
ASTRA TECH LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2011



Registered number 1480123

CONTENTS

Directors' Report	1 to 3
Statement of Directors' responsibilities	2 to 3
Independent Auditors' report to the members of Astra Tech Limited	4
Profit and Loss account	5
Balance Sheet	6
Accounting Policies	7
Notes to the Financial Statements	8 to 14

DIRECTORS' REPORT

Directors	P Selley S Harwood	Registered office	Brunel Way Stonehouse Gloucestershire GL10 3SX
Secretary	P Trotman	Independent auditors	PricewaterhouseCoopers LLP 31 Great George Street Bristol BS1 5QD

Date **1st June 2012**

The Directors of Astra Tech Limited submit their report together with the Financial Statements of the Company for the year ended 31 December 2011

Principal activities and business review

The principal activity of the Company is the sale and distribution of medical devices to hospitals, the community and the dental profession. There have not been any significant changes in the Company's principal activity in the year under review. On 31 August 2011 AstraZeneca PLC sold the business of the Astra Tech group to Dentsply International Inc. It is proposed that the Company should change its name during the financial year ending 31 December 2012 to Dentsply IH Limited.

Reporting and measuring performance

Sales grew in 2011, with the overall increase in turnover being 5.4% (2010: 3.9%).

The Company's gross margin increased to 31.4% (2010: 29.7%), due to a change in product mix from the previous year. Gross profit increased from £11,023k in 2010 to £12,283k.

Operating profit increased from £2,923k to £4,047k, an increase of 38.5%. This represented an increase in operating profit as a percentage of sales of 2.4 percentage points to 10.3%.

The profit for the year after taxation was £3,057k (2010: £2,207k).

The effective rate of tax for 2011 has decreased to 26%. The decrease in the effective rate for 2011 is mainly due to a reduction in the main rate of corporation tax.

Principle risks and uncertainties

The Company reviews and monitors the risks that face the business as part of an ongoing risk management process.

The principle risks which are therefore considered to be material, in that they may have a significant effect on the Company's financial condition, results of operations and/or reputation, include supply chain and delivery risks and economic and financial risks.

Supply chain and delivery risks - The Company relies on the timely supply of high quality product and interruption to this supply may adversely impact our operations and financial results.

Economic and financial risks - Credit risk is managed by regular review of credit limits and adherence to credit terms. Credit control policies enabled us to minimise the risk.

Financial risk management - The Company's principal financial risks are those relating to price. The aim of the Company's financial risk management policies is to optimise financial performance by managing and mitigating these risks in a cost-effective manner.

The Company does not have any significant exposure to exchange rate fluctuations as it is invoiced in GB pounds for the majority of its purchased products.

DIRECTORS' REPORT *(continued)*

Future performance

The Company's strategy has one key priority to grow market share at or above market growth rates for all three main product areas

Whilst the Directors are committed to maintaining the profitability of the Company, investment will continue to be made in resources and headcount to enable the Company to achieve its key strategies

Going concern

The Directors believe that the Company has sufficient financial resources and is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements

Directors

The Directors of the Company, whose names appear at the head of this report, were in office during the year and up to the date of signing the financial statements

Dividend

The Directors do not recommend the payment of a final dividend (2010 £nil). During the year a dividend payment of £20,000k was made (2010 £nil)

Political and charitable donations

The Company made donations to UK charities amounting to £800 (2010 £1,000). The Company made no political donations

Employees

The Company actively encourages the involvement of employees and a stated policy of the Company is to provide all members of staff with an individual training programme. The methods of involvement include regular staff meetings and intranet updates

The employment policy does not discriminate between employees or potential employees on the grounds of sex, colour, age, race, ethnic or national origin, marital status or religious beliefs. In the case of the disabled, the company gives full consideration to applications for employment from disabled persons who can demonstrate that they have the necessary abilities. If an employee becomes disabled whilst in employment and, as a result, was unable to perform his/her normal duties, every effort would be made to offer suitable alternative employment and assist with retraining

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,

DIRECTORS' REPORT *(continued)*

- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements, and
- 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, 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.

Statement of disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware:

- there is no relevant audit information as defined by Section 418 of the Companies Act 2006 of which the Company's auditor is unaware, and
- each Director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information, and that the Company's auditor is aware of that information.

