

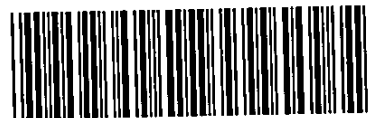
Company Registration No. 3436748

**BIO-RAD LABORATORIES
EUROPE LIMITED**

Report and Financial Statements

31 December 2007

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BIO-RAD LABORATORIES EUROPE LIMITED

Report and financial statements 2007

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BIO-RAD LABORATORIES EUROPE LIMITED

Report and financial statements 2007

Officers and professional advisers

Directors

David Schwartz
Norman Schwartz
Sanford Wadler

Secretary

Glen Papworth

Registered office

Bio-Rad House
13 Maxted Road
Hemel Hempstead Industrial Estate
Hemel Hempstead
Hertfordshire
HP2 7DX

Bankers

Lloyds TSB
City Office
PO Box 72
Bailey Drive
Gillingham Business Park
Kent
ME8 0LS

Independent auditors

Deloitte LLP
Chartered Accountants and Registered Auditors
Aberdeen

BIO-RAD LABORATORIES EUROPE LIMITED

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2007.

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

Activities

The principal activity of the company was the manufacture and sale of neo-natal screening kits.

Results and dividends

The results for the year ended 31 December 2007 are shown in the profit and loss account on page 6. The company's profit for the year after taxation was £246,000 (2006: £178,000).

The directors do not propose the payment of a dividend (2006: £nil) for the year.

Review of developments and future prospects

The company has considerable financial resources together with a number of customers and suppliers across different geographic areas. As a consequence, the directors believe that the company 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 the annual report and financial statements.

Financial risk management objectives and policies

The company has no specific exposure to price risk or cash flow risk. The company's principal financial assets are bank balances and cash and amounts due from group companies. The company is not considered to be exposed to credit risk on these financial assets as they are with other group companies. The credit risk on liquid funds is limited because counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The company does not enter into derivative financial instruments for hedging, speculative or any other purpose.

The company's activities expose it to liquidity risk. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company utilises a long term intercompany loan received from Bio-Rad Laboratories Limited repayable in 2009.

Directors

The directors who served during the year, and subsequently to the date of these financial statements, were:

David Schwartz
Norman Schwartz
Sanford Wadler

BIO-RAD LABORATORIES EUROPE LIMITED

Directors' report

Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

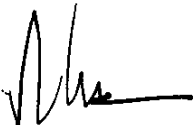
- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

On 1 December 2008, Deloitte & Touche LLP changed its name to Deloitte LLP.

Deloitte LLP have expressed their willingness to continue in office as auditors 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



Name:
Director

Norman Schwartz

March 18, 2009

BIO-RAD LABORATORIES EUROPE LIMITED

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements. The directors have chosen to prepare the financial statements for the company in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP").

Company law requires the directors to prepare such financial statements for each financial year which give a true and fair view in accordance with UK GAAP of the state of affairs of the company and of the profit or loss of the company for that period and comply with UK GAAP and the Companies Act 1985. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; 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 proper accounting records which 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 1985. 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 BIO-RAD LABORATORIES EUROPE LIMITED

We have audited the financial statements of Bio-Rad Laboratories Europe Limited for the year ended 31 December 2007 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are prepared properly in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
Aberdeen, United Kingdom
25 MARCH 2009

BIO-RAD LABORATORIES EUROPE LIMITED

Profit and loss account Year ended 31 December 2007

	Note	2007 £'000	2006 £'000
Turnover	2	1,411 ✓	1,455
Cost of sales		(523) ✓	(616)
Gross profit		<u>888</u>	<u>839</u>
Administrative expenses		(656)	(643)
Operating profit		<u>232</u>	<u>196</u>
Finance charges (net)	4	(18)	(36)
Profit on ordinary activities before taxation	3	<u>214</u>	<u>160</u>
Tax credit on profit on ordinary activities	6	32	18
Profit for the financial year	14	<u>246</u>	<u>178</u>

There are no recognised gains or losses in either year other than as included in the above profit and loss account. Accordingly, no separate Statement of Total Recognised Gains and Losses is presented.

