

Annual Report 2004



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THE INVESTMENT FUND FOR CENTRAL AND EASTERN EUROPE

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CVR No. 13903689

Legal mandate

“The purpose of IØ is to promote Danish investments in Central and Eastern Europe and thereby support the reformist countries in their efforts to achieve an increased economic, commercial and industrial development; and to enhance the possibilities for closer economic co-operation between Denmark and Central and Eastern Europe resulting in generally improved East/West relations, which will benefit Danish trade and industry, as well as the employment situation in Denmark.”

The Act on Support to Danish Investments in Central and Eastern Europe,
The Danish Parliament, 14 December 1989.

List of abbreviations

| | |
|--------|--|
| APDF | African Project Development Facility |
| CIS | Commonwealth of Independent States |
| Danida | Danish International Development Assistance |
| DFI | Development Finance Institutions |
| DI | Confederation of Danish Industries |
| DKK | Danish kroner |
| EBRD | European Bank for Reconstruction and Development |
| EDFI | European Development Finance Institutions |
| EIB | European Investment Bank |
| EU | European Union |
| EUR | Euro |
| FDI | Foreign Direct Investment |
| GNI | Gross National Income |
| GNP | Gross National Product |
| HRCA | Human Rights Compliance Assessment |
| IFC | International Finance Corporation |
| IFU | The Industrialisation Fund for Developing Countries |
| IFV | The Investment Fund for Emerging Markets |
| ILO | International Labour Organisation |
| IMF | International Monetary Fund |
| IRR | Internal rate of return |
| IØ | The Investment Fund for Central and Eastern Europe |
| MIØ | The Environmental Investment Facility for Central and Eastern Europe |
| NEFCO | Nordic Environment Finance Corporation |
| NGO | Non-governmental organisation |
| ODA | Official Development Assistance |
| OECD | Organisation for Economic Cooperation and Development |
| OHS | Occupational health and safety |
| SIMI | Scandinavian International Management Institute |
| SME | Small and medium-sized enterprises |
| UN | United Nations |
| USD | United States dollar |

Statement by the Management on the annual report

The Executive and Supervisory Boards have presented the annual report for the year ended 31 December 2004. The annual report was discussed and adopted on today's date.

The annual report has been presented in accordance with the Danish Financial Statements Act governing reporting class C enterprises (large).

We consider the accounting policies used appropriate and the accounting estimates made reasonable. To the best of our belief, the annual report includes the information which is relevant for an assessment of the Fund's financial position. Against this background, it is our opinion that the annual report gives a true and fair view of the Fund's assets and liabilities, financial position, results of operations and cash flows for the year ended 31 December 2004.

Copenhagen, 24 February 2005

Executive Board:

Sven Riskær, Managing Director

Frank Norman Larsen, Deputy Managing Director

Supervisory Board:

Johannes Poulsen, Chairman

Agnete Raaschou-Nielsen, Deputy Chairman

Lars Andersen

Sigurd Ø. Andersen

Elsebeth Budolfsen

Lars Kolte

Kjeld Ranum

Michael Rasmussen

Carsten Staur

Karen Wermuth



Park Inn Ekaterienburg (Nordrus Hotel Holdings), Russian Federation

Auditors' report

To the Supervisory Board of IØ

We have audited the annual report of IØ for the financial year ended 31 December 2004, pages 1-31, presented in accordance with the Danish Financial Statements Act.

The annual report is the responsibility of the Fund's Supervisory and Executive Boards. Our responsibility is to express an opinion on the annual report, pages 1-31, based on our audit.

Basis of opinion

We conducted our audit in accordance with Danish Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the annual report. An audit also includes assessing the accounting policies used and significant estimates made by the Supervisory and

Executive Boards, as well as evaluating the overall annual report presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the annual report gives a true and fair view of the Fund's financial position at 31 December 2004 and of the results of its operations and its cash flows for the financial year then ended in accordance with the Danish Financial Statements Act.

Copenhagen, 24 February 2005

Ernst & Young
Statsautoriseret Revisionsaktieselskab

Svend Duelund Jensen
State Authorised Public Accountant

Henrik Barner Christiansen
State Authorised Public Accountant

Main activities

IØ's legal mandate is to give support to Danish investments in Central and Eastern European countries in order to assist the reformist forces in these countries in achieving increased economic growth and development of trade and industry as well as to foster closer economic cooperation between Denmark and Central and Eastern Europe for the benefit of the East-West relationship in general as well as of Danish business and employment. IØ is part of a range of official Danish activities all aimed at promoting the economic development and the reform process in the countries in Central and Eastern Europe and stimulating cooperation between these countries and the European Union.

IØ is an independent, self-governing entity, limited in its liability to the extent of its net worth only. The Danish

Minister of Foreign Affairs appoints the Supervisory Board and the Managing Director. The Fund operates in accordance with business principles and holds a strong commitment to good corporate governance, high environmental standards and social responsibility.

IØ provides advisory services, share capital participation, loans and guarantees on commercial terms for investments in production or service companies in Central and Eastern Europe. The Fund's revenues are generated by interest, dividends and profits from sale of shares.

By collaborating with IØ, the partners, in addition to financing, gain access to IØ's sister fund IFU's knowledge accumulated through investments in more than 500 projects in 72 countries since 1967, and to an extensive network of advisers and financial institutions.

Main features at 31 December 2004

| | Number | DKKm | EURm*) |
|---|--------|---------|--------|
| Net income 2004 | | 82.2 | 11.0 |
| Total equity capital at 31.12.2004 | | 1,431.8 | 192.5 |
| Investments during 2004 | 20 | 538.7 | 72.5 |
| Investments in new projects since establishment (1989-2004) | 375 | 3,471.0 | 467.0 |
| Disbursements including further financing (1989-2004) | | 3,538.1 | 475.67 |
| Number of countries in which IØ has invested (1989-2004) | 17 | | |

*) Exchange rate: EUR 100 = DKK 743.81

Despite the fact that IØ has stopped making investments in new projects in the eight countries in Central Europe joining the EU in 2004, IØ made investments of DKK 361.3m in 15 new projects in 2004. This is considered to be very satisfactory level of investment activity. In addition

IØ made supplementary investments in five ongoing projects with an amount of DKK 177.3m. After the capital extraction of DKK 650m in 2004 the Fund's equity capital was reduced to DKK 1,431.8m at the end of 2004.



Bianco Footwear, Russian Federation

Highlights

Financial highlights

| | 2004 DKKkm | 2003 DKKkm | 2002 DKKkm | 2001 DKKkm | 2000 DKKkm |
|---|---------------|---------------|---------------|---------------|---------------|
| <u>INCOME STATEMENT</u> | | | | | |
| Gross contribution from projects | 89 | 104 | 52 | 29 | 9 |
| Operating income (loss) | 61 | 72 | 20 | (1) | (20) |
| Net income for the year | 82 | 105 | 77 | 40 | 15 |
| <u>BALANCE SHEET 31 DECEMBER</u> | | | | | |
| Share capital investment in projects at cost | 947 | 814 | 857 | 882 | 847 |
| Project loans at cost | 627 | 705 | 684 | 677 | 565 |
| Total investment in projects at cost | 1,574 | 1,519 | 1,542 | 1,559 | 1,412 |
| Accumulated value adjustments | (465) | (535) | (604) | (537) | (495) |
| Investments in projects, net ¹ | 1,108 | 983 | 938 | 1,022 | 916 |
| Cash and bonds | 316 | 997 | 940 | 740 | 711 |
| Repaid capital/paid in capital during the year | (650) | 0 | 0 | 0 | 35 |
| Total equity capital | 1,432 | 2,000 | 1,895 | 1,818 | 1,674 |
| Total balance | 1,464 | 2,011 | 1,900 | 1,820 | 2,253 |
| <u>ADDITIONAL DATA</u> | | | | | |
| New projects contracted (no.) | 15 | 25 | 28 | 25 | 26 |
| Portfolio of projects (no.) | 165 | 181 | 175 | 171 | 180 |
| Investments contracted | 539 | 510 | 412 | 485 | 381 |
| Investments disbursed | 512 | 255 | 233 | 390 | 355 |
| <u>KEY RATIOS</u> | | | | | |
| Gross contribution from projects/Investment in projects at cost | 5.66% | 6.86% | 3.34% | 1.84% | 0.63% |
| Operating income/Average total equity capital | 3.54% | 3.69% | 1.06% | (0.05%) | (1.20%) |
| Net income for the year/Average total equity capital | 4.79% | 5.37% | 4.17% | 2.31% | 0.90% |
| Total equity capital/Total assets | 97.83% | 99.45% | 99.76% | 99.88% | 74.29% |
| Accumulated value adjustments/Investment in projects at cost | (29.58%) | (35.26%) | (39.18%) | (34.44%) | (35.08%) |

¹⁾ The financial highlights have been restated for 2001 as a consequence of the changes in accounting policies effected in 2002.

For 2000, the reserves against losses have been booked against the project assets when calculating the total balance.

The financial highlights have been adjusted for 2000 - 2003 as a consequence of the changes in the presentation effected in 2004.

Developmental and environmental highlights - ex ante²

| | | | | | |
|---|-----|-----|-----|------|------|
| Total fulfilment of Fund's success criteria (Range: 25% - 100%) | 79% | 74% | 71% | N.a. | N.a. |
| Development impact | 87% | 73% | 69% | N.a. | N.a. |
| Partner mobilisation | 67% | 65% | 64% | N.a. | N.a. |
| Sustainability and profitability of projects | 84% | 79% | 79% | N.a. | N.a. |
| Fund's operational targets | 83% | 77% | 73% | N.a. | N.a. |
| Environmental Investment Ratio (Range: 0 - 100%) | 30% | 39% | 31% | N.a. | N.a. |

²⁾ Weighted by invested amounts (see text on new success criteria on page 10).



Staff seminar, Copenhagen 2004

Mission, Vision & Strategy

Mission:

To enhance global economic growth, development and more equitable income distribution through increased global flow of socially and environmentally responsible, productive investments making optimal use of comparative advantages.

Vision:

To contribute through information and advice in connection with co-investments to enhance Danish enterprises'

active participation in the global flow of productive investments towards developing and reform countries.

Strategy:

To become known, recognised and used by all relevant Danish enterprises as a competent provider of know-how, experience and external financing as well as their most preferred investment partner in developing and reform countries.

Management's review

Development in IØ's area of activity during 2004

Continued global growth

According to the IMF, the world output increased by 3.9% in 2003 and is expected to reach a record high of 5% for 2004 with strong growth in industrial countries and exceptionally rapid expansion in emerging markets, notably China. In 2005 the IMF expects the growth rate to fall to a level of 4.3%, which is still quite high. In the Commonwealth of Independent States (CIS) the overall growth rate is expected to reach 6.6% in 2005 against 8% in 2004. IØ expects a continuation of the trend where Danish companies direct a substantial part of their investments towards a number of low cost countries in Eastern Europe in order to gain access to the fast growing market potential in these countries. Another important motive for investing in these countries is to make use of the relatively low costs prevailing there, which will help safeguard competitiveness of companies outsourcing high-cost production to these countries. The latter trend is expected to accelerate in the coming years as part of the "globalisation wave".

Expected growth in Denmark

Already the economic growth in Denmark is accelerating with a growth rate of 2.6% in GNP from second quarter 2003 to second quarter 2004, mainly driven by an increase in private consumption. In comparison, the corresponding growth rate for all of 2003 was only 0.5%. The Danish Economic Council estimates that growth will continue in 2005 with an expected growth rate of 2.25%. The Danish economy is sound with a substantial surplus on the balance of payments as well as on the public accounts. The competitive pressure on Danish enterprises is, however, expected to continue increasing and consequently strengthen the tendency of outsourcing of the most labour-intensive production to countries with lower wage levels.

Capital extraction

In 2004 IØ transferred DKK 650m to the Danish government. This capital extraction was decided by the Parliament in connection with the approval of the Danish state budget for 2004.

As a consequence of the decision to make a capital extraction, IØ's Supervisory Board found it necessary to introduce a more restrictive maximum amount of DKK 50m for each investment, and also a stricter cash management system has been introduced. Another result of the capital extraction will be an estimated reduction in IØ's income for 2005 and subsequent years in the order of DKK 20-25m based on current interest rate levels. With this in mind, significant savings in administrative costs, including a staff reduction of approximately 10%, were implemented early 2004.

Merger of IØ and MIØ

With effect from 1 January 2004 the Environmental Investment Facility for Central and Eastern Europe (MIØ) was merged into IØ. This will result in an administrative simplification, as separate accounts and annual reports will no longer be prepared for MIØ, and at the same time the merger has allowed the introduction of a new system for measuring the Environmental Investment Ratio of IØ's financial contribution in all IØ projects.

New success criteria – ex ante

Based on IØ's Mission, Vision & Strategy, IØ's Supervisory Board on 29 January 2004 decided on a new set of success criteria for the Fund.

In future each project must be evaluated on the basis of three general sets of criteria under the following headlines:

- Development impact – e.g. job creation and transfer of knowledge.
- Partner mobilisation – includes IØ's contribution to mobilisation of Danish partners (additionality).
- Sustainability and profitability of projects – where, for example, the viability of the projects is assessed.

The success of IØ will also be assessed on the basis of the Fund's own profitability, partner satisfaction, relative participation in Danish foreign direct investments (FDIs) and staff satisfaction.

Subsequently, a system has been developed – similar to



Zelmech, Poland

the terms for assessing environmental effects – which endeavours to quantify the four elements which make up the success criteria, and makes it possible to weigh them all together into one “success” figure for each project. Minor modifications of the system are presently being considered.

The figures for the years 2002 – 2004 are presented on page 8.

After the merger between IØ and the Environmental Investment Facility for Central and Eastern Europe (MIØ) with effect from 1 January 2004, a revised and more detailed system has been implemented for measuring the Environmental Investment Ratio of IØ’s financial contribution in each project (see page 8).

The new system will enhance environmental transparency and will thus contribute to further strengthening the environmental awareness and commitment of the Fund and its partners in the future.

Change of status of IØ Warsaw

As a consequence of the enlargement of the European Union, it has been politically decided that IØ shall not make new investments in any of the eight new EU member countries in Central and Eastern Europe.

Therefore, IØ has decided to privatise the management of the Warsaw office with effect from 1 January 2005. A new company called Value Management Partners Ltd. (VMP) has been established to maintain the accumulated experience, knowledge and important network of contacts that has already been created by the office. Formally - in relation to IØ - the office will have the status of an “adviser

office”. VMP has taken over the management of at least 75 of IØ’s existing investment projects in Poland, the Czech Republic, Slovakia, Hungary, Lithuania, Latvia, Bulgaria, Romania, Russia and Ukraine. In collaboration with the staff in Warsaw, IØ will work towards an exit from the projects located in the new EU member states within the next 4-5 years.

Quick Check of the Human Rights Compliance Assessment

IØ and the Confederation of Danish Industries have assisted the Danish Institute for Human Rights in its work to develop a website and a computerised tool for the measuring of human rights aimed at companies investing in Eastern European countries.

The tool is called “Human Rights Compliance Assessment” (HRCA). It is an internet based questionnaire with more than 350 questions and 1,000 indicators that enables companies to test and identify critical areas in relation to their compliance with human rights. The test is of special relevance in the countries that are known to have human right problems.

A “Quick Check” version, which is the first module of the tool, was launched at a conference held at the Confederation of Danish Industries in Copenhagen on 23 November 2004. This module contains the 28 most fundamental questions regarding human rights relevant in connection with investment decisions. The questions were discussed and selected at a conference in May 2004 at the Danish Institute for Human Rights, where representatives from a number of EDFI organisations and IFC were also present.

In connection with IØ's work for human rights, the Fund has been given a seat as observer on the board of Transparency International Denmark – the leading international NGO with anti-corruption focus.

The complete HRCA is expected to be ready in the spring of 2005. Until then, anyone who is interested can, free of charge, try – or just read about – Quick Check on www.humanrightsbusiness.org.

New website for Danish companies – GoGlobal

In the autumn of 2004 IØ and IFU initiated a formalised col-

laboration with the Danish Trade Council, the Export Credit Fund and Danida. The cooperation between the four organisations is an attempt at providing better assistance to Danish businesses wanting to be part of the globalisation.

The initiative includes a common website to be launched at the beginning of 2005 with a guide explaining how the individual company can obtain assistance and advice on activities abroad from one or several of the organisations.

The website, which will serve as a gateway for Danish companies to the many possibilities outside of Denmark, is named www.GoGlobal.dk.

Investments in 2004

In 2004 IØ invested in 15 new projects with a total amount of DKK 361.3m. The Fund considers this to be a satisfactory level of activity taking into account that IØ can no longer invest in new projects in the new EU member countries in Central Europe. Additional financing in five ongoing projects amounted to DKK 177.3m of which DKK 90.0m was conversion of a loan to share capital. The investments in new projects went to five different countries of which

Serbia and Montenegro was a new host country for an IØ project. IØ's average investment in the new projects amounted to DKK 24.0m.

67% of the new investments was in the form of share capital and project loans with equity features. This figure should be compared with a target rate of 70% decided by IØ's Supervisory Board on 18 December 2003.

| | | | |
|--|-----------------|------------|--|
| Number of investments in new projects | 15 | | |
| Number of additional financing of existing projects | 5 | | |
| NEW PROJECTS | | | |
| IØ's investments | DKK 361.3m | EUR 48.6m | |
| Total investments | DKK 1,495.9m | EUR 201.1m | |
| Investments in new and existing projects | DKK 538.7m | EUR 72.4m | |
| Disbursement of share capital and loans | DKK 511.9m | EUR 68.8m | |
| Paid-in from projects | DKK 389.6m | EUR 52.4m | |
| Estimated Danish export generated from the investments | DKK 1,036.0m | EUR 139.3m | |
| Estimated employment effect in Denmark of this export | 2,072 man-years | | |
| Estimated job creation in host countries | 2,028 jobs | | |

Investments contracted in 2004

New projects

| Project name | Country | IØ's investments in DKKm | | | Expected employment (persons) |
|--------------------------|---------------------|--------------------------|--------------|--------------|-------------------------------|
| | | Shares* | Loans** | Total | |
| 1 Carlsberg Bulgaria | Bulgaria | 79.3 | | 79.3 | 512 |
| 2 Martello-Trikel SrL. | Bulgaria | | 10.0 | 10.0 | 350 |
| 3 IMT Labs Romania | Romania | 2.5 | | 2.5 | 5 |
| 4 Agripo | Russian Federation | | 10.0 | 10.0 | 14 |
| 5 Bianco Footwear Russia | Russian Federation | | 0.4 | 0.4 | 10 |
| 6 Novsvin | Russian Federation | 11.0 | | 11.0 | 54 |
| 7 OOO Aller Petfood | Russian Federation | 9.4 | | 9.4 | 120 |
| 8 OOO Estate | Russian Federation | 14.2 | 33.2 | 47.4 | 150 |
| 9 OOO Villaco | Russian Federation | | 39.0 | 39.0 | 100 |
| 10 Pivara Celarevo | Serbia & Montenegro | 93.3 | | 93.3 | 348 |
| 11 Dana Metal | Ukraine | 3.4 | 1.0 | 4.4 | 20 |
| 12 Danosha | Ukraine | 13.8 | 35.7 | 49.4 | 260 |
| 13 Ivanodan | Ukraine | 3.1 | | 3.1 | 30 |
| 14 Lindevang Ukraine | Ukraine | | 0.8 | 0.8 | 15 |
| 15 MP Ukraine | Ukraine | | 1.5 | 1.5 | 40 |
| Total*** | | 229.8 | 131.5 | 361.3 | 2,028 |

Further financing of on-going projects

| | | | | |
|-----------------------|---------------------------|--------------|--------------|--------------|
| 16 Euro Mall Holding | Central Europe (Regional) | 90.0# | 16.8 | 106.8 |
| 17 Carlsberg Croatia | Croatia | 15.6 | | 15.6 |
| 18 Cembrit CZ | Czech Republic | 25.2 | | 25.2 |
| 19 Glulam Romania | Romania | | 7.5 | 7.5 |
| 20 Broen - ADL | Russian Federation | | 22.3 | 22.3 |
| Total*** | | 130.8 | 46.5 | 177.3 |
| Grand total*** | | 360.6 | 178.0 | 538.7 |

*) incl. overrun commitments **) incl. guarantees ***) Totals may not add up due to rounding up #) conversion from loans to shares

31 projects were exited in 2004



Dana Metal, Ukraine

Knowledge and human resources

Knowledge is one of IØ's major assets. Emphasis has therefore been placed on maintaining and developing this resource. IØ's knowledge is to a large extent embedded in the staff in Copenhagen, the offices abroad and within the network of advisers.

It is important to maintain and continuously develop the staff and to adjust the framework so that the acquired skills can be utilised in the best possible way in the day-to-day work to the benefit of projects with IØ participation.

Since the beginning of the 1990s, a dozen trainees en-

gaged abroad by IØ or its sister funds (IFU and IFV) have completed an MBA Degree at the Scandinavian International Management Institute (SIMI) in Copenhagen. An investment officer from IØ's Moscow office started studying in Copenhagen in 2004.

The entire staff of the Funds and a number of advisers convened in 2004 to attend a one and a half day seminar in Copenhagen. This provided a good opportunity for exchanging views and consolidating a common team spirit.

Offices abroad and adviser network

The relationship between the head office in Denmark, the offices abroad and the advisers helps strengthen the knowledge resources. The main task of the offices and advisers is to promote and monitor the projects by assisting with their thorough knowledge of the local areas, authorities, legislation, businesses, etc.

IØ has an office in Moscow, Russia. As a consequence of the EU enlargement the Danish government has decided that IØ shall not make new investments in any of the new EU member countries. Therefore, IØ has decided to privatise the management of the Warsaw office with effect from

1 January 2005 (as described on page 11). In relation to IØ this office will act as an adviser office. In this connection the former Polish head of the Moscow office has returned to Warsaw.

In the coming years the staff at the adviser office in Warsaw will concentrate on monitoring the existing projects, and at the same time ensure that IØ exits the project portfolio in a way which is commercially justifiable.

IØ makes a special effort to extend the network in the EU's new neighbouring countries. At year-end 2004, 22 advisers in eight countries were attached to IØ.

Facts about the staff

IØ is administered by and in close combination with its sister fund, IFU, which operates in developing countries. The average number of employees in 2004 was 75.

The beginning of 2004 was marked by a significant staff reduction in Copenhagen in order to adapt to the consequences of the capital extraction (as described on page 10).

55% Female

45% Male

79% Employed at the head office

21% Employed outside DK

Investments heighten standards for social and human rights

In most countries where IØ and its Danish partners invest, there are other rules and standards for the security, health and safety of the employees than in Denmark. Therefore the Fund has elaborated a Code of Conduct, which sets the goals and standards for the work of the project companies in relation to human rights, social responsibility, occupational health and safety as well as environment.

IØ shall in cooperation with its partners constantly strive to heighten standards within all those areas. As reference the Fund utilises a number of the most important international agreements and conventions, such as:

- The United Nations Universal Declaration of Human Rights.
- The Council of Europe Convention for the Protection of Human Rights and Fundamental Freedoms.
- ILO's (The International Labour Organisation) conventions for abolition of forced labour, protection against child labour, non-discrimination concerning employment and protection of freedom of association.
- The OECD Convention on combating bribery.

Before IØ decides to enter into a project, the partners are made aware of the Fund's Code of Conduct, and by their signature they confirm that they have been made aware of it and intend to act upon it. IØ's Code of Conduct is based on cooperation between the Fund and its partners, while some requirements are mandatory:

- Using bribery is both a criminal offence and unacceptable.
- IØ's base requirement is that investments should be evaluated against Danish standards, but in all aspects meet the standards adopted in the host country, and the conventions which the host country has ratified.
- IØ will not support nor accept forced labour or child labour. Under no circumstances may work be carried out by children under the age of 14. Older children may only be employed if it does not affect their school attendance, and if they do not carry out work which may be morally or physically harmful.
- In addition to this it is very important to IØ that the project does not expose the employees to discrimination of any kind. Everyone must be treated equally, regardless of gender, race, disability, political belief, religion or social origin.
- Furthermore, the employees' freedom of association must be protected.
- At the same time IØ puts emphasis on wages not being below the legal minimum of the host country, and that large suppliers to the project also meet certain ethical standards.

All projects are assessed once a year in relation to IØ's Code of Conduct, and many turn out to keep higher standards in some areas than what is customary in the country of operation.



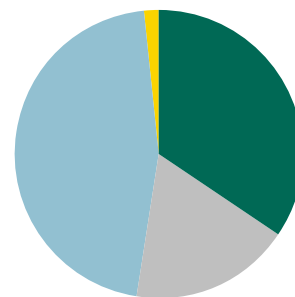
Pivara Celarevo, Serbia & Montenegro

Mostly “acceptable” performance – Code of Conduct

As in previous years, 2004 showed that most of the projects live up to IØ’s Code of Conduct, although there is still ample space for improvements. In IØ’s annual assessment of the projects in relation to the Code of Conduct, 64 out of 122 projects assessed were classified as “good” or “excellent”. 56 of the projects were classified as “fair”. Two of the projects were classified as “poor”, and even though this is only a few, IØ finds it unacceptable and will take initiative to address the problems as soon as possible.

Code of Conduct

- Excellent
- Good
- Fair
- Poor
- Critical



Focus on the external environment and occupational health and safety (OHS)

IØ has elaborated a policy which will contribute to ensuring a high environmental and occupational health and safety standard in the projects. In addition to the project company being obligated to comply with the rules and regulations of the host country, the Danish partner has to confirm to IØ that the project meets the standards of the Danish environmental and occupational health and safety rules. Any deviations must be described and approved by IØ, and a plan to improve the deviant areas must be made.

The projects are categorised as either A, B or C projects according to the World Bank environmental review procedure, under which the A projects have the potentially largest environmental effects. At the same time, the World Bank sector guidelines are applied, e.g. within tropical forestry, where Danish rules and regulations cannot be used as a framework.

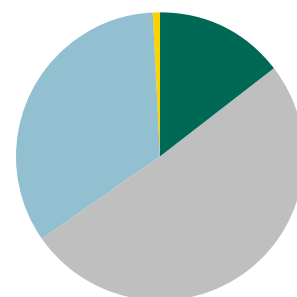
Project companies initiated after the approval of IØ’s environmental policy in 1996 must prepare an Annual Environmental Status Report (AESR) for the board of the company, in order for the board to identify possible needs for improvement. This report becomes part of IØ’s ongoing monitoring of the projects. Together with the in-depth knowledge of the project, which IØ’s representative possesses, the AESR forms the basis for an internal environmental classification of all IØ projects including an assessment of the status for occupational health and safety conditions (OHS). Once a year the projects are given marks from “critical” over “poor”, “fair”, and “good” to “excellent”. Regarding external environment, 123 projects out of 124 projects assessed were classified as “fair” or better in

2004. One project was classified as poor. Again IØ will take the initiative to address the problem soonest possible.

Regarding OHS, 123 out of 124 projects assessed were classified as “fair” or better. Only one project was classified as “poor”. IØ will take initiative to address this issue as well as continue its cooperation with the partners on the “fair” classifications.

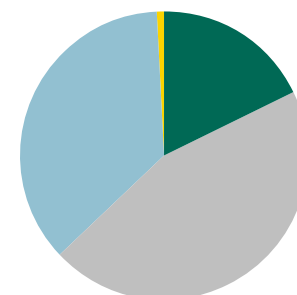
External Environment

- Excellent
- Good
- Fair
- Poor
- Critical



OHS

- Excellent
- Good
- Fair
- Poor
- Critical



Financial review 2004

IØ's result for 2004 was a profit of DKK 82.2m, which is on a level with the result for 2003, DKK 104.5m, and also substantially better than expected a year ago. This is due to a number of unforeseen share capital divestments, which at the same time were effected at higher values than reflected in the accounts at the end of 2003, a higher than expected level of dividend income, and, finally, a better than expected financial income as the capital extraction of DKK 650m, which was decided by the Danish government in 2003, took place at a later time of the year than anticipated.

Total contribution from IØ's primary project-related activities was DKK 89.1m in 2004 compared to DKK 104.2m in 2003. The figure for 2003 was positively impacted by DKK 16.5m due to a change in accounting estimates for value adjustments in that year.

Total contribution from share capital investments was negative DKK (6.5)m compared to DKK 93.8m in 2003, whereas the contribution from project loans and guarantees shows the opposite development, rising to DKK 94.8m in 2004 from DKK 10.1m in 2003. The reason for the large shifts in the different contributions was primarily that a major loan engagement, carrying a large provision, was converted at par to share capital during 2004. This resulted in reversal of the provision on the loan, and at the same time an introduction of an identical provision on the new, converted share capital participation.

Net contribution from realised share capital transac-

tions, i.e. dividends and divested share capital investments, was DKK 93.8m in 2004; almost identical to the figure for 2003, DKK 96.3m. Net contribution means that the figures are net of reversal of adjustments to assessed fair value made in prior years on the investments in question.

Interest income and fees from project loans and guarantees were DKK 42.3m in 2004, a slight decrease when compared to DKK 46.7m in 2003. The decrease primarily reflects a similar decrease in the size of the outstanding portfolio at cost in DKK during the year.

IØ's part of the overall operating expenses for 2004 for the three funds managed by the Industrialisation Fund for Developing Countries (IFU), which besides IFU and IØ is the Investment Fund for Emerging Markets (IFV), was DKK 28.4m compared to DKK 32.4m in 2003. The decrease reflects that in 2004 IØ was allotted a lower proportion of the total operating expenses, which fell to DKK 66.7m from DKK 69.6m in 2003. As also explained elsewhere, the reduced overall level of expenses is a consequence of the savings, including staff reductions, that were carried out in 2004.

Financial income, net of financial expenses was DKK 21.4m compared to DKK 32.7m in 2003. The lower net financial income in 2004 primarily reflects the combined effect of lower short-term interest rates and a shorter investment horizon through the year as a result of the capital extraction.

Risk management

IØ invests in projects located in countries, where political and economic conditions are uncertain and further, the commercial risk in the projects is often high.

To minimise the overall risk in IØ's investment portfolio, a set of risk policies have therefore been implemented in the investment policy. These policies include guidelines for project, partner and political risk exposure as well as guidelines for managing the direct financial risk.

Project risk is managed by the limit for IØ's participation in a single project, which as a consequence of the capital extraction was reduced to DKK 50m, whereas *Partner risk* is limited through the constraint that total outstanding investments plus remaining and binding commitments (total engagement) with a partner (at group level) should not account for more than 20% of the Fund's equity plus value

adjustments. The *political (or country) risk* is assessed by using ratings from "Institutional Investors", and a risk premium is added to the interest on loans granted by IØ, depending, among other things, on this rating. Furthermore, as a guideline the total engagement in a single country should normally not exceed 30% of the Fund's equity plus value adjustments.

Financial risk

9% of the exchange rate adjusted outstanding loan portfolio at year-end was denominated in USD, and IØ's financial result is therefore to some extent dependent on fluctuations in the USD/DKK exchange rate. A hedging policy is implemented in order to reduce this exposure. The policy for hedging states that the exposure in USD should not ex-

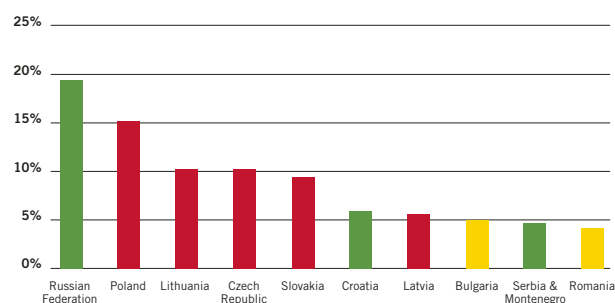
ceed 15% of the Fund's equity plus value adjustments, and that the hedged portion of the total USD outstanding should not normally exceed 75%. IØ only hedges project loan principals with an estimated low risk of default. At the end of 2004 approximately 80% of the USD exposure was hedged. IØ's exposure to currencies other than USD, DKK and EUR at the end of 2004 was very low at 5% of the exchange rate adjusted outstanding loan portfolio.

40% of IØ's total outstanding investment at cost at year-end was placed in project loans, of which 88% is based on

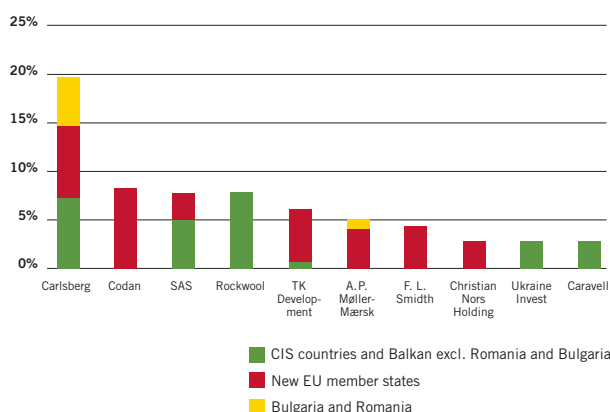
IØ's standard interest terms, CIBOR/LIBOR, plus a risk premium dependent on the Fund's assessment of project, partner and political risk. An increase in the CIBOR/LIBOR interest rates will therefore have a positive effect on IØ's result.

Liquidity is managed with the aim of always securing positive cash position. A credit facility of DKK 300m shared with IFU is in place to cover unexpected negative short-term fluctuations in the cash flows.

Total engagement at 31/12/2004 divided on the largest countries relative to the Fund's equity plus value adjustments (after capital extraction of DKK 650m)



Total engagement at 31/12/2004 divided on partner group relative to the Fund's equity plus value adjustments (after capital extraction of DKK 650m)



Events after the balance sheet date

No events materially affecting the financial position of IØ have taken place since the balance sheet date.

Outlook for 2005

For IØ, 2005 and subsequent years will be marked by more restrictive operational activities as a consequence of the limited resources of the Fund caused by the Danish government's decision to extract DKK 650m from IØ to the Danish state budget in 2004. The capital extraction will have a negative impact on the Fund's income and net result in the years to come.

IØ's area of activity has recently been reduced considerably due to eight Central and Eastern European countries accessing the European Union in 2004. This is expected to cause a fall in investments compared to former years. Danish companies, however, continue to show strong and increasing interest in making investments in the EU's new neighbouring countries.

It is expected that IØ will stop making new investment commitments in Bulgaria and Romania mid-2005 when the EU accession agreement with these countries is expected to be signed. In spite of this an increase in the number of new projects to 20 is expected in 2005. For 2005, a net income of approximately DKK 20m is budgeted. It should be noted, however, that the budgeted net income is subject to substantial uncertainty, primarily because the development in the fair value of the investments made by IØ, including the effects of exchange rate fluctuations (see the section "Risk management" above), by nature is very difficult to predict.

Accounting policies

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

Accounting policies in general

The accounting principles applied are the same as for the previous year.

Presentation and classification

IØ's income statement and balance sheet vary from the standard tables of the Danish Financial Statements Act, because they are presented on the basis of IØ's special character as an investment fund (long term investments) and with a view to the best possible clarity of the information to the reader of the accounts. The deviation is in concurrence with section 23 (4) of the Danish Financial Statements Act.

In order to make the best possible presentation of IØ's financial position and to further increase the information value of IØ's annual report, the presentation and classification of the individual items in the income statement, the balance sheet and cash flow statement have been modified compared to last year.

This year, all liabilities and transactions related to syndicated capital have been netted out against the gross project assets and transactions, which they syndicate.

Syndicated capital is investment capital received from third parties and invested in projects, in principle on their own account and risk, and syndicated capital therefore only becomes due to the extent that IØ receives payment from these projects.

Previously, project assets acquired using syndicated capital, were included at fair value in the balance sheet, and the related syndicated capital was shown separately as an identical sized liability. Similarly, all transactions during the year related to these assets were shown separately in the income and cash flow statements, e.g. as gross project income and an identical expense related to syndicated capital.

The change in presentation of syndicated capital has no net effect on IØ's net income or net cash flow for either 2004 or 2003; however, the balance sheet total has been reduced by the amount of outstanding syndicated capital, measured at fair value. For 2004 and 2003 the reductions amount to DKK 1.7m and DKK 2.3m, respectively.

Information about syndicated capital is now included in notes 6 and 7.

In the income statement, "Gross contribution from projects" has been divided in three separate sections in order to better highlight the contributions from 1) share capital investments, 2) project loans and guarantees and 3) other value adjustments, income and expenses.

Further, the changes in value adjustments during the year have been divided in reversals - directly in the income statement - related to realised gains and losses during the year and into adjustments related to the portfolio of projects at year-end; thereby giving more information about the different contributions making up the net income for the year. This type of information was previously given in a note to the income statement.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Fund, and provided that the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Fund has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Fund, and the value of the liabilities can be measured reliably.

On initial recognition assets and liabilities are measured at cost. Adjustment subsequent to initial recognition is effected as described below for each item.

Information brought to IØ's attention before the time of finalising the presentation of the annual report, and which confirms or invalidates affairs and conditions existing at the balance sheet date, is considered at recognition and measurement.

Income other than value adjustments is recognised in the income statement when earned, just as costs are recognised by the amounts attributable to this financial year. Value adjustments of financial assets and liabilities are recognised in the income statement as value adjustments.

Foreign currency adjustment

Foreign currency transactions are initially recognised in DKK using the exchange rate at the transaction date. Loans, receivables, payables and other monetary items denominated in foreign currencies, which have not been set-

tled at the balance sheet date, are adjusted into DKK using the exchange rate at the balance sheet date. All exchange rate adjustments, including those that arise at the payment date, are recognised in the income statement as value adjustments, financial income or financial expenses, depending on their nature.

Derivative financial instruments

IØ has established a set of criteria for entering into forward exchange contracts and cross currency swaps (derivative financial instruments) to hedge future transactions concerning selected foreign currency loans and receivables from sale of shares (fair value hedge).

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently adjusted to fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments are recognised in the income statement as either "Value adjustments, portfolio and receivables", if related to hedging of project loans, or "Other value adjustments, income and expenses related to projects, net", if related to hedging of receivables from sale of shares.

Merger of IØ and the Environmental Investment Facility for Central and Eastern Europe (MIØ)

With effect from 1 January 2004 the Environmental Investment Facility for Central and Eastern Europe (MIØ) was merged into IØ.

MIØ was originally established as an independent revolving facility under Agreement of January 13, 1995 between IØ and the Danish Environmental Protection Agency, and as such formed a separate accounting unit within the legal framework of IØ. The proceeds from environmental project companies, which were financed with facility capital, could be utilised to finance new environmental projects. The financial statements for MIØ were included in the financial statement for IØ by combining items of a similar nature and eliminating transactions between MIØ and IØ, except that MIØ's net result was deducted before the net result for the year, and MIØ's equity capital was shown as facility capital.

Net income, balance sheet total, total equity capital and net cash flow of IØ are unchanged by the merger.

Income statement

Contribution from share capital investments

Dividends from projects

Dividends from projects net of withholding taxes, if any, are recognised as income at the date of declaration.

Reversed plus values and reversed provision for losses (divested share capital investments)

Reversals of plus values and provision for losses made prior to the beginning of the year on share capital investments divested during the year are stated relative to cost in DKK, in the same way as **Income from sale of shares** and **Share capital written off**.

Value adjustments, portfolio and dividend receivables

Value adjustments, portfolio comprise all adjustments to fair value made during the year on share capital investments outstanding at year-end. Value adjustments, dividend receivables include provision for losses, realised and unrealised exchange rate adjustments and realised losses, if any, on dividend receivables.

Contribution from project loans and guarantees

Interest income and fees related to projects

Interest income on loans and commission on guarantees to projects are recognised as they are accrued. Fees related to project loans and guarantees are recognised as income when earned.

Project loans written off

Write-offs on project loan principals in foreign currency are stated in DKK at a value corresponding to the exchange rate at the date of the write-off.

Reversed provision for losses (loans written off)

Reversals of provision for losses (loans written off) made prior to the start of the year on loan principals in foreign currency, fully or partly written off during the year, are stated at their value in DKK as it was at the end of the year before, i.e. based on the value of the loans adjusted to exchange rates prevailing at that date.

Value adjustments, portfolio and receivables

Value adjustments, portfolio comprise all adjustments to fair value during the year on project loan principals and guarantees outstanding at year end, as well as all realised and unrealised exchange rate adjustments during the year on project loan principals. Value adjustments, receivables include provision for losses, realised and unrealised exchange rate adjustments and realised losses, if any, on loan interest, guarantee commission and fee receivables.

Other value adjustments, income and expenses related to projects

Other value adjustments comprise all adjustments to fair value on other project related receivables, primarily receivables from sale of shares, including provision for losses, realised and unrealised exchange rate adjustments and realised losses, if any. Other income includes interest income on receivables, recognised when accrued and other

fees, recognised when earned. Other expenses include grants to projects and various expenses.

Operating expenses, net

The Industrialisation Fund for Developing Countries (IFU) manages the administration and accounting of altogether three funds. At present this includes IFU, IØ and The Investment Fund for Emerging Markets (IFV). The total operating expenses incurred by IØ, net of income related to operating activities, are divided at year-end between IFU, IØ and IFV according to an activity dependent distribution key.

Financial income and expenses

Financial income and expenses comprise interest income on cash and bonds, realised and unrealised capital gains and losses on bonds, interest expenses, exchange rate adjustments on cash and bank charges.

Balance sheet

Share capital investment in projects, net

Share capital investments in project companies are measured at fair value, i.e. net of or including value adjustments relative to cost in DKK.

Fair value for a specific share capital investment is defined as the estimated disposal value in DKK at the balance sheet date, taking into account such aspects as the latest known stock exchange price, if relevant, i.e. the company is listed and the market is deemed liquid; formal exit agreements, if applicable, relevant and exercisable; the book value in DKK of IØ's investment according to the latest accounts; past and expected future results of the project company, and commercial and political risks involved.

Value adjustments on share capital are measured in steps of 25 percentage points relative to cost in DKK based on an assessment of each individual project.

Project loans, net

Fair value of project loans is measured net of or including value adjustments relative to cost in DKK. These adjustments take into account actual exchange rate, security, if any, the financial situation of the project company, and commercial and political risks involved.

Value adjustments other than exchange rate adjustments on project loans are measured in steps of 25 percentage points relative to the exchange rate adjusted value based on an assessment of each individual project.

Interest receivable related to projects and other receivables

Interest receivable related to projects and other receivables are measured at fair value, i.e. at actual exchange

rates and after adjustments for risk of loss. Included in other receivables are administrative receivables and other receivables from bonds, both measured at cost.

Cash and bonds

Bonds are stated at the official prices quoted on the balance sheet date except for called bonds, which are stated at par value. Realised and unrealised gains or losses on bonds are recognised in the income statement under financial income, net.

Provision for losses

Provision for losses comprises anticipated losses related to guarantee agreements. Adjustments of provision for losses related to guarantee agreements are recognised in the income statement as value adjustments, portfolio and receivables under "Contribution from project loans and guarantees".

Current liabilities

Current liabilities related to projects are measured at fair value. Other current liabilities are measured at amortised cost, which in most cases corresponds to nominal value.

Cash flow statement

The cash flow statement has been prepared in accordance with the direct method and shows IØ's cash flow from operating, investing and financing activities as well as IØ's cash position at the beginning and end of the year.

Cash comprises cash at hand less short-term bank debt.



Bianco Footwear, Russian Federation

INCOME STATEMENT

| | 2004 | 2003 |
|--|----------------------|-----------------------|
| | <u>DKK 1,000</u> | <u>DKK 1,000</u> |
| NOTE | | |
| Contribution from share capital investments | | |
| Dividends from projects | 35,298 | 47,946 |
| Income from sale of shares (relative to cost) | 49,707 | 24,802 |
| Reversed plus values (divested share capital investments) | (10,624) | (2,125) |
| Share capital written off (relative to cost) | (95,878) | (58,451) |
| Reversed provision for losses (divested share capital investments) | 115,317 | 84,175 |
| 1/ Value adjustments, portfolio and dividend receivables | <u>(100,281)</u> | <u>(2,558)</u> |
| Total contribution from share capital investments | (6,461) | 93,789 |
| Contribution from project loans and guarantees | | |
| 2/ Interest income and fees related to project loans and guarantees | 42,256 | 46,701 |
| Project loans written off | (15,197) | (2,299) |
| Reversed provision for losses (loans written off) | 16,183 | 2,181 |
| 3/ Value adjustments, portfolio and receivables | <u>51,509</u> | <u>(36,464)</u> |
| Total contribution from project loans and guarantees | 94,751 | 10,119 |
| 4/ Other value adjustments, income and expenses related to projects, net | <u>812</u> | <u>299</u> |
| GROSS CONTRIBUTION FROM PROJECTS | <u>89,102</u> | <u>104,207</u> |
| Operating expenses, net | <u>(28,374)</u> | <u>(32,372)</u> |
| OPERATING INCOME (LOSS) | <u>60,728</u> | <u>71,835</u> |
| 5/ Financial income | 21,601 | 34,296 |
| 5/ Financial expenses | <u>(168)</u> | <u>(1,582)</u> |
| NET INCOME FOR THE YEAR | <u>82,161</u> | <u>104,549</u> |

The net income for the year has been transferred to the equity capital.

BALANCE SHEET 31 DECEMBER

ASSETS

| | 2004 | 2003 |
|--|-------------------------|-------------------------|
| | <u>DKK 1,000</u> | <u>DKK 1,000</u> |
| NOTE | | |
| FIXED ASSETS | | |
| Share capital investment in projects at cost | 946,578 | 813,931 |
| Value adjustments | <u>(282,264)</u> | <u>(286,675)</u> |
| 6/ Share capital investment in projects, net | 664,314 | 527,256 |
| Project loans at cost | 627,020 | 704,701 |
| Value adjustments | <u>(183,212)</u> | <u>(248,724)</u> |
| 7/ Project loans, net | <u>443,808</u> | <u>455,977</u> |
| Total fixed assets | <u>1,108,122</u> | <u>983,233</u> |
| CURRENT ASSETS | | |
| 8/ Interest receivable related to projects | 4,143 | 7,866 |
| 9/ Other receivables | 35,604 | 22,317 |
| 10/ Bonds | 110,916 | 532,898 |
| Cash | <u>204,865</u> | <u>464,431</u> |
| Total current assets | <u>355,528</u> | <u>1,027,512</u> |
| TOTAL ASSETS | <u>1,463,650</u> | <u>2,010,745</u> |

BALANCE SHEET 31 DECEMBER

LIABILITIES AND EQUITY CAPITAL

| | 2004 | 2003 |
|---|-------------------------|-------------------------|
| | DKK 1,000 | DKK 1,000 |
| NOTE | | |
| EQUITY CAPITAL | | |
| Paid-in capital | 1,247,800 | 1,897,800 |
| Accumulated reserves | <u>184,035</u> | <u>101,874</u> |
| 11/ Total equity capital | <u>1,431,835</u> | <u>1,999,674</u> |
| PROVISION FOR LOSSES | | |
| Guarantees | <u>27,319</u> | <u>10,748</u> |
| Total provisions | <u>27,319</u> | <u>10,748</u> |
| 12/ CURRENT LIABILITIES | <u>4,496</u> | <u>323</u> |
| Total liabilities | <u>4,496</u> | <u>323</u> |
| TOTAL EQUITY CAPITAL, PROVISION FOR LOSSES AND LIABILITIES | <u>1,463,650</u> | <u>2,010,745</u> |
| 13/ FUNDS COMMITTED TO PROJECTS | | |
| 14/ AVAILABLE EQUITY CAPITAL AND CLEARANCES IN PRINCIPLE | | |
| 15/ CONTINGENT LIABILITIES | | |
| 16/ RELATED PARTY DISCLOSURES | | |



Pivara Celarevo, Serbia & Montenegro

CASH FLOW STATEMENT

| | 2004 | 2003 |
|---|------------------------------|------------------------------|
| | <u>DKK 1,000</u> | <u>DKK 1,000</u> |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Dividends from projects received | 35,202 | 47,817 |
| Interest from projects received | 63,333 | 23,906 |
| Other project related payments | (4,529) | 2,723 |
| Operating expenses, net | (22,077) | (32,360) |
| Net payments related to financial income and expenses | <u>16,684</u> | <u>70,521</u> |
| Net cash from operating activities | <u>88,613</u> | <u>112,607</u> |
| CASH FLOW FROM (TO) INVESTING ACTIVITIES | | |
| Received from sale of shares | 143,436 | 83,469 |
| Received from project loans | 246,196 | 154,572 |
| Paid-in share capital in projects | (323,443) | (74,379) |
| Disbursement of project loans | (188,488) | (180,561) |
| Received from (invested in) bonds | <u>424,120</u> | <u>235,431</u> |
| Net cash from (to) investing activities | <u>301,821</u> | <u>218,532</u> |
| CASH FLOW FROM (TO) FINANCING ACTIVITIES | | |
| Repaid capital during the year | <u>(650,000)</u> | <u>0</u> |
| Net cash from (to) financing activities | <u>(650,000)</u> | <u>0</u> |
| NET CHANGE IN CASH | (259,566) | 331,139 |
| CASH BEGINNING OF YEAR | <u>464,431</u> | <u>133,292</u> |
| CASH END OF YEAR | <u><u>204,865</u></u> | <u><u>464,431</u></u> |

NOTES

| | 2004 DKK 1,000 | 2003 DKK 1,000 |
|--|-------------------------|------------------------|
| 1 <u>Value adjustments, portfolio and dividend receivables (Share capital investments)</u> | | |
| Changes in plus values portfolio | 26,000 | 8,821 |
| Changes in provision for losses portfolio | <u>(126,281)</u> | <u>(11,379)</u> |
| Value adjustments, portfolio and dividend receivables (Share capital investments) | <u>(100,281)</u> | <u>(2,558)</u> |
| 2 <u>Interest income and fees related to project loans and guarantees</u> | | |
| Interest from project loans | 38,091 | 41,847 |
| Front-end fees | 961 | 4,763 |
| Guarantee commission | <u>3,204</u> | <u>91</u> |
| Interest income and fees related to project loans and guarantees | <u>42,256</u> | <u>46,701</u> |
| 3 <u>Value adjustments, portfolio and receivables (project loans and guarantees)</u> | | |
| Exchange rate adjustments, realised (project loans) | (3,636) | (3,269) |
| Exchange rate adjustments, unrealised (project loans) | 367 | (11,418) |
| Exchange rate adjustments (derivatives) | 3,361 | 7,094 |
| Changes in provision for losses (loans) | 48,962 | (1,544) |
| Value adjustments guarantees | (16,572) | (6,403) |
| Value adjustments interest receivables | <u>19,027</u> | <u>(20,924)</u> |
| Value adjustments, portfolio and receivables (project loans and guarantees) | <u>51,509</u> | <u>(36,464)</u> |
| 4 <u>Other value adjustments, income and expenses related to projects, net</u> | | |
| Exchange rate adjustments (receivables) | (121) | (138) |
| Other value adjustments (receivables) | (1,493) | 151 |
| Interest from receivables | 2,475 | 318 |
| Various expenses | <u>(49)</u> | <u>(32)</u> |
| Other value adjustments, income and expenses related to projects, net | <u>812</u> | <u>299</u> |
| 5 <u>Financial income and expenses</u> | | |
| <u>Financial income</u> | | |
| Interest income, cash and bonds | 22,060 | 29,908 |
| Gain on bonds, net | <u>(459)</u> | <u>4,388</u> |
| Financial income | <u>21,601</u> | <u>34,296</u> |
| <u>Financial expenses</u> | | |
| Interest expenses, bank charges and exchange rate adjustments | <u>(168)</u> | <u>(1,582)</u> |
| Financial expenses | <u>(168)</u> | <u>(1,582)</u> |
| Financial income and expenses | <u>21,433</u> | <u>32,714</u> |

| | 2004 DKK 1,000 | 2003 DKK 1,000 |
|--|-------------------------|-------------------------|
| 6 <u>Share capital investment in projects, net</u> | | |
| Share capital investment in projects beginning of year at cost | 813,931 | 857,389 |
| Paid-in share capital in projects during the year | 323,443 | 74,379 |
| Cost of shares sold during the year | (94,918) | (59,386) |
| Write-offs during the year at cost | <u>(95,878)</u> | <u>(58,451)</u> |
| Share capital investment in projects end of year at cost | <u>946,578</u> | <u>813,931</u> |
| Accumulated value adjustment beginning of year | (286,675) | (366,167) |
| Value adjustments during the year | <u>4,411</u> | <u>79,492</u> |
| Accumulated value adjustment end of year | <u>(282,264)</u> | <u>(286,675)</u> |
| Share capital investment in projects, net end of year | <u>664,314</u> | <u>527,256</u> |
| Accumulated value adjustments end of year are comprised of: | | |
| Plus values | 27,855 | 12,479 |
| Value adjustments excl. plus values | <u>(310,119)</u> | <u>(299,154)</u> |
| | <u>(282,264)</u> | <u>(286,675)</u> |
| 7 <u>Project loans, net</u> | | |
| Project loans beginning of year at cost | 704,701 | 684,281 |
| Disbursements during the year | 188,488 | 180,561 |
| Repayments during the year | (246,194) | (154,571) |
| Exchange rate adjustments during the year relative to cost | (3,637) | (3,271) |
| Project loans transferred to other receivables during the year | (1,141) | 0 |
| Write-offs during the year | <u>(15,197)</u> | <u>(2,299)</u> |
| Project loans end of year at cost * | <u>627,020</u> | <u>704,701</u> |
| Accumulated value adjustments beginning of year | (248,724) | (237,944) |
| Value adjustments during the year | <u>65,512</u> | <u>(10,780)</u> |
| Accumulated value adjustments end of year | <u>(183,212)</u> | <u>(248,724)</u> |
| Project loans, net end of year | <u>443,808</u> | <u>455,977</u> |
| Accumulated value adjustments end of year are comprised of: | | |
| Exchange rate adjustments relative to cost | (18,695) | (22,042) |
| Value adjustments excl. exchange rate adjustments | <u>(164,517)</u> | <u>(226,682)</u> |
| | <u>(183,212)</u> | <u>(248,724)</u> |

| | | 2004 DKK 1,000 | 2003 DKK 1,000 |
|---|-------------|-------------------|-------------------|
| *) Project loans end of year at cost are comprised of: | | | |
| Senior project loans | | 465,296 | 446,560 |
| Subordinated loans | | 161,724 | 258,141 |
| | | <u>627,020</u> | <u>704,701</u> |
| *) Project loans end of year at cost in DKK distributed according to currency denomination: | | | |
| | <u>2004</u> | <u>2003</u> | |
| | Currency | Currency | |
| DKK | | | 200,217 |
| USD ¹⁾ | 6,497 | 10,037 | 53,168 |
| EUR | 46,416 | 40,337 | 345,238 |
| Other currencies | | | 28,397 |
| | | | <u>627,020</u> |
| | | | <u>704,701</u> |

¹⁾ USD 5.2m is hedged against DKK (USD 6.0m in 2003)

Project loans provided by IØ by means of syndicated capital are not included in the above figures and amount to DKK 1.7m (DKK 2.3m in 2003), measured at fair value.

Syndicated capital is investment capital received from third parties and invested in projects, in principle on their own account and risk, and syndicated capital therefore only becomes due to the extent that IFU receives payment from these projects.

8 Interest receivable related to projects

| | | |
|--|--------------|--------------|
| Interest receivable related to projects before value adjustments | 15,310 | 48,349 |
| Value adjustments | (11,167) | (40,483) |
| Interest receivable related to projects | <u>4,143</u> | <u>7,866</u> |

9 Other receivables

| | | |
|---|---------------|---------------|
| Dividend receivables | 7 | 6 |
| Receivables from sale of shares etc. | 6,613 | 5,735 |
| Receivables from sale of loan etc. | 11,218 | 137 |
| Receivable front-end fees | 2,285 | 3,595 |
| Other project-related receivables | 5 | 5 |
| | 20,128 | 9,478 |
| Value adjustments | (3,858) | (2,356) |
| | 16,270 | 7,122 |
| Derivatives *) | 13,270 | 11,645 |
| Administrative receivables | 0 | 1,407 |
| Accrued interest receivables from bonds | 4,388 | 65 |
| Current accounts | 1,676 | 2,078 |
| | <u>35,604</u> | <u>22,317</u> |

*) Stated amount for 2004 concerns a hedged amount of USD 5.2m with term from 2005 to 2010.

10 Bonds

| | | |
|-------------------|----------------|----------------|
| Listed bonds | 110,916 | 532,898 |
| Bonds end of year | <u>110,916</u> | <u>532,898</u> |

| | 2004 DKK 1,000 | 2003 DKK 1,000 |
|---|-------------------------|-------------------------|
| 11 <u>Total equity capital</u> | | |
| Paid-in capital beginning of year | 1,897,800 | 1,897,800 |
| Repaid capital during the year | (650,000) | 0 |
| Paid-in capital end of year | <u>1,247,800</u> | <u>1,897,800</u> |
| Accumulated reserves beginning of year | 101,874 | (2,675) |
| Net income for the year | <u>82,161</u> | <u>104,549</u> |
| Accumulated reserves end of year | <u>184,035</u> | <u>101,874</u> |
| Total equity capital end of year | <u><u>1,431,835</u></u> | <u><u>1,999,674</u></u> |
| 12 <u>Current liabilities</u> | | |
| Other project related debt | 209 | 315 |
| Administrative debt | 4,279 | 0 |
| Deferred income | <u>8</u> | <u>8</u> |
| | <u><u>4,496</u></u> | <u><u>323</u></u> |
| 13 <u>Funds committed to projects</u> | | |
| Funds committed to projects are comprised of undisbursed contractual commitments allocated for investments. The stated amount of guarantees is net of provision for losses, if any. | | |
| Amounts payable on project agreements | 379,716 | 559,766 |
| Guarantees * | 29,477 | 40,742 |
| Binding commitments | <u>27,938</u> | <u>143,584</u> |
| Funds committed to projects | <u><u>437,131</u></u> | <u><u>744,092</u></u> |
| *) Gross outstanding guarantees amount to DKK 56,796 (DKK 51,489 in 2003). | | |
| 14 <u>Available equity capital and clearances in principle</u> | | |
| The available equity capital is reached as follows: | | |
| Total equity capital | 1,431,835 | 1,999,674 |
| Reserves against losses | 27,319 | 10,748 |
| Project participation | <u>(1,549,396)</u> | <u>(1,735,191)</u> |
| Available equity capital | <u><u>(90,242)</u></u> | <u><u>275,231</u></u> |
| Clearances in principle for new projects amount to | <u><u>413,645</u></u> | <u><u>698,961</u></u> |
| 15 <u>Contingent liabilities</u> | | |
| The total lease and rental commitments amount to DKK 0m (DKK 0.1m in 2003). - hereof due within the following year DKK 0m (DKK 0.1m in 2003). | | |
| 16 <u>Related party disclosures</u> | | |

IØ project investments - shares and loans

IØ's percentage interests in project investments often exceed 20%, but always remain below 50%.

The project companies are not considered related parties, as no controlling or significant influence is exercised over them.

It should be noted that transactions conducted during the year with the project companies include dividends, interest income and fees and directors' fees from the companies in which IØ employees are board members.

Supervisory and Executive Boards

IØ's other related parties are the members of the Supervisory and Executive Boards.



Kristensen Baltic, Latvia

Management

Supervisory Board

The Danish Minister of Foreign Affairs appoints the Chairman, the Deputy Chairman and the other members of the Supervisory Board for a three-year period. Each appointment is personal.

The current Supervisory Board has been reappointed for another three-year period beginning August 2003.

The Supervisory Board usually convenes on a monthly basis. On the recommendation of the Executive Board, it makes decisions about investments and key issues.

The rules of disqualification follow the provisions of the Public Administration Act (Act No. 571 of 19 December 1985, sections 3–6). The principle is that a member of the Supervisory Board or an employee cannot participate in the discussion of a case involving a company in which the person in question has a special interest.

Members of the Supervisory Board may not buy or sell

shares or other securities issued by companies of which they have obtained special knowledge through board work. To prevent insider trading, the Supervisory Board authorises an updated list at each meeting of the listed companies of which the Supervisory Board believes it has inside information; however, the prohibition of utilising knowledge from board work applies in general.

All information received by the members of the Supervisory Board, orally or in writing, is being treated with full confidentiality.

Corporate governance

During 2004 IØ's Supervisory Board discussed the Funds' corporate governance. It is generally agreed that the Funds have good corporate governance, but in 2005 the issue will be investigated further.



Johannes Poulsen, Chairman (1942), member since 1997.

MSc (Economics and Business Administration). Director, BUUR INVEST A/S. Other board memberships: IFU**, IFV**, AXCEL IndustriInvestor A/S, AXCEL II A/S, AXCEL Management A/S, Extend Reach Corporation A/S*, Bukkehave A/S, Dantherm Holding A/S, Eksport Kredit Finansiering A/S, FLS Industries A/S, F.L.Smith A/S*, Greentech Energy Systems A/S, Lyskilde Holding A/S, Frandsen Lighting A/S, JP/Politikens Hus A/S, Eksport Kredit Fonden.



Agnete Raaschou-Nielsen, Deputy Chairman (1957), member since 2000.

PhD (Economics). Managing Director, Zacco Denmark A/S. Other board memberships: IFU*, IFV*, Höganäs AB, Danske Invest, BG Invest, Centre for Business History and Centre for Law, Economics and Financial Institutions (Copenhagen Business School).



Lars Andersen (1958), member since 1994.

MSc (Economics). Managing Director, The Economic Council of the Labour Movement. Other board memberships: IFU, IFV, DSB, Naesborg A/S.



Sigurd Ø. Andersen (1951), member since 2000.

MSc (Engineering). Managing Director, Burmeister & Wain Scandinavian Contractor A/S. Other board memberships: IFU, IFV, Pedregal S. de RL., BWSC A/S, BWSC Guam Inc., BWSC Mindanao Inc., BWSC Panama S.A., Brancheforeningen for Biogas.



Elsebeth Budolfson (1947), member since 2000.

MSc (Pharm). Managing Director, T-cellic A/S. Other board memberships: IFU, IFV, Fertin Pharma A/S, Ferrosan A/S, Contura A/S, Contura International A/S, Idosan A/S, VækstFonden, NSGene A/S, Persona A/S. Member of the Advisory Board, Danske Bank A/S.



Lars Kolte (1950), member since 1997.

Degrees in Economics (Universities of Århus, Wisconsin, Brügge). Managing Director, Eksport Kredit Fonden. Other board memberships: IFU, IFV, Nordic Investment Bank, IPSIS (London).



Kjeld Ranum (1938), member since 1994.

MSc (Engineering). Director. Other board memberships: IFU, IFV, Svejsefabrikken Migatronik A/S**, Superfos A/S, Superfos Industries A/S, B.U.H.L.- Randers A/S**, Aarhus United A/S**, HEMPEL A/S**, JP/Politikens Hus A/S.



Michael Rasmussen (1964), member since 2000.

MSc (Economics) and AMP (Insead). Member of the Executive Management, Nordea Bank Denmark A/S. Other board memberships: IFU, IFV, Nordea Kredit A/S*, Nordea Realkreditaktieselskab, Nordea Bank Poland, Danish Trade Council, LR Realkredit A/S.



Carsten Staur (1954), member since 2000.

MA. State Secretary, Ambassador, Ministry of Foreign Affairs. Other board memberships: IFU, IFV, Danish Center for International Studies and Human Rights, Danish Institute for International Studies.



Karen Wermuth (1954), member since 2000.

LLM. Ambassador, Ministry of Foreign Affairs. Other board memberships: IFU, IFV.

Executive Board

The Danish Minister of Foreign Affairs appoints the Managing Director. The rules which apply to the Supervisory Board regarding selling or buying shares or other securities issued by companies of which they have

obtained special knowledge also apply to the Managing Director and the Deputy Managing Director in their capacity as members of the Executive Board.



Sven Riskær (1938), Managing Director since 1978.

MSc (Engineering), MSc (Economics) and PhD (Physics).

Board memberships: DONG A/S**, ISS A/S*, Kapacitet A/S**, Air Liquide A/S and Vennelyst A/S



Frank Norman Larsen (1949), Deputy Manager since 1994.

MSc (Economics)

** Chairman

* Deputy Chairman

Danish investments in low-cost countries – seeking efficiency

Introduction

Cost-motivated investments – so-called efficiency-seeking investments - increasingly replace or complement traditional market-seeking investments. This process is to a large extent driven by increasingly internationalisation-confident SMEs in the services and metal and machinery industries investing in emerging markets of Eastern Europe and Asia. These were among the main conclusions of a 2004 study of IFU's and IØ's portfolios, conducted as input to a major project on 'outsourcing' organised by the Confederation of Danish Industries (DI).

Changing investment motives

Danish equity involvement in transition economies and developing countries rose from approximately 10% of total Danish outward FDI stock in 1998 to approximately 20% in 2002. The study of IFU's and IØ's portfolios provided a unique opportunity to understand the motives behind this development.

Traditionally, Danish investments in developing countries have been motivated with market access. In line with this, almost 70% of IFU's and IØ's projects were market-seeking. However, the study reveals that significant changes in investment motives have taken place since the early 1990s; where efficiency-seeking investments accounted for approximately 30% of the projects in all years, it was approximately 40% for projects established after 2000.

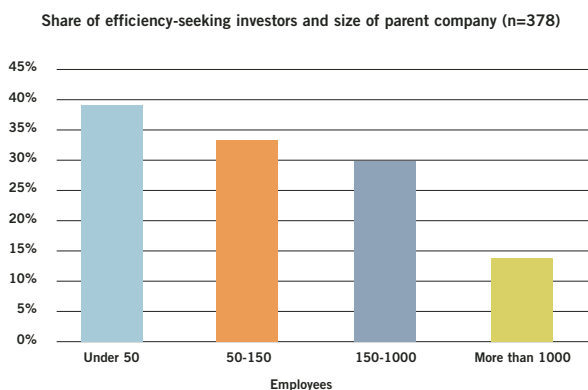
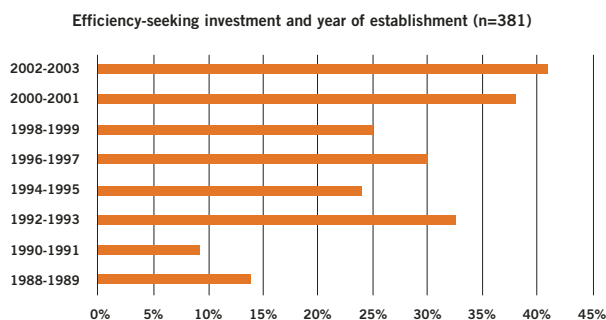
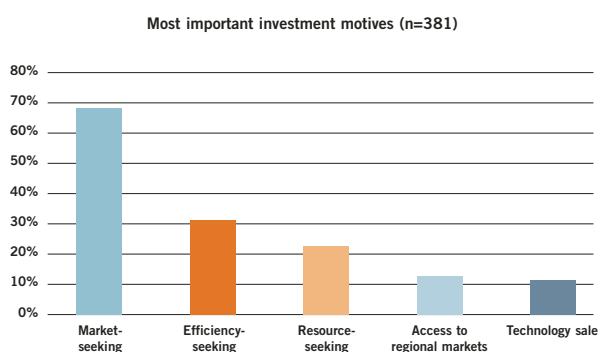
Who are the efficiency-seeking investors?

Where efficiency-seeking investments were previously driven mainly by firms in the textile and furniture industries, they are now increasingly driven by firms engaged in metal and machinery production, agricultural production, and software and engineering services. Moreover, efficiency-seeking investments are increasingly driven by SMEs pressured by their industrial customers to locate parts of their activities in low cost locations.

Where efficiency-seeking investments were previously driven by simple cost advantages, such investments are increasingly demanding presence of complementary assets such as skilled (sometimes highly specialised) labour, effective infrastructure, and clusters of related and supporting industries. Such conditions are offered by a limited but growing number of countries, mainly in Eastern Europe and parts of Asia, in particular India, China and Vietnam.

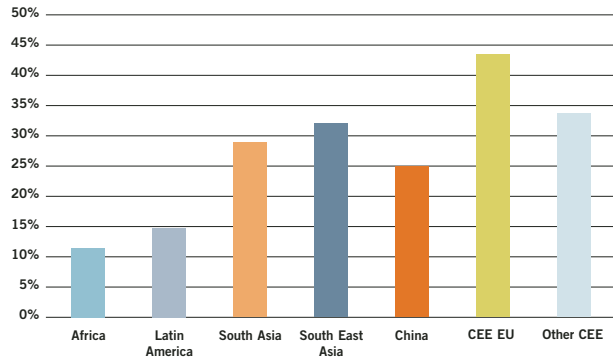
Welfare effects of efficiency-seeking investments

From a development perspective, efficiency-seeking investments may be positive. They may assist developing countries in exploiting their comparative advantages by generating exports. Moreover, they may create productivity



spillovers on host countries and help local industry upgrade into higher value added activities. The main welfare concerns are related to loss of Danish jobs. The experience shows, however, that the overall net effect is rather limited. Efficiency-seeking investments may cause job loss; not 'just' low skill jobs, but increasingly also skilled jobs within services and metal and machinery industries. However, the study suggests that there are also significant benefits associated with efficiency-seeking investments; benefits such as export generation and creation of jobs to service the subsidiary. Thus, it is estimated that 446 active IFU and IØ projects have generated 15,000 man-years in Denmark. In a dynamic perspective, efficiency-seeking investments may free resources in Denmark and allow the investors to concentrate on developing their core competencies. In fact, the very ability to organise the value chain at

Share of efficiency-seeking investments in different regions (n=381)



a global scale is becoming a core competency for a growing number of Danish firms.

Cooperation with SMEs

A 2004 study of the development in IFU's and IØ's portfolios revealed that SMEs, in the study defined as companies with less than 150 employees, play a growing role, both in terms of number of projects and in terms of investments. This notable change is partly a result of IØ's active targeting of SMEs. Recently, IØ has adopted a comprehensive SME package to further promote SME investments.

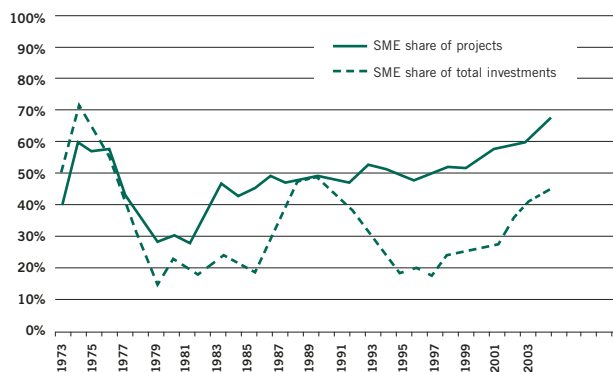
However, the study also suggests that the growing SME orientation reflects a notable change in the internationalisation of Danish industry. The growing role of SMEs is facilitated by firm-external as well as firm-internal factors: A reduction in the transaction and coordination costs of organising value added activities across borders combined with intensified competitive pressure from low cost locations make internationalisation of SMEs both possible and necessary. But equally important are firm-internal factors, such as improved internationalisation and strategic capabilities of SMEs. Some SMEs are even 'born globals', skipping the incremental approach to internationalisation traditionally characterising SME internationalisation.

Furthermore, growing abilities to establish network collaboration with other firms help SMEs compensate for some of the disadvantages of 'smallness'. In this connection, IØ plays a pivotal role, partly by facilitating access to a huge network of public and private partners, partly by providing access to generic as well as country specific information and advice on foreign establishment.

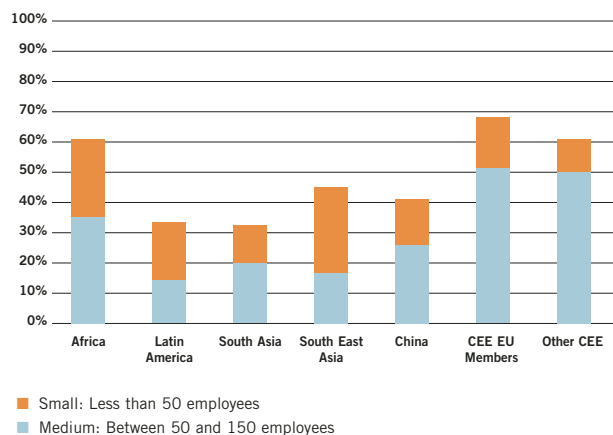
SME investments are particularly widespread in Eastern Europe where the psychological and physical distances are manageable. Another group of SME investments are in relatively underdeveloped economies and are typically PS Programme spin-offs. Finally, a group of SMEs are 'client followers', i.e. companies following their major accounts into dynamic emerging markets.

The growing role of SMEs creates a number of opportunities as well as challenges for IØ. IØ investment and advice probably create maximum additionality in the case of SMEs, as they are typically relatively dependent on IØ's services. However, from a Fund sustainability perspective,

Share of SMEs in different years (n=856)
(SMEs are companies with less than 150 employees at parent)



Share of SME parent companies in different regions (n=856)



SME projects generate less revenue, have higher failure rate, and have higher administrative overhead per invested DKK than large projects. Moreover, from a development

perspective, SME projects generate fewer direct and spillover effects on host countries per invested DKK than do larger projects.

Globalisation package for SMEs

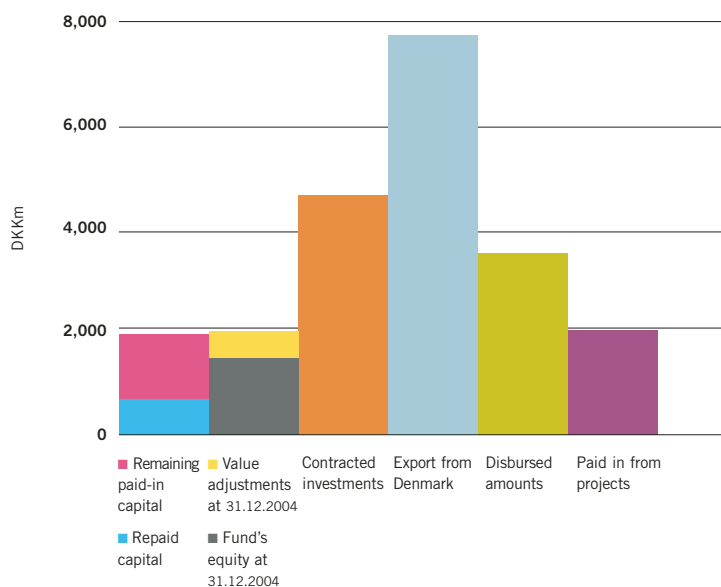
An increasing number of small and medium-sized enterprises (SMEs) are showing an interest in investing abroad. 80% of all IØ projects established in 2004 were in cooperation with enterprises with less than 300 employees and 40% of the projects in cooperation with enterprises with less than 50 employees. It is the Fund's experience that many SMEs have a special need for assistance and expertise before, during and after taking the leap into the world.

Against this background the Fund took the initiative in 2004 to prepare a so-called "globalisation package", which will ensure assistance to SMEs during all phases of a project – from the first tentative thoughts and ideas to the final establishment and operation of a project company.

Specially trained SME advisers can offer companies so-called "globalisation checks", which will uncover whether they are prepared to invest globally. Once the project ideas

become more specific, the Fund can arrange "project planning meetings", where ideas are reviewed and subsequently specified in a written "project diagnosis" prepared by the adviser. The project diagnosis includes an assessment of the project idea and a plan for the next steps to be taken. Throughout the process the Fund can among other things offer assistance with the development of the company's globalisation strategy, take the initiative to determine a satisfactory environmental policy, and prepare draft agreements between the parties. Furthermore, prior to finalizing project implementation, the Fund will organise a "pre-investment meeting" where all problems are put on the table, and as the project starts up the Fund will appoint a member to the board of the project company, who will assist with the implementation and operation of the project together with the Fund's local offices and advisers.

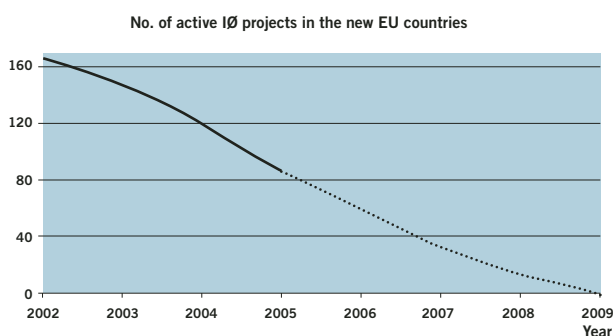
Key figures IØ 1989-2004



Winding-up in new EU countries

At the end of 2002 there were 167 active IØ projects in the eight countries expected to become members of the EU in 2004. The actual and expected exit from these projects is illustrated to the right.

According to the forecast, all IØ projects in the eight new EU member countries will have been exited by the end of 2009.



Statistics and accumulated accounts

The total number of IØ projects reached 375 at the end of 2004. Out of these IØ exited from 210 projects. Success and profitability of IØ projects can only be evaluated in a long-term perspective and – from IØ’s perspective – best after IØ’s exit. In the following selected statistics and accounts shall be presented for the exited projects. Further, an analysis of the mortality rate for all IØ projects is presented.

Internal rate of return (IRR) on exited projects

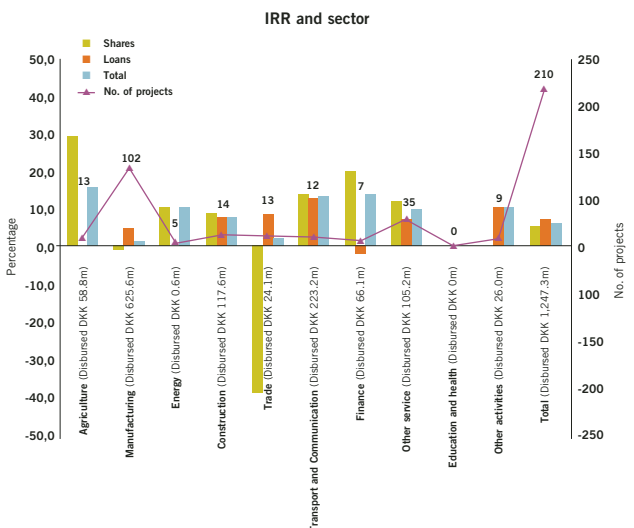
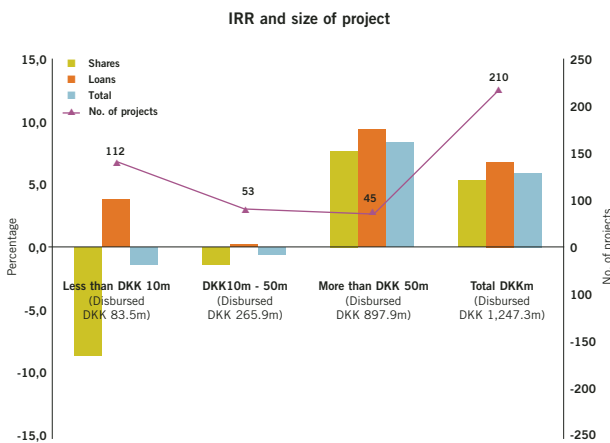
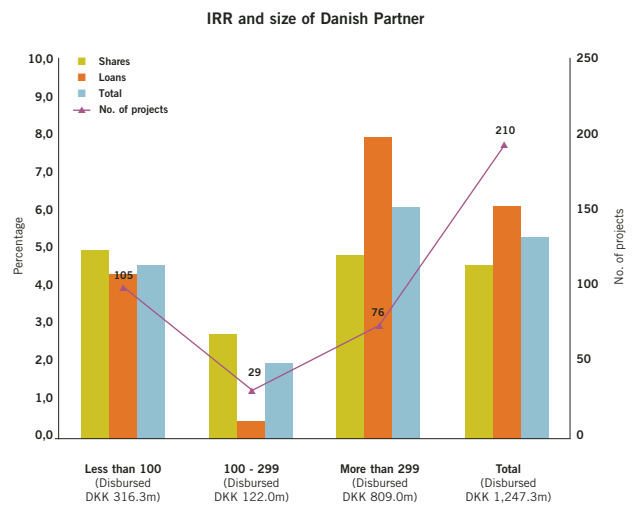
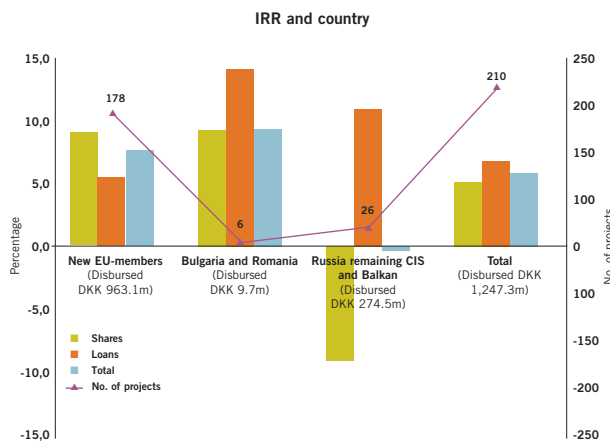
Total IRR on the 210 projects from which IØ has exited is 5.88%. The IRR on projects in the new EU member countries amounts to 7.63% against -0.37% in Russia, the remaining CIS states and Balkan. For projects in Bulgaria and Romania, the IRR is as high as 9.37%. The latter figure, however, is based on a rather limited number of projects.

When related to size of partner, the highest IRR is achieved on projects where the Danish partner employs

more than 299 people. The proportion of projects established with Danish partners having less than 300 employees constituted 64% of all the exited projects. This proportion is increasing over time.

Related to size of project, the largest projects with total project investments exceeding DKK 50m display the highest IRR.

Distributed on sectors, there is a great difference in IRR which varies from 1.32% to as much as 15.81%.



Accumulated accounts

The calculated contribution from the 210 projects exited from since 1989 shows that IØ received a total gross contribution from projects of DKK 248.9m, DKK 120.4m of this amount originates from share capital investments, while DKK 125.7m originates from loans and guarantees.

The calculated cash flow on project activities for the same project sample during the same period shows that operating activities resulted in a positive net cash flow of DKK 166.7m while investing activities generated a net cash flow of DKK 82.2m.

Contribution from projects exited 1989-2004

| | DKKm |
|--|--------------|
| Contribution from share capital investments | |
| Dividends from projects | 6.1 |
| Income from sale of shares (relative to cost) | 232.0 |
| Share capital written off (relative to cost) | (117.5) |
| Write-offs and realised exchange rate adjustments, dividend receivables | (0.2) |
| Total contribution from share capital investments | 120.4 |
| Contribution from project loans and guarantees | |
| Interest income and fees related to project loans and guarantees | 168.8 |
| Write-offs and realised exchange rate adjustments, project loans | (29.3) |
| Write-offs and realised exchange rate adjustment, interest and fee receivables | (13.8) |
| Total contribution from project loans and guarantees | |
| Other project income, net | 2.8 |
| GROSS CONTRIBUTION FROM PROJECTS | 248.9 |

Cash flow from projects exited 1989-2004

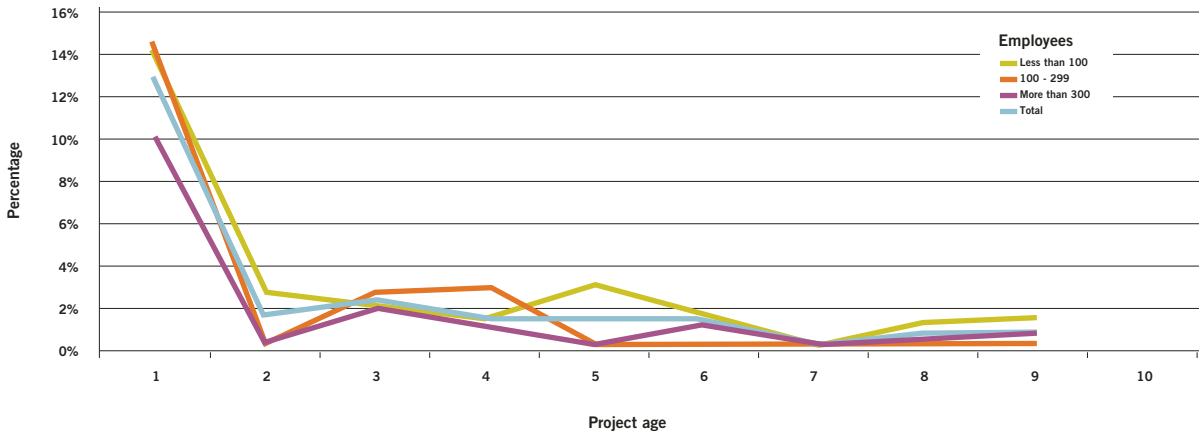
| | DKKm |
|---|---------------|
| Cash flow from operating activities | |
| Dividends from projects received | 5.9 |
| Interest and fees from projects received | 160.8 |
| Net cash from operating activities | 166.7 |
| Cash flow from (to) investing activities | |
| Received from sale of shares | 653.1 |
| Received from project loans | 676.3 |
| Paid-in share capital in projects | (541.5) |
| Disbursement of project loans | (705.7) |
| Net cash from (to) investing activities | (82.2) |
| NET CHANGE IN CASH | 248.9 |

Project mortality

A survey of the “mortality” rate for projects as a function of project age shows that more than 80% of all the projects are in operation 10 years after their start-up. The mortality rate for projects with relatively small Danish partners is higher than for projects with larger Danish partners. About 12% of all project activities stop within the first 12 months after project start-up. In the following years the mortality

rate falls to almost or below 2% a year. All in all less than 20% of the IØ projects stop their activities within the period from start-up to a project age of about nine years. After that period no operational stops have been registered. This means that more than 80% of the IØ projects survive and thus contribute to the fulfilment of IØ’s purpose.

Mortality of IØ projects



Kuma, Romania

Four examples of IØ investments



Pivara Celarevo, Serbia & Montenegro

Local Serbian beer on TV

The local beer, “Lav” (lion), has existed in Serbia and Montenegro for a very long time, but so far it has had a rather dusty image. In April 2004, Carlsberg took over the brewery Pivara Celarevo northwest of Belgrade, and developing the commercial side of the company is considered one of the most important tasks. The Serbs will soon be able to watch TV commercials for their local beer for the first time.

In addition to a new marketing strategy, the new management also wants the brewery to meet international standards. Therefore, investments are made for better waste water treatment, new laboratory equipment and employee training.

IØ has co-financed the brewery with 20% of the share

capital, corresponding to DKK 93.3m. IØ already cooperates with Carlsberg in Bulgaria, Croatia, Lithuania, Poland and Romania, and its sister fund, IFU, cooperates with the Danish group in different developing countries. Hence, Carlsberg is one of IØ's largest investment partners.

Managing director of Carlsberg, Nils S. Andersen, believes that the cooperation is advantageous to both parties. He underlined that view at a conference about IFU in September 2004:

“Funding itself is not the most important thing to us, even though risk sharing is an essential contribution. Even more, it is of great importance to us that we can obtain good official contacts through the Funds, and that we can benefit from the local knowledge which IFU and IØ possess.”

Success for cakes in Russia

During the 1990s the Danish company Dan Cake experienced a steady increase in exports to the Russian market. Therefore the company approached IØ in 1996 with an idea to start local production in Russia, which would reduce customs duties and production costs. IØ gave its first binding commitment to the project at the beginning of 1997. All in all IØ has co-financed the project with DKK 14.4m in share capital and DKK 10.1m in loans.

The project company, which is now called Harry's Russia, took over an old military factory for armoured vehicles near Moscow and immediately moved two production lines for Swiss Rolls from Denmark and one for biscuits from an affiliated company in Belgium.

The timing turned out to be perfect. The rouble crisis in 1998 made imported goods very expