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# ***Teradyne Holdings Denmark ApS***

Sundkrogsgade 21, DK-2100 København Ø

## **Annual Report for 1 January - 31 December 2016**

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CVR No 36 73 68 79

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
31/5 2017

Anders Albæk Solem  
Chairman



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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Teradyne Holdings Denmark ApS for the financial year 1 January - 31 December 2016.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Company and of the results of the Company operations for 2016.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 31 May 2017

## Executive Board

Michael Dennis Callahan  
CEO

## Board of Directors

Gregory Robert Beecher  
Chairman

Charles Jeffrey Gray

Michael Dennis Callahan

# Independent Auditor's Report

To the Shareholder of Teradyne Holdings Denmark ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Teradyne Holdings Denmark ApS for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Management's responsibilities for the Financial Statements

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

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

## Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance 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

# Independent Auditor's Report

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.
- 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.

Odense, 31 May 2017

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Michael Johansen  
statsautoriseret revisor

Henrik Trangeled Kristensen  
statsautoriseret revisor

## **Company Information**

### **The Company**

Teradyne Holdings Denmark ApS  
Sundkrogsgade 21  
DK-2100 København Ø

CVR No: 36 73 68 79  
Financial period: 1 January - 31 December  
Municipality of reg. office: København

### **Board of Directors**

Gregory Robert Beecher, Chairman  
Charles Jeffrey Gray  
Michael Dennis Callahan

### **Executive Board**

Michael Dennis Callahan

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Rytterkasernen 21  
Postboks 370  
DK-5100 Odense C

## Income Statement 1 January - 31 December

	Note	2016 TDKK	2015 TDKK
Other operating income		455	0
Other external expenses		-217	-6.390
<b>Gross profit/loss</b>		<b>238</b>	<b>-6.390</b>
Financial income	3	844	8.061
Financial expenses	4	-823	-566
<b>Profit/loss before tax</b>		<b>259</b>	<b>1.105</b>
Tax on profit/loss for the year	5	40	-1.718
<b>Net profit/loss for the year</b>		<b>299</b>	<b>-613</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings	299	-613
	<b>299</b>	<b>-613</b>

# Balance Sheet 31 December

## Assets

	Note	2016 TDKK	2015 TDKK
Investments in subsidiaries	6	2.250.539	2.137.936
<b>Fixed asset investments</b>		<b>2.250.539</b>	<b>2.137.936</b>
<b>Fixed assets</b>		<b>2.250.539</b>	<b>2.137.936</b>
Receivables from group enterprises		31.923	34.398
Corporation tax		40	0
Prepayments		14	14
<b>Receivables</b>		<b>31.977</b>	<b>34.412</b>
<b>Cash at bank and in hand</b>		<b>3.511</b>	<b>1.637</b>
<b>Currents assets</b>		<b>35.488</b>	<b>36.049</b>
<b>Assets</b>		<b>2.286.027</b>	<b>2.173.985</b>



# Balance Sheet 31 December

## Liabilities and equity

	Note	2016 TDKK	2015 TDKK
Share capital		97	89
Retained earnings		1.987.385	1.885.361
<b>Equity</b>		<b>1.987.482</b>	<b>1.885.450</b>
Other payables		112.777	149.822
<b>Long-term debt</b>	7	<b>112.777</b>	<b>149.822</b>
Payables to group enterprises		35.476	34.398
Corporation tax		0	1.718
Other payables	7	150.292	102.597
<b>Short-term debt</b>		<b>185.768</b>	<b>138.713</b>
<b>Debt</b>		<b>298.545</b>	<b>288.535</b>
<b>Liabilities and equity</b>		<b>2.286.027</b>	<b>2.173.985</b>
Main activity	1		
Contingent assets, liabilities and other financial obligations	8		
Related parties	9		

## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	89	1.885.360	1.885.449
Cash capital increase	8	101.726	101.734
Net profit/loss for the year	0	299	299
<b>Equity at 31 December</b>	<b>97</b>	<b>1.987.385</b>	<b>1.987.482</b>

# Notes to the Financial Statements

## 1 Main activity

The company's main activity is to own shares in Universal Robots A/S.

	2016 TDKK	2015 TDKK
<b>2 Staff expenses</b>		
<b>Average number of employees</b>	<b>0</b>	<b>0</b>
<b>3 Financial income</b>		
Interest received from group enterprises	650	566
Other financial income	194	7.495
	<b>844</b>	<b>8.061</b>
<b>4 Financial expenses</b>		
Interest paid to group enterprises	809	566
Other financial expenses	14	0
	<b>823</b>	<b>566</b>
<b>5 Tax on profit/loss for the year</b>		
Current tax for the year	-40	1.718
	<b>-40</b>	<b>1.718</b>
<b>6 Investments in subsidiaries</b>		
Cost at 1 January	2.137.937	0
Additions for the year	112.602	2.137.936
<b>Carrying amount at 31 December</b>	<b>2.250.539</b>	<b>2.137.936</b>

Investments in subsidiaries are specified as follows:

## Notes to the Financial Statements

Name	Place of registered office	Votes and ownership
Universal Robots A/S	Odense, Denmark	100%

### 7 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2016 TDKK	2015 TDKK
<b>Other payables</b>		
Between 1 and 5 years	112.777	149.822
Long-term part	<u>112.777</u>	<u>149.822</u>
Within 1 year	150.165	102.450
Other short-term payables	127	147
Short-term part	<u>150.292</u>	<u>102.597</u>
	<b><u>263.069</u></b>	<b><u>252.419</u></b>

### 8 Contingent assets, liabilities and other financial obligations

#### Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

# Notes to the Financial Statements

## 9 Related parties

	<b>Basis</b>
<b>Controlling interest</b>	
Teradyne Inc.	The ultimate shareholder
Teradyne International Holding B.V.	Holds the majority of the share capital

### Consolidated Financial Statements

Name	Place of registered office
Teradyne Inc.	USA

The Group Annual Report of Teradyne Inc. may be obtained by contacting Teradyne Denmark.

## **Notes, Accounting Policies**

### **Basis of Preparation**

The Annual Report of Teradyne Holdings Denmark ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2016 are presented in TDKK.

### **Consolidated financial statements**

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Teradyne Inc., the Company has not prepared consolidated financial statements.

### **Recognition and measurement**

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### **Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

## **Notes, Accounting Policies**

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### **Income Statement**

#### **Other external expenses**

Other external expenses comprise administration expenses.

#### **Other operating income and expenses**

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

#### **Income from investments in subsidiaries**

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

#### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

#### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## **Notes, Accounting Policies**

### **Balance Sheet**

#### **Investments in subsidiaries**

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

#### **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

#### **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

#### **Equity**

##### ***Dividend***

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

#### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.



## **Notes, Accounting Policies**

### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.