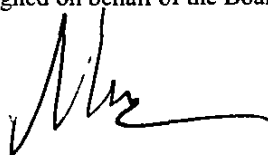
BIO-RAD LABORATORIES EUROPE LIMITED

Balance sheet At 31 December 2007

	Note	2007 £'000	2006 £'000
Fixed assets			
Intangible assets	7	60 ✓	258
Tangible assets	8	15 ✓	23
		<u>75</u>	<u>281</u>
Current assets			
Stocks	9	129 ✓	198
Debtors	10	204	162
Cash		257 ✓	701
		<u>590</u>	<u>1,061</u>
Creditors: amounts falling due within one year	11	(126) ✓	(294)
Net current assets		<u>464</u>	<u>767</u>
Total assets less current liabilities		539	1,048
Creditors: amounts falling due after more than one year	12	(245)	(1,000)
Net assets		<u>294</u>	<u>48</u>
Capital and reserves			
Called up share capital	13	-	-
Profit and loss account	14	294	48
Shareholders' funds	15	<u>294</u>	<u>48</u>

These financial statements were approved by the Board of Directors on *March, 19* 2009

Signed on behalf of the Board of Directors



Name: *Norman Schwartz*

Director

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

1. Accounting policies

The particular accounting policies adopted are described below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

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

Basis of preparation

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 the annual report and financial statements.

Intangible fixed assets

Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is provided on a systematic basis at rates calculated to write off the costs of the asset over its expected period of benefit as follows:

Trade secrets	5 - 7 years
Enzyme contract	5 - 7 years

Tangible fixed assets

Tangible fixed assets are stated at original cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the costs of assets, less estimated residual value of each asset on a straight line basis, over its expected useful life as follows:

Computer equipment, software and fixtures and fittings	1 - 3 years
Leasehold improvements	3 years
Plant and machinery	3 years

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on invoice price for raw materials and standard costs for all other stocks. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Taxation

Current tax, including UK corporation 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 that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

1. Accounting policies (continued)

Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities are not discounted.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All exchange differences are included in the profit and loss account.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes. Turnover is recognised as goods are despatched for sale.

Pension costs

The company operates a defined contribution pension scheme. The charge to the profit and loss account in respect of pension costs corresponds to the amount of contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments on the balance sheet.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period on the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

2. Turnover

Turnover by geographical destination was as follows:

	2007 £'000	2006 £'000
UK	70	76
Europe	196	264
Rest of World	1,145	1,115
	<u>1,411</u>	<u>1,455</u>

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

3. Profit on ordinary activities before finance charges

	2007 £'000	2006 £'000
Profit on ordinary activities before finance charges is stated after charging:		
Amortisation of intangible fixed assets	198	183
Depreciation and amounts written off owned tangible fixed assets	12	16
Operating lease rentals		
Motor vehicles	14	14
Land and buildings	33	28
Research and development	19	23
	<u> </u>	<u> </u>

There were no fees payable to the auditor in respect of the statutory audit in either the current or the preceding year as these were borne by the ultimate parent company, Bio-Rad Laboratories, Inc. In the opinion of the directors £10,500 (2006: £9,500) of the group audit fee is attributable to the company.

4. Finance charges (net)

	2007 £'000	2006 £'000
Investment income		
Income from bank and other deposits	13	4
Interest payable and similar charges		
Interest payable to fellow group subsidiaries	(31)	(40)
	<u> </u>	<u> </u>
	(18)	(36)
	<u> </u>	<u> </u>

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

5. Staff costs

The average monthly number of employees in the year was:

	2007 No	2006 No
Management, sales and administration	2	2
Production and distribution	5	5
	<u>7</u>	<u>7</u>

Their aggregate remuneration comprised:

	2007 £'000	2006 £'000
Wages and salaries	229	217
Social security costs	23	29
Pension costs (note 16b)	14	13
	<u>266</u>	<u>259</u>

The directors received no remuneration during the year for their services to the company (2006: £nil).

6. Tax on profit on ordinary activities

The tax credit comprises:

	2007 £'000	2006 £'000
Current tax		
UK corporation tax	18	42
Adjustment in respect of prior years	-	(60)
Total current tax	<u>18</u>	<u>(18)</u>
Deferred tax		
Origination and reversal of timing differences	(50)	-
	<u>(32)</u>	<u>(18)</u>

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

6. Tax on profit on ordinary activities (continued)

	2007 £'000	2006 £'000
Profit on ordinary activities before taxation	214	160
Tax on profit on ordinary activities at standard UK corporation tax rate of 30% (2006: 30%) thereon:	64	48
<i>Effects of:</i>		
Expenses not deductible for tax purposes	7	1
Capital allowances less than depreciation	37	29
Movement in short term timing differences	-	(28)
Research and development tax deduction	(7)	(8)
Adjustment in respect of prior years	-	(60)
Group relief	(83)	-
Current tax charge/(credit) for period	18	(18)

The Finance Bill 2007 introduced a reduction in the corporation tax rate from 30% to 28% effective from 1 April 2008.

