

# **ELSTER-INSTROMET A/S**

Læsøvej 3  
9800 Hjørring

Årsrapport  
1. januar 2015 - 31. december 2015

**Årsrapporten er fremlagt og godkendt på  
selskabets ordinære generalforsamling den**

**12/05/2016**

**David Thomson**  
**Dirigent**

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# Virksomhedsoplysninger

<b>Virksomheden</b>	ELSTER-INSTROMET A/S Læsøvej 3 9800 Hjørring  Telefonnummer: 98911055  CVR-nr: 76403112 Regnskabsår: 01/01/2015 - 31/12/2015
<b>Bankforbindelse</b>	Nordea Bank Danmark A/S Østergade 10-12 9800 Hjørring DK Danmark
<b>Revisor</b>	Deloitte Statsautoriseret Revisionspartnerselskab Gøteborgvej 18 9200 Aalborg SV DK Danmark CVR-nr: 33963556 P-enhed: 1017195383

# Ledespåtegning

## MANAGEMENT'S STATEMENT ON THE ANNUAL REPORT

The Executive and Supervisory Boards have today discussed and approved the annual report of Elster-Instromet A/S for the financial year 1 January – 31 December 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and the performed accounting judgements to be reasonable. Furthermore we find the presentation of the annual report to give a fair and true view. The annual report therefore in our opinion gives a true and fair view of the company's assets and liabilities, the financial position and result.

We recommend that the annual report be approved at the annual general meeting.

Hjørring, May 12. 2016

, den

### Direktion

René Gårdsvig

### Bestyrelse

René Gårdsvig

Thomas Franz Kujadt

David James Thomson

# Den uafhængige revisors påtegning på årsregnskabet

TO THE SHAREHOLDER OF ELSTER-INSTROMET A/S

## Påtegning på årsregnskabet

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Elster-Instromet A/S for the financial year 01.01.2015 - 31.12.15, which comprise the accounting policies, income statement, balance sheet, equity accounts and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act

## Ledelsens ansvar for årsregnskabet

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.

## Revisors ansvar

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 about 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 entity'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 entity'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 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 audit opinion.

Our audit has not resulted in any qualification

## **Konklusion**

### 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 01.01.15 - 31.12.15 in accordance with the Danish Financial Statements Act.

Aalborg, 12/05/2016

Lars Birner Sørensen  
State Authorised Public Accountant  
Deloitte Statsautoriseret Revisionspartnerselskab  
CVR: 33963556

# Ledelsesberetning

## 11. MAIN ACTIVITY

To manufacture and market measuring, regulating and process equipment, etc.

To design and build meter- and/or regulator stations as well as complete process solutions such as burner and engine trains. To be able to make preventive maintenance and service of equipment delivered by us in the Nordic Countries. To hold the market responsibility for the entire Elster-Instromet Group's product programme in the Nordic Countries.

# Anvendt regnskabspraksis

Årsrapporten er aflagt i overensstemmelse med årsregnskabslovens bestemmelser for Regnskabsklasse B. Der er foretaget tilvalg af enkelte regler i regnskabsklasse C.

ACCOUNTING POLICIES  
FOR THE YEAR ENDED  
31 DECEMBER 2015

The Company's Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B and the Company's Articles of Association with addition of certain provisions for reporting class C.

The Accounting Policies are consistent with last year.

## GENERAL PRINCIPLES ABOUT RECOGNITION AND MEASUREMENT.

Assets are recognized in the Balance Sheet, when it due to an earlier event is likely, that future economic benefits will flow to the company, and the value of the asset can be reliably measured.

Commitments are recognized in the Balance Sheet, when the company due to an earlier event has a legal or an actual commitment, and it is likely, at future economic benefits will flow out of the company, and that the commitment can be reliably measured.

At the first recognition the assets and commitments are measured at costs. Measurement after the first recognition will take place as described at each item below.

At the recognition and measurement, predictable risks and losses are considered, which are obtained, before the Annual Report is prepared, and which confirms or refutes relations that exists at year end.

At the Income Statement, revenue is recognized as they are earned, while costs are recognized with the amounts that relates to the financial year.

## Transactions in Foreign Currencies:

Goods and services sold or purchased in foreign currencies are recorded at the official exchange rates at the date of the transaction.

Receivables or payables in foreign currency are stated at the official exchange rates at the balance sheet date.

