

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2017

TELEDYNE DENMARK A/S

Fabriksvangen 13

3550 Slangerup

CVR-nr. 35 03 17 15

Adopted at the Company's
Annual General Meeting
on 12 June 2018

Robert Mehrabian

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Company

Teledyne Denmark A/S
Fabriksvengen 13
3550 Slangerup

Central Business Registration no. 35 03 17 15

5th financial year

Registered in: Frederikssund

Board of Executives

Aldo Pichelli

Board of Directors

Aldo Pichelli

Susan Lee Main

Robert Mehrabian

Company auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 København S
Central business registration no. 33963556

Primary activities

Teledyne Denmark A/S' primary activity consists of holding shares in Teledyne RESON A/S.

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Board of Directors and Board of Executives have today discussed and approved the annual report for the financial year 1 January - 31 December 2017 of Teledyne Denmark A/S.

The annual report has been prepared 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 December 2017 and of the result of the Company's operation and cash flow for the financial year 1 January - 31 December 2017.

In our opinion the management's review includes a fair review about the matters the review deals with.

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

Slangerup, 12 June 2018

Board of Executives

Aldo Pichelli
Manager

Board of Directors

Aldo Pichelli
Boardmember

Susan Lee Main
Boardmember

Robert Mehrabian
Boardmember

To the shareholders of Teledyne Denmark A/S

Opinion

We have audited the financial statements of Teledyne Denmark A/S for the financial year 01.01.2017 - 31.12.2017, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statement Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Basis for 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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 judgement and maintain professional scepticism 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- * Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 the management commentary.

Copenhagen S, 12 June 2018

Deloitte
Statsautoriseret Revisionspartnerselskab
(cvr-nr. 33963556)

Keld Juel Danielsen
State Authorized Public Accountant
mne26741

Henrik Wolff Mikkelsen
State Authorized Public Accountant
mne33747

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The accounting policies applied for these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

The Financial Statements for Teledyne Denmark A/S and affiliated subsidiaries are included in the consolidated financial statements for Teledyne Technologies Inc., Thousands Oaks, California, US.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Income from investments in group enterprises

Income from investments in group enterprises comprises the dividends received for the year.

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 Entity is jointly taxed with all Danish 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).

Balance sheet

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Impairment of fixed assets

Every year, investments in subsidiaries and associates are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount. Where an impairment loss is recognised on a group of assets, a loss must first be allocated to the goodwill and then to the other assets on a pro rata basis.

Receivables

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

Other financial liabilities

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

INCOME STATEMENT
1 JANUARY - 31 DECEMBER 2017

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<u>Notes</u>	<u>2017</u> DKK'000	<u>2016</u> DKK'000
Income from investments in group enterprises	27.951	0
1 Tax on profit/loss from ordinary activities	<u>0</u>	<u>0</u>
Profit/loss for the year	<u><u>27.951</u></u>	<u><u>0</u></u>

DISTRIBUTION OF PROFIT/LOSS

Proposed distribution of profit/loss:

Extraordinary dividends in the financial year	27.951	0
Retained earnings	<u>0</u>	<u>0</u>
PROFIT/LOSS FOR THE YEAR	<u><u>27.951</u></u>	<u><u>0</u></u>

<u>Notes</u>	<u>31/12 2017</u> <u>DKK'000</u>	<u>31/12 2016</u> <u>DKK'000</u>
2 Investment in group enterprises	<u>410.405</u>	<u>410.405</u>
FIXED ASSETS	<u>410.405</u>	<u>410.405</u>
Receivables from group enterprises	<u>432</u>	<u>432</u>
RECEIVABLES	<u>432</u>	<u>432</u>
CURRENT ASSETS	<u>432</u>	<u>432</u>
ASSETS	<u><u>410.837</u></u>	<u><u>410.837</u></u>

BALANCE SHEET AT 31. DECEMBER 2017
EQUITY AND LIABILITIES

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<u>Notes</u>	<u>31/12 2017</u> <u>DKK'000</u>	<u>31/12 2016</u> <u>DKK'000</u>
Contributed capital	10.000	10.000
Retained earnings	<u>400.812</u>	<u>400.812</u>
EQUITY	<u>410.812</u>	<u>410.812</u>
Other payables	<u>25</u>	<u>25</u>
CURRENT LIABILITIES OTHER THAN PROVISIONS	<u>25</u>	<u>25</u>
LIABILITIES OTHER THAN PROVISIONS	<u>25</u>	<u>25</u>
TOTAL EQUITY AND LIABILITIES	<u><u>410.837</u></u>	<u><u>410.837</u></u>

3 Contingent liabilities

4 Related parties

5 Group

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividends DKK'000	Total DKK'000
Equity at 1/1 2016	10.000	400.812	0	410.812
Transferred from distributions of profit/loss	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Equity at 1/1 2017	10.000	400.812	0	410.812
Extraordinary dividend	0	0	27.951	27.951
Extraordinary dividend paid		0	-27.951	-27.951
Transferred from distributions of profit/loss	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Equity at 31/12 2017	<u><u>10.000</u></u>	<u><u>400.812</u></u>	<u><u>0</u></u>	<u><u>410.812</u></u>

1 Corporation tax and deferred tax

	DKK'000	DKK'000	DKK'000	DKK'000
	Income	Deferred	Acc. to	2016
	taxes	tax	the inc.	
	<u> </u>	<u> </u>	statement	<u> </u>
Payable at 1/1 2017	0	0		
Prepaid tax	0			
Tax on profit/loss for the year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
PAYABLE AT 31/12 2017	<u>0</u>	<u>0</u>		
TAX ON PROFIT/LOSS FOR THE YEAR			<u>0</u>	<u>0</u>

2 Fixed asset investments

	DKK'000
Investments in group enterprises 2017	<u>410.405</u>
Cost beginning of year	<u>410.405</u>
Carrying amount end of year	<u><u>410.405</u></u>

	Registered in	Equity interest %	Equity DKK'000	Profit/loss DKK'000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subsidiaries:				
Teledyne Reson A/S	Slangerup, Denmark	100	216.003	26.627

3 Contingent liabilities

The company is jointly taxed with other group companies and is jointly liable with the other group companies for payable and unsettled corporation and withholding taxes. Any subsequent corrections to the corporate tax and withholding taxes can lead to a higher liability for the Company.

4 Related parties

The Company's related parties comprise the following:

Controlling influence:
Rhombi Holdings Ltd., United Kingdom.

5 Group

Following parent company compose a consolidated financial statements:

For the biggest and smallest group:
Teledyne Technologies Inc., Thousand Oaks, California, USA, www.teledyne.com