

Company Registration No. 2693603

**ARJOHUNTLEIGH INTERNATIONAL
LIMITED**

Report and Financial Statements

31 December 2009

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ARJOHUNTLEIGH INTERNATIONAL LIMITED

Report and financial statements 2009

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ARJOHUNTLEIGH INTERNATIONAL LIMITED

Report and financial statements 2009

Officers and professional advisers

Directors

A Myers
L Martensson
S Lutran

Secretary

R Bloom

Registered Office

310-312 Dallow Road
Luton
Bedfordshire
LU1 1TD

Bankers

Handelsbanken
2nd Floor, Moorgate House
201 Silbury Boulevard
Milton Keynes
MK9 1LZ

Solicitors

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London
EC1A 4DD

Auditors

PricewaterhouseCoopers LLP
Chartered Accountants & Registered Auditors
10 Bricket Road
St Albans
AL1 3JX

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2009

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The principal activity of the company during the year has been the sale of medical equipment

The results for the year are set out in the profit and loss account on page 7. The company traded satisfactorily during 2009 and is in a good position to take advantage of any further opportunities which may arise. Further progress is expected in the future.

Key performance indicators

Turnover has reached £12.4m (2008 £7.7m) with a gross profit margin of 6.9% (2008 11.9%)

The company's operating profit margin is -17.4% (2008 -9.4%)

There were 22 employees on 31 December 2009 (2008 18)

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive pressure is a continuing risk for the company which could result in it losing sales to key competitors. The company manages this risk by being responsive to customers' needs and maintaining strong relationships with its customers.

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund obligations as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk.

Interest-rate risks

Long term borrowing facilities are provided by another group company on fixed interest rates.

Currency risks

Payments as a result of sales income and expenses for goods sold in foreign currencies cause currency exposure that affects company profits in the event of exchange rate fluctuations. Major currencies such as Euro and US Dollar are hedged by Getinge AB to mitigate this risk.

Credit risks

The company's principal financial assets are bank balances and cash, trade and other receivables and investments. Commercial credit risks are limited by a diverse, creditworthy customer base. Any debtors where payment is in doubt have been provided against and the provision is reflected in operating profit.

The company has no significant concentration of credit risk with exposure spread over a large number of counterparties, customers and countries.

Liquidity risk

To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future growth developments the company maintains a strong working capital position and has access to long term and short term debt finance.

GOING CONCERN

The company has a deed of guarantee in place with its ultimate parent undertaking, Getinge AB, which irrevocably guarantees to provide financial support to the company as may from time to time be necessary to enable the company to perform its business and satisfy its financial obligations as they fall due for the foreseeable future. The directors have assessed the ability of Getinge AB to provide that support and, on that basis, have concluded that the application of the going concern basis of preparation of the financial statements is appropriate.

DIVIDENDS

No dividend was paid or proposed to be paid out of current year profit and reserves (2008 £nil)

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Directors' report

DIRECTORS

The directors who held office throughout the year unless otherwise stated were as follows

C A Hagert (resigned 31 Jan 2010)
M Berg (resigned 14 September 2009)
A Myers (appointed 14 September 2009)
S Fristedt (resigned 1 August 2009)
L Martensson (appointed 1 August 2009)
S Lutrán

EMPLOYEE POLICY

The company's policy is to provide equality of employment opportunity, through training, career development and promotion. It supports the employment of disabled people wherever possible, by recruitment and by retraining all those who become disabled during their employment.

Effective communication with all employees is ensured through a variety of different practices such as works and health and safety committees, continual in-house refresher and training courses and periodic briefings by senior managers. These practices ensure that the views of employees are taken into account in making decisions that are likely to affect their interests and that employees are aware of financial and economic factors that affect the performance of the company.

HEALTH AND SAFETY AND THE ENVIRONMENT

The company continuously refines its detailed policies and procedures in respect of health and safety and environmental matters. The impact of the business on the environment is taken seriously and the company has in place safeguards to protect the environment from pollution. The company seeks to minimise any disturbance to the local and global environment and the quality of life of local communities. Full details can be found in the social review of the ultimate holding company, Getinge AB.

CREDITOR PAYMENT PRACTICE

It is the company's policy to agree terms with its suppliers, terms of settlement which are appropriate for the markets in which they operate, and to abide by such terms where suppliers have also met their obligations. Company external creditor days are 30 days. The company purchases all of its Cost of sales from another group company which is paid within 30 days through the group netting system as set out by group Treasury policy.

CHARITABLE AND POLITICAL DONATIONS

The company made no charitable or political donations during 2009 (2008 £nil).

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Directors' report

AUDITORS

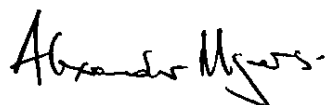
In the case of each of the persons who are directors of the company at the date when this report is approved

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware, and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 (1) to (4) of the Companies Act 2006

The auditors, PricewaterhouseCoopers LLP, have expressed their willingness to continue in office as auditors of the company and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors and signed on behalf of the Board



A Myers

Director

22 December 2010

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of ARJOHUNTLEIGH INTERNATIONAL LIMITED

We have audited the financial statements of Arjo Huntleigh International Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Robert Girdlestone (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans

22 December 2010

ARJOHUNTLEIGH INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2009

	Note	2009 £'000	2008 £'000
TURNOVER		12,410	7,741
Cost of sales		(11,550)	(6,819)
GROSS PROFIT		860	922
Administrative expenses		(2,899)	(191)
OPERATING (LOSS) / PROFIT	1	(2,039)	731
Interest receivable and similar income	2	2	41
Interest payable and similar charges	3	(125)	(47)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,162)	725
Tax charge on profit on ordinary activities	6	583	(231)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(1,579)	494

All activities derive from continuing activities

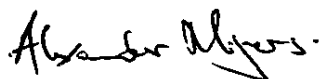
There are no recognised gains and losses other than the profits for the current year. Accordingly, no statement of total recognised gains and losses is given.

ARJOHUNTLEIGH INTERNATIONAL LIMITED

BALANCE SHEET As at 31 December 2009

		2009 £'000	2008 £'000
	Note		
FIXED ASSETS			
Tangible assets	7	77	17
		<u>77</u>	<u>17</u>
CURRENT ASSETS			
Stocks	8	293	719
Debtors	9	4,840	3,675
Cash at bank and in hand		941	2,669
		<u> </u>	<u> </u>
CREDITORS: amounts falling due within one year	10	(7,227)	(6,586)
		<u>(7,227)</u>	<u>(6,586)</u>
NET CURRENT ASSETS		(1,153)	477
		<u>(1,153)</u>	<u>477</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(1,076)	494
		<u>(1,076)</u>	<u>494</u>
PROVISIONS FOR LIABILITIES AND CHARGES	11	(9)	-
		<u>(9)</u>	<u>-</u>
NET ASSETS		<u>(1,085)</u>	<u>494</u>
CAPITAL AND RESERVES			
Called up share capital	13	-	-
Profit and loss account	14	(1,085)	494
		<u>(1,085)</u>	<u>494</u>
SHAREHOLDERS' FUNDS	15	<u>(1,085)</u>	<u>494</u>

These financial statements were approved by the Board of Directors and authorised for issue on 22 December 2010
Signed on behalf of the Board of Directors



A Myers
Director

Company Registration number: 2693603

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Statement of accounting policies **Year ended 31 December 2009**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards.

Going concern

The company has a deed of guarantee in place with its ultimate parent undertaking, Getinge AB, which irrevocably guarantees to provide financial support to the company as may from time to time be necessary to enable the company to perform its business and satisfy its financial obligations as they fall due for the foreseeable future. The directors have assessed the ability of Getinge AB to provide that support and, on that basis, have concluded that the application of the going concern basis of preparation of the financial statements is appropriate.

Cash flow statement

As permitted by Financial Reporting Standard No 1 (Revised) "Cash flow statements" the company has not included a cash flow statement as part of its financial statements because the consolidated financial statements of the ultimate parent company Getinge AB are publicly available.

Tangible fixed assets

Fixed assets are shown at cost net of depreciation and any provision for impairment.

Depreciation is provided on the cost of all tangible fixed assets, at a rate calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Plant and machinery	- up to a maximum of 10 years
---------------------	-------------------------------

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Turnover

Income from the sale of goods is recognised at the point at which the goods are despatched and the rights and rewards of ownership are transferred. Turnover is stated net of VAT and other sales-related taxes, and intra-group transactional discounts.

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Statement of accounting policies **Year ended 31 December 2009**

Leases

Operating lease income is recognised on a straight-line basis over the period of the lease
Rentals paid under operating leases are charged against income on a straight-line basis over the lease term

Pension costs

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown either as accruals or prepayments in the balance sheet

Stocks and work in progress

Stock is stated at the lower of cost and net realisable value

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Notes to the financial statements Year ended 31 December 2009

1 OPERATING PROFIT

	2009 £'000	2008 £'000
Operating profit is stated after charging		
Restructuring costs	-	645
Depreciation of owned fixed assets	11	16
Foreign exchange losses / (gains)	1,003	(1,455)
Fees payable to the company's auditors for the audit of the company's annual accounts	15	10
	<u> </u>	<u> </u>

2 INTEREST RECEIVABLE AND SIMILAR INCOME

	2009 £'000	2008 £'000
Bank interest	<u>2</u>	<u>41</u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £'000	2008 £'000
Group Undertakings	123	47
Bank Interest Payable	<u>2</u>	<u>-</u>
	<u>125</u>	<u>47</u>

4 STAFF COSTS

	2009 £'000	2008 £'000
Wages and salaries	978	690
Social security costs	93	48
Pension costs	<u>62</u>	<u>30</u>
	<u>1,133</u>	<u>768</u>

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Notes to the financial statements Year ended 31 December 2009

4. STAFF COSTS (CONTINUED)

Average monthly number of employees (including the directors) during the year was:

	2009 No.	2008 No
Sales	7	6
Administration	15	12
	<u>22</u>	<u>18</u>

The Directors remuneration was borne by another group company for the current and prior year

5. PENSION ARRANGEMENTS

The company participates in a funded pension scheme providing defined benefits for the employees and employees of other group companies. Under the scheme, the employees are entitled to retirement benefits varying between 0% and 100% of final salary depending on length of service, on attainment of a retirement age of 65. No other post-retirement benefits are provided.

The most recent completed full actuarial valuation of the scheme was carried out at 5 April 2008 by a firm of actuaries using the projected unit credit method. The principal actuarial assumptions used to value the defined benefit section of the scheme were pre-retirement investment return of 7.4%, post-retirement investment return of 5.4%, salary increases of 4.5%, pension increases of between 2.2% and 3.4% dependent on the rate of LPI, and price inflation of 3.5%. The total market value of the scheme's assets at the valuation date was £35,149,000. The actuarial liability is valued at £44,849,000. This leaves a deficit under full actuarial valuation of £9,700,000.

In accordance with FRS 17, the pension scheme liabilities are fully accounted for in Huntleigh Healthcare Limited. Contributions paid by Arjo Huntleigh International Limited will be accounted for as a defined contribution scheme under FRS 17 as the share of the assets and liabilities relating to the company cannot be separately identified. The full details of the deficit and assumptions used in the actuarial calculations are included in the financial statements of Huntleigh Healthcare Limited.

The annual costs charged to the profit and loss account for the year ended 31 December 2009 were £43k (2008 £17k).

6 TAX (CREDIT) / CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	2009 £'000	2008 £'000
Current tax		
United Kingdom corporation tax at 28% (2008 – 28.5%) based on the (loss)/profit for the year	(592)	231
Total current tax (credit) / charge	<u>(592)</u>	<u>231</u>
Deferred tax		
Timing differences, origination and reversal	1	-
Adjustments in respect of prior years	8	-
Tax on (loss) / profit on ordinary activities	<u>(583)</u>	<u>231</u>

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Notes to the financial statements Year ended 31 December 2009

6. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28% (2008 – 28.5%)
The actual tax (credit) / charge for the current and previous year differs to the standard rate for the reasons set out in the following reconciliation

	2009 £'000	2008 £'000
(Loss) / profit on ordinary activities before taxation	(2,162)	726
Tax on (loss) / profit on ordinary activities at standard rate of 28.58%	(605)	208
Expenses not deductible for tax purposes	22	-
Capital Allowances in deficit of depreciation	(1)	-
Adjustments in respect of prior years	(8)	-
Current tax (credit) / charge for the year	(592)	231

Factors affecting future tax charges

The standard UK corporation tax rate will be reduced from 28% to 27% with effect from 1 April 2011. This rate change was substantially enacted after the balance sheet date and so the effect has not been included within these financial statements. Further reductions in the corporation rate of 1% annually until the corporation tax rate reaches 24% on 1 April 2014 have been announced but not substantially enacted.

7. TANGIBLE FIXED ASSETS

	Plant and machinery £'000	Total £'000
Cost or valuation		
At 1 January 2009	25	25
Additions	71	71
Disposals	-	-
At 31 December 2009	96	96
Depreciation		
At 1 January 2009	8	8
Charge for the year	11	11
Disposals	-	-
At 31 December 2009	19	19
Net book value		
At 31 December 2009	77	77
At 31 December 2008	17	17

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Notes to the financial statements Year ended 31 December 2009

8. STOCKS

	2009 £'000	2008 £'000
Finished goods and goods for resale	293	719

There is no material difference between the balance sheet value of stocks and their replacement cost

9 DEBTORS

	2009 £'000	2008 £'000
Trade debtors	2,597	3,541
Amounts owed by parent and fellow subsidiary undertakings	1,675	36
Prepayments and accrued income	206	98
Corporation Tax	362	-
	4,840	3,675

Amounts owed by parent and fellow subsidiary undertakings are unsecured, interest free and repayable on demand

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £'000	2008 £'000
Trade creditors	215	13
Amounts owed to parent and fellow subsidiary undertakings	6,856	5,353
Corporation tax	-	231
Other creditors	-	17
Accruals and deferred income	156	972
	7,227	6,586

Amounts due to parent and fellow subsidiary undertakings are unsecured, interest free and payable on demand with the exception of a loan of £4,800,000 from Arjo Ltd Med AB for which interest was charged at a fixed rate of 6.72%

11 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred tax liability £'000	Total £'000
As at 1 January 2009	-	-
Charged to the profit and loss account	9	9
As at 31 December 2009	9	9

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Notes to the financial statements Year ended 31 December 2009

12 DEFERRED TAXATION

The movement in deferred taxation in the year is as follows

	2009 £'000	2008 £'000
As at 1 January	-	-
Charged to the profit and loss account	9	-
As at 31 December	9	-

Deferred taxation is comprised as follows

	2009 £'000	2008 £'000
Capital allowances in advance of depreciation	8	-
Other timing differences	1	-
	9	-

13. SHARE CAPITAL

	2009 £'000	2008 £'000
Authorised		
2 ordinary shares of £1 each	-	-
Called up, allotted and fully paid		
2 ordinary shares of £1 each	-	-

14. PROFIT AND LOSS ACCOUNT

	2009 £'000	2008 £'000
At 1 January	494	-
Profit for the year	(1,579)	494
Other recognised gains and losses for the year	-	-
At 31 December	(1,085)	494

ARJOHUNTLEIGH INTERNATIONAL LIMITED

Notes to the financial statements Year ended 31 December 2009

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £'000	2008 £'000
At 1 January	494	-
Profit for the financial year	(1,579)	494
Other recognised gains and losses for the year	-	-
At 31 December	<u>(1,085)</u>	<u>494</u>

16. OPERATING LEASE ARRANGEMENTS

As at 31 December 2009 the company had annual commitments for future lease payments under non-cancellable operating leases, expiring as follows

	2009 £'000	2008 £'000
Within one year	6	-
In the second to fifth years inclusive	-	6
After five years	-	-
	<u>6</u>	<u>6</u>

Operating lease payments represent rentals payable by the company for a motor vehicle

17. RELATED PARTIES

As the company is a 100% owned subsidiary of a group whose consolidated financial statements are publicly available it is not required to disclose transactions with other group undertakings that would otherwise be required under Financial Reporting Standard No 8 'Related Party Disclosures'

18. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The directors regard Getinge AB, a company incorporated in Sweden, as the ultimate holding company and controlling party and Huntleigh Healthcare Limited as the immediate parent company

The smallest and largest group in which the results of the company are consolidated for the year ended 31 December 2009 is that headed by Getinge AB. Copies of the consolidated accounts of Getinge AB which include the results of the company can be obtained from Getinge AB, PO Box 69, SE-310 44 Getinge, Sweden