Realised and unrealised exchange adjustments are recognised in financial income and expenses in the income statement. Fixed assets, inventories and other non-monetary assets, purchased in foreign currencies, are recorded at historical exchange rates.

## INCOME STATEMENT

### Gross Profit

Gross Profit includes net turnover, other operating income, change in inventories, cost of material and other external costs.

### Income Recognition:

Income from sale of trade and finished goods is recognised when delivery and transfer of risk to the buyer has taken place. Net revenue therefore comprises the value of goods and services invoiced, less VAT and price reductions directly related to the sales and is measured at fair value of the fixed remuneration.

### Other operating income:

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

### Cost of material:

Cost of material comprises cost of material of the financial year measured at costs, and adjusted for usual inventory write-downs.

### Other external costs:

Other external costs comprises costs, which concerns primary activities of the company, including rents, office costs, marketing costs etc.

### Staff Expenses:

Staff expenses comprises salaries and wages including social security, pensions etc. for employees of the



company.

Depreciation and impairment.:

Depreciation and impairment comprise depreciation and impairment for the year of property, plant and equipment, calculated on the basis of the fixed residual values and useful live periods for each single asset, performed impairment tests and from gain and losses from eventual sale of fixed assets.

Financial Income and Financial Expenses:

Financial income and expenses comprise interest, realised and unrealised exchange adjustments as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit:

Tax on profit for the year, comprises payable tax of the year and change of deferred tax, is recognized in the Income Statement with the portion, which concerns the result of the year, and directly at the Equity with the portion that concerns entries directly at the Equity.

## BALANCE SHEET

Property, Plant and Equipment:

Leasehold improvements are measured at cost less depreciation, which is made on a straight line basis over 3 years.

Property, plant and equipment are measured at cost less depreciation. Depreciation is made on a straight line basis over the expected useful lives of the assets, which are estimated at 3-10 years.

Property, plant and equipment are written down to recoverable amount, if this is lower than the carrying amount.

Improvements and minor acquisitions costing less than DKK 12.800 are expensed in the income statement in the year of acquisition.

Inventories:

Inventories are measured at the lower of cost and net realisable value, where cost is based on the FIFO method.

Cost of goods for resale, raw materials and consumables includes landed cost.

The net realizable value of inventories is measured as the expected salesprice less completion costs or incurred costs to effect the sale.

Accounts Receivable:

Accounts receivable are recognised in the balance sheet at amortised cost, which usually corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Deferred taxes:

Deferred taxes are recognized from all temporary variances between carrying amount and taxable value of assets and liabilities, where the taxable value of assets are measured on the basis of planned use of each single asset.

Deferred tax assets, including taxable value of deferrable taxable deficits, are recognized in the Balance Sheet with the value, of which the asset is expected to be realised, either by offsetting against deferred tax liabilities or as a net tax asset.

Prepayments:

Prepayments recognized as assets comprises costs incurred, which relates to subsequent financial years.

Prepayments are measured at cost.

Cash at Bank:

Cash at Bank comprises cash and cash equivalents.

Dividends:

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item in equity.

Provisions:

Provisions comprises expected obligations to meet complaint cases.

Provisions are recognized and measured as the best estimate of costs, necessary to settle the obligations at the Balance Sheet date. Provisions with an expected settlement date beyond one year from Balance Sheet

date, is measured at discounted value.

**Other financial liabilities:**

Other financial liabilities is recognised at cost at the time of contracting the debt. Subsequently, it is stated at amortised cost, which in respect of short-term and non-interest bearing debt and in respect of floating-rate loans usually corresponds to nominal value.

**Preinvoicing:**

Preinvoicing of goods and services from customers comprises amounts received from customers prior to the time of delivery.

**Corporation Tax:**

Actual tax liabilities or actual tax receivables is recognized in the Balance Sheet as calculated tax of taxable income, adjusted for paid on account tax.