Independent auditors

On 31 August 2011 the Astra Tech group was sold to Dentsply International Inc. This required a change in auditors from KPMG Audit Plc to PricewaterhouseCoopers LLP.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By order of the board



S Harwood
Director

Brunel Way
Stonehouse
Gloucestershire
GL10 3SX

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASTRA TECH LIMITED

We have audited the financial statements of Astra Tech Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the 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 Directors' Responsibilities Statement set out on pages 2 to 3, 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 and express an opinion on 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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2011 and of its profit 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

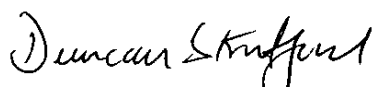
Opinion on other matter prescribed by the Companies Act 2006

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



Duncan Stratford (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
1 June 2012

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2011

	<i>Note</i>	Year ended 31 December 2011 £000's	Year ended 31 December 2010 £000's
Turnover	<i>1</i>	39,166	37,160
Cost of sales		(26,883)	(26,137)
Gross profit		12,283	11,023
Distribution costs		(1,096)	(988)
Administrative expenses		(7,140)	(7,112)
Operating profit	<i>2</i>	4,047	2,923
Interest receivable and similar income	<i>5</i>	88	103
Profit on ordinary activities before taxation		4,135	3,026
Tax on profit on ordinary activities	<i>6</i>	(1,078)	(819)
Profit for the financial year		3,057	2,207
Retained profit for the financial year		3,057	2,207

There are no recognised gains or losses other than the result for the current and prior year and therefore no separate Statement of Total Recognised Gains and Losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents

The results of the Company relate exclusively to continuing operations

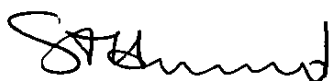
The accounting policies on page 7 and the Notes to the Financial Statements on pages 8 to 14 form part of these Financial Statements

BALANCE SHEET
At 31 December 2011

	<i>Note</i>	2011 £000's	2010 £000's
Fixed assets			
Tangible assets	7	352	389
Current assets			
Stocks	8	1,781	1,740
Debtors	9	10,287	28,371
Cash at bank and in hand		1,851	651
		<hr/>	<hr/>
		13,919	30,762
Creditors: amounts falling due within one year	11	(5,535)	(5,472)
		<hr/>	<hr/>
Net current assets		8,384	25,290
		<hr/>	<hr/>
Total assets less current liabilities		8,736	25,679
		<hr/>	<hr/>
Net assets		8,736	25,679
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account	13	8,636	25,579
		<hr/>	<hr/>
Shareholders' funds	14	8,736	25,679
		<hr/>	<hr/>

The accounting policies on page 7 and the Notes to the Financial Statements on pages 8 to 14 form part of these Financial Statements

These Financial Statements were approved by the Board of Directors on ~~1 June 2012~~ and were signed on its behalf by



S Harwood
Director

Astra Tech Limited registered number 1480123

ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's Financial Statements

Basis of preparation

These Financial Statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

Under FRS 1 (revised) the Company is exempt from the requirement to prepare a Cash Flow Statement on the grounds that the ultimate parent undertaking, Dentsply International Inc, includes the Company in its own published Consolidated Financial Statements. The Consolidated Financial Statements of Dentsply International Inc, within which this Company is included, can be obtained from the address given in note 19

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers

Taxation

Current tax, including UK corporation tax and overseas tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date. Except as otherwise required by FRS 19, deferred tax is provided in full on timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, in the future. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Short leasehold improvements	-	life of lease
Plant and machinery	-	3 to 10 years
Computer equipment	-	3 to 5 years
Office fixtures and fittings	-	3 to 10 years

Stocks

Stocks are stated at the lower of cost and net realisable value

Post-retirement benefits

During the year the Company participated in the AstraZeneca PLC group wide pension scheme, which includes defined benefit and defined contribution schemes, until the sale of the Astra Tech group on 31 August 2011. After the sale Astra Tech Limited formed a Group Self Invested Pension Plan which is a defined contribution scheme. The assets of the AstraZeneca scheme were held separately from those of the Company. The Company was unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 'Retirement benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Profit and Loss account represents the contributions payable to the schemes in respect of the accounting period

Leases

Operating lease rentals are charged to the Profit and Loss account on a straight-line basis over the period of the lease

Foreign currencies

Trading items in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at mid-market rates of exchange ruling at the balance sheet date. Exchange differences arising on transactions are taken to the profit and loss account

