Average monthly rate” as described above for the month in which the transaction is recorded.

CASH FLOW STATEMENT

In accordance with section 86(4) of the Danish Financial Statements Act no cash flow statement has been prepared. The cash flow statement for Dako Denmark A/S incorporated in the cash flow statement of the consolidated Financial Statements of Agilent Technologies Inc., at 5301 Stevens Creek Boulevard, Santa Clara, CA 95051.