# Resultatopgørelse 1. jan 2015 - 31. dec 2015

	Note	2015 kr.	2014 kr.
<b>Bruttofortjeneste/Bruttotab .....</b>		<b>16.881.256</b>	<b>13.412.802</b>
Personaleomkostninger .....	1		-6.041.848
Lønninger .....		-4.618.630	-5.046.931
Pensioner .....		-706.352	-762.360
Andre omkostninger til social sikring .....		-220.143	-194.914
Andre personaleomkostninger .....		-38.742	-37.643
Af- og nedskrivninger af materielle og immaterielle anlægsaktiver .....		-151.498	-245.212
<b>Resultat af ordinær primær drift .....</b>		<b>11.145.891</b>	<b>7.125.742</b>
Andre finansielle indtægter .....	2	1.037	3.604
Øvrige finansielle omkostninger .....	3	-33.283	-10.804
Andre finansielle omkostninger .....			-10.804
<b>Ordinært resultat før skat .....</b>		<b>11.113.645</b>	<b>7.118.542</b>
Skat af årets resultat .....	4	-2.641.789	-1.761.106
<b>Årets resultat .....</b>		<b>8.471.856</b>	<b>5.357.436</b>
<b>Forslag til resultatdisponering</b>			
Foreslået udbytte indregnet under egenkapitalen .....			5.357.436
Overført resultat .....		8.471.856	
<b>I alt .....</b>		<b>8.471.856</b>	<b>5.357.436</b>

# Balance 31. december 2015

## Aktiver

	Note	2015 kr.	2014 kr.
Produktionsanlæg og maskiner .....		479.725	553.029
Andre anlæg, driftsmateriel og inventar .....		22.290	39.083
Indretning af lejede lokaler .....			61.401
<b>Materielle anlægsaktiver i alt .....</b>	<b>5</b>	<b>502.015</b>	<b>653.513</b>
<b>Anlægsaktiver i alt .....</b>		<b>502.015</b>	<b>653.513</b>
Råvarer og hjælpematerialer .....		2.734.812	3.342.469
Varer under fremstilling .....		5.413.017	1.857.694
<b>Varebeholdninger i alt .....</b>		<b>8.147.829</b>	<b>5.200.163</b>
Tilgodehavender fra salg og tjenesteydelser .....		4.544.013	4.562.992
Tilgodehavender hos tilknyttede virksomheder .....		1.381.011	6.990.416
Udskudte skatteaktiver .....			29.217
Andre tilgodehavender .....		132.406	73.646
Periodeafgrænsningsposter .....		68.009	29.646
<b>Tilgodehavender i alt .....</b>		<b>6.125.439</b>	<b>11.685.917</b>
Likvide beholdninger .....		10.899.813	3.107.056
<b>Omsætningsaktiver i alt .....</b>		<b>25.173.081</b>	<b>19.993.136</b>
<b>Aktiver i alt .....</b>		<b>25.675.096</b>	<b>20.646.649</b>

# Balance 31. december 2015

## Passiver

	Note	2015 kr.	2014 kr.
Registreret kapital mv. ....		900.000	900.000
Overført resultat .....		11.664.202	3.192.346
Forslag til udbytte .....			5.357.436
<b>Egenkapital i alt .....</b>		<b>12.564.202</b>	<b>9.449.782</b>
Hensættelse til udskudt skat .....		6.927	
Andre hensatte forpligtelser .....			125.000
<b>Hensatte forpligtelser i alt .....</b>		<b>6.927</b>	<b>125.000</b>
Modtagne forudbetalinger fra kunder .....		2.853.454	1.123.800
Leverandører af varer og tjenesteydelser .....		2.330.414	1.156.447
Gældsforpligtelser til tilknyttede virksomheder .....		2.758.033	5.129.922
Skyldig selskabsskat .....		2.119.645	202.945
Anden gæld, herunder skyldige skatter og skyldige bidrag til social sikring .....	6	3.042.421	3.458.753
<b>Kortfristede gældsforpligtelser i alt .....</b>		<b>13.103.967</b>	<b>11.071.867</b>
<b>Gældsforpligtelser i alt .....</b>		<b>13.103.967</b>	<b>11.071.867</b>
<b>Passiver i alt .....</b>		<b>25.675.096</b>	<b>20.646.649</b>

# Egenkapitalopgørelse 1. jan 2015 - 31. dec 2015

	<b>Registreret kapital mv.</b>	<b>Overført resultat</b>	<b>Foreslået udbytte indregnet under egenkapitalen</b>	<b>I alt</b>
	<b>kr.</b>	<b>kr.</b>	<b>kr.</b>	<b>kr.</b>
Egenkapital, primo .....	900.000	3.192.346	5.357.434	9.449.780
Betalt udbytte .....			-5.357.434	-5.357.434
Årets resultat .....		8.471.856		8.471.856
Egenkapital, ultimo .....	900.000	11.664.202	0	12.564.202