NOTES TO THE FINANCIAL STATEMENTS

1 Turnover

	2011 £000's	2010 £000's
Turnover was generated from customers in the following geographical areas:		
United Kingdom	38,976	36,874
Rest of Europe	190	286
	<u>39,166</u>	<u>37,160</u>

The Company's turnover and profit before taxation were all derived from its principal activity

2 Operating profit

	2011 £000's	2010 £000's
Operating profit is stated after charging:		
Fees payable to the Company's auditor for the statutory audit of the Company's annual financial statements	28	-
Depreciation and other amounts written off tangible fixed assets	141	161
Hire of plant and machinery - rentals payable under operating leases	-	1
Hire of other assets - operating leases	246	246
	<u>246</u>	<u>246</u>

Prior to 2011, the auditors' remuneration was borne by AstraZeneca UK Limited, a fellow subsidiary until 31 August 2011

3 Remuneration of Directors

	2011 £000's	2010 £000's
Directors' emoluments	186	158
Company contributions to defined benefit pension schemes	15	20
Company contributions to defined contribution pension schemes	72	-
	<u>273</u>	<u>178</u>

	Number of Directors 2011	2010
Retirement benefits are accruing to the following number of Directors under		
Defined benefit schemes (until 31 August 2011)	1	1
Defined contribution schemes (from 1 September 2011)	1	-

Following the sale of the Astra Tech group to Dentsply International Inc on 31 August 2011 Astra Tech Limited employees are unable to continue contributing as active members of the defined benefit scheme

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

4 Staff costs

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows

	Number of employees 2011	2010
Sales and distribution	73	76
Administration	20	18
	<u>93</u>	<u>94</u>

The aggregate payroll costs of these persons were as follows

	2011 £000's	2010 £000's
Wages and salaries	4,048	3,952
Social security costs	425	430
Other pension costs	361	377
	<u>4,834</u>	<u>4,759</u>

5 Interest receivable and similar income

	2011 £000's	2010 £000's
Interest receivable from group companies	88	103

6 Tax on profit on ordinary activities

	2011 £000's	2010 £000's
Current tax		
UK Corporation tax on profit for the year	1,123	846
Adjustment in respect of prior years	(1)	(27)
	<u>1,122</u>	<u>819</u>
Deferred tax		
Origination and reversal of timing differences	(44)	-
	<u>1,078</u>	<u>819</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

6 Tax on profit on ordinary activities *(continued)*

Factors affecting the tax charge for the current year

The tax assessed for the year differs *(2010 differs)* from that resulting from applying the standard rate of corporation tax in the UK of 26% *(2010 28%)*. The differences are explained below

	2011 £000's	2010 £000's
Current tax reconciliation		
Profit on ordinary activities before tax	4,135	3,026
	<hr/>	<hr/>
Current tax charge at 26.5% <i>(2010 28%)</i>	1,096	847
Effects of		
Expenses not deductible for tax purposes	16	26
Depreciation for the year in excess of capital allowances/other timing differences	11	(27)
Adjustments to tax charge in respect of previous years	(1)	(27)
	<hr/>	<hr/>
Tax on profit on ordinary activities	1,122	819
	<hr/>	<hr/>

Announcements were made before and after the year end by the Chancellor of the Exchequer of proposed changes to the United Kingdom's corporation tax rates that will have an effect on future tax charges of the Company. The change in the United Kingdom's corporation tax rate from 26% to 24%, with effect from 1 April 2012, was made by two 1% reductions substantively enacted on 19 July 2011 and 26 March 2012. Further reductions of 1% thereafter to 22% by 2014 have been announced but not substantively enacted. This is not expected to have a material impact on tax provisions recognised up to 31 December 2011.