7. Intangible fixed assets

	Trade secrets £000	Enzyme contract £000	Total £'000
Cost			
At 1 January 2007 and 31 December 2007	800	226	1,026
Amortisation			
At 1 January 2007	588	180	768
Charge for the year	161	37	198
At 31 December 2007	749	217	966
Net book value			
At 31 December 2007	51	9	60
At 31 December 2006	212	46	258

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

8. Tangible fixed assets

	Leasehold improvements £'000	Plant & machinery £'000	Computer equipment software & fixtures & fittings £'000	Total £'000
Cost				
At 1 January 2006	21	57	19	97
Additions	-	-	4	4
Disposals	-	-	(3)	(3)
At 31 December 2007	21	57	20	98
Depreciation				
At 1 January 2006	21	38	15	74
Charge	-	9	3	12
On disposals	-	-	(3)	(3)
At 31 December 2007	21	47	15	83
Net book value				
At 31 December 2007	-	10	5	15
At 31 December 2006	-	19	4	23

9. Stocks

	2007 £'000	2006 £'000
Raw materials	29	19
Finished goods	100	179
	129	198

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

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

10. Debtors

	2007 £'000	2006 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	114	112
VAT	6	-
Prepayments and accrued income	11	16
Other debtors	10	-
Corporation tax	13	34
Deferred tax	50	-
	<u>204</u>	<u>162</u>

At 31 December 2007, the company had a deferred tax asset of £50,000 due to the availability of capital allowances in excess of depreciation and amortisation.

11. Creditors: amounts falling due within one year

	2007 £'000	2006 £'000
Trade creditors	34	35
Amounts owed to group undertakings	2	176
Accruals and deferred income	80	78
Other creditors	10	5
	<u>126</u>	<u>294</u>

12. Creditors: amounts falling due after more than one year

	2007 £'000	2006 £'000
Intercompany loan	<u>245</u>	<u>1,000</u>

On 29 October 2004 an unsecured term loan was received from Bio-Rad Laboratories Limited, a fellow subsidiary of Bio-Metrics (UK) Limited. Interest on the loan is charged monthly at a rate of 4% per annum. The loan is repayable on 29 October 2009.

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

13. Called up share capital

	2007 £	2006 £
Authorised		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
	£	£
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

14. Profit and loss account

	2007 £'000
Accumulated profit at 1 January 2007	48
Profit for the year	<u>246</u>
Retained profit at 31 December 2007	<u>294</u>

15. Reconciliation of movements in shareholders' funds/(deficit)

	2007 £'000	2006 £'000
Opening shareholders' funds/(deficit)	48	(130)
Profit for the financial year	<u>246</u>	<u>178</u>
Closing shareholders' funds	<u>294</u>	<u>48</u>

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

16. Guarantees and financial commitments

a) *Operating lease commitments*

Future annual commitments under non-cancellable operating leases are as follows:

	2007 Motor vehicles £'000	2007 Land & buildings £'000	2007 Total £'000	2006 Total £'000
Expiry date:				
Within 1 year	6	19	25	14
Within 2-5 years	-	-	-	-
	<u>6</u>	<u>19</u>	<u>25</u>	<u>14</u>

b) *Pension arrangements*

The company participates in a defined contribution pension scheme. The pension charge for the year was £13,950 (2006: £12,580). At the end of the year the accrued pension contributions were £nil (2006: £nil). The assets of the scheme are held in an independent trustee-administered fund.

c) *Purchase commitments*

At 31 December 2007 the company has entered into an agreement to purchase a minimum quantity of 1,000,000 units per annum of specialist high-grade enzymes up to 5 April 2008 for a consideration of 10.9p per unit.

17. Contingent liability

At 31 December 2007 the company had purchased 4,185,000 units of specialist high-grade enzymes under a purchase agreement. The minimum purchase quantity stipulated for the period to 31 December 2007 is 6,000,000 units.

The directors have included an accrual for the current year shortfall, being £66,000. This is included within creditors due within one year.

Based on discussions with the counterparty to the agreement, the directors do not expect any liabilities to arise from shortfall prior to 31 December 2006, and accordingly no liability has been recognised in the financial statements.

In the event that the purchase shortfalls for prior year liabilities were to be enforced by the supplier the liability to the company would be £131,000.

BIO-RAD LABORATORIES EUROPE LIMITED

Notes to the financial statements Year ended 31 December 2007

18. Related party transactions

The company has taken advantage of the exemption available in Financial Reporting Standard 8, whereby a subsidiary undertaking, 90% of whose voting rights are controlled within the group, need not disclose transactions with entities which are part of the group if the consolidated accounts in which the subsidiary is included are publicly available.

19. Ultimate parent company

The company is a subsidiary undertaking of Bio-Metrics (UK) Limited, registered in England and Wales.

The ultimate parent company and largest group in which the results of the company are consolidated is that headed by Bio-Rad Laboratories Inc., incorporated in the United States of America. The consolidated accounts of this group are available to the public and may be obtained from Paramount House, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 4XH.

The smallest group in which the results of the company are consolidated is that headed by Bio-Metrics (UK) Limited. The consolidated financial statements of this group are available to the public and may be obtained from Bio-Rad House, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TD.