# Noter

## 1. Personaleomkostninger

	<b>2015</b>	<b>2014</b>
	<b>kr.</b>	<b>kr.</b>
Løn og gager	4.618.630	5.046.931
Pensionsbidrag	706.352	762.360
Social security costs	220.143	194.914
Other staff expenses	38.742	37.643
	<b>5.583.867</b>	<b>6.041.848</b>

## 2. Andre finansielle indtægter

	<b>2015</b>	<b>2014</b>
	<b>Dkk</b>	<b>Dkk</b>
Interest income from group enterprises	923	3.604
Other interest income	114	0
	<b>1.037</b>	<b>3.604</b>

## 3. Øvrige finansielle omkostninger

	<b>2015</b>	<b>2014</b>
	<b>Dkk</b>	<b>Dkk</b>
Interest expenses from group enterprises	32.414	9.794
Other interest expenses	869	1.010
	<b>33.283</b>	<b>10.804</b>

## 4. Skat af årets resultat

	<b>2015</b>	<b>2014</b>
	<b>kr.</b>	<b>kr.</b>
Payable tax for the year	2.605.645	1.777.945
Change of deferred tax	36.144	-25.302
Adjustment relating to previous years	0	8.463
	<b>2.641.789</b>	<b>1.761.106</b>

## 5. Materielle anlægsaktiver i alt

	Plant and machinery	Other fixtures fittings & improvements equipment	Leasehold improvements
	kr.	kr.	kr.
Costs beginning of year 2015	1.751.411	226.938	442.098
Additions	0	0	0
Disposals	-140.425	0	0
<b>Costs end of year</b>	<b>1.610.986</b>	<b>226.938</b>	<b>442.098</b>
Impairment gain beginning of the year	0	0	0
Impairment gain	0	0	0
<b>Impairment gain end of the year</b>	<b>0</b>	<b>0</b>	<b>0</b>
Depreciation and impairment losses beginning of the year	-1.198.382	-187.855	-380.697
Depreciation for the year	-73.304	-16.793	-61.401
Reversal regarding disposals	140.425	0	0
<b>Depreciation and impairment losses end of the year</b>	<b>-1.131.261</b>	<b>-204.648</b>	<b>-442.098</b>
<b>Carrying amount end of year</b>	<b>479.725</b>	<b>22.290</b>	<b>0</b>

## 6. Anden gæld, herunder skyldige skatter og skyldige bidrag til social sikring

	2015	2014
	Dkk	Dkk
VAT and customs	1.665.662	1.972.713
Social payroll expenses, etc.	22.400	22.946
Computed holiday pay	932.409	1.013.419
Other items	421.950	449.675
	<b>3.042.421</b>	<b>3.458.753</b>



## 7. Oplysning om eventualforpligtelser

### 8. RENTAL AND LEASE OBLIGATIONS:

a) The Company has entered into a rental agreement, which covers the period until December 31, 2015, and can then be cancelled at 6 months notice. The present yearly obligation for this rental agreement amounts to DKK 149.538, and the grand total obligation amounts to DKK 149.538.

b) The Company has entered into lease contracts for operating equipment. The contracts covers the period until September 2018, and the total obligation amounts to DKK 615.064.

2015	2014
Dkk	Dkk
Total obligations according to Rental and	
Lease contracts until end of contract	
	764.602
1.116.846	

## 8. Oplysning om ejerskab

### 9. 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.

ELSTER GmbH, Steinerstrasse 19-21, Postfach 1 29, D-55252 Mainz-Kastel, Germany

### 10. RELATED PARTIES AND OWNERSHIP

The direct and the ultimate Parent Companies, which prepare consolidated financial statements including the Company, are ELSTER GmbH, Mainz-Kastel in Germany, and Honeywell, Morristown, New Jersey, USA respectively.

The consolidated financial statements of these companies can be obtained at the following addresses:

ELSTER GmbH, Steinerstrasse 19-21, Postfach 1 29, D-55252 Mainz-Kastel, Germany

Honeywell International, 101 Columbia Rd, PO Box 4000, Morristown, NJ 08962, USA

## 9. Information om gennemsnitligt antal ansatte

Her kan du indsætte tekst og tabeller (for nogle noter er det ikke muligt at indsætte tabeller).

	2015	2014
Gennemsnitligt antal ansatte .....	11	13