7 Tangible fixed assets

	Short leasehold improvements £000's	Plant and machinery £000's	Computer equipment £000's	Office fixtures and fittings £000's	Total £000's
Cost					
At beginning of year	219	208	377	609	1,413
Additions	16	-	58	30	104
Disposals	-	-	(11)	(10)	(21)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	235	208	424	629	1,496
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation					
At beginning of year	78	152	296	498	1,024
Charge for year	25	25	40	51	141
Disposals	-	-	(11)	(10)	(21)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	103	177	325	539	1,144
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 December 2011	132	31	99	90	352
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2010	141	56	81	111	389
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

8 Stocks

	2011 £000's	2010 £000's
Finished goods and goods for resale	1,781	1,740

9 Debtors

	2011 £000's	2010 £000's
Trade debtors	6,115	5,894
Amounts owed by group undertakings	3,861	22,276
Other debtors	15	-
Prepayments and accrued income	252	201
Deferred tax asset	44	-
	<u>10,287</u>	<u>28,371</u>

Included within amounts owed by group undertakings are deposits held in sub-accounts that are part of a group pooling system. As a consequence, to the extent that other group companies have withdrawn amounts from the group pooling system, such amounts represent a receivable from the group.

10 Deferred Taxation

The movement in the deferred taxation asset during the year was

	2011 £000's	2010 £000's
At beginning of the year	-	-
Increase in asset	44	-
At end of the year	<u>44</u>	<u>-</u>

At 31 December 2011, the company had a deferred tax asset in respect of

	2011 £000's	2010 £000's
Fixed asset timing differences	44	-
	<u>44</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

11 Creditors: amounts falling due within one year

	2011 £000's	2010 £000's
Trade creditors	320	160
Amounts owed to group undertakings	2,635	2,698
Corporation tax	705	846
Other tax and social security	1,391	1,156
Accruals and deferred income	484	612
	<u>5,535</u>	<u>5,472</u>

12 Called up share capital

	2011 £000's	2010 £000's
Allotted and fully paid		
100,000 (2010 100,000), Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

13 Reserves

	Profit and loss account £000's
At beginning of year	25,579
Dividend paid	(20,000)
Retained profit for the year	3,057
	<u>8,636</u>
At end of year	<u>8,636</u>

14 Reconciliation of movements in shareholder's funds

	2011 £000's	2010 £000's
Profit for the financial year	3,057	2,207
Dividends paid	(20,000)	-
	<u>(16,943)</u>	<u>2,207</u>
Net (reduction)/addition to shareholder's funds	(16,943)	2,207
Opening shareholder's funds	25,679	23,472
	<u>8,736</u>	<u>25,679</u>
Closing shareholder's funds	<u>8,736</u>	<u>25,679</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

15 Equity dividends

	2011 £000's	2010 £000's
Ordinary shares		
20,000 00p (2010 0p) per £1 00 share	20,000	-

16 Leases

Annual commitments under non-cancellable operating leases are as follows

	2011 Land and Buildings £000's	2010 Land and Buildings £000's
Operating leases which expire		
Within one year	-	-
In the second to fifth years inclusive	246	-
Over five years	-	246
	246	246

During 2008, a lease for £60k, expiring within one year as at 31 December 2011, was assigned to another company. Were this company to default, the commitment to pay the operating lease charges would ultimately revert to Astra Tech Limited.

17 Pension scheme

Until the sale of the Astra Tech group to Dentsply International Inc on 31 August 2011 Astra Tech Limited participated in the AstraZeneca Group's UK retirement plans which include defined benefit and defined contribution schemes. The actuarial valuation of these schemes is given in the consolidated AstraZeneca PLC Group Financial Statements.

The Company was unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis and therefore, as permitted by FRS 17 'Retirement benefits', accounts for the scheme as if it were a defined contribution scheme. Since 1 September 2011 Astra Tech Limited has formed a Group Self Invested Pension Plan which is a defined contribution scheme. The pension expense attributable to these schemes amounted to £361k (2010 £377k). Pension amounts payable at 31 December 2011 amounted to £1k.

18 Related party transactions

Under FRS 8, the Company is exempt from the requirement to disclose related party transactions with Dentsply International Inc and its wholly owned subsidiaries on the grounds that it is a wholly owned subsidiary undertaking of Dentsply International Inc. There were no transactions with Directors.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

19 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Astra Tech AB, incorporated in Sweden

The ultimate parent undertaking and controlling party is Dentsply International Inc, a company incorporated in the United States of America

The largest group in which the results of the Company are consolidated is that headed by Dentsply International Inc, a company incorporated in the United States of America, who is the ultimate controlling party. The smallest group in which they are consolidated is that headed by Astra Tech AB. Copies of the Consolidated Financial Statements of Dentsply International Inc are available to the public and may be obtained from Dentsply International Inc, Susquehanna Commerce Center, 221 West Philadelphia Street, PO Box 872, York PA 17405-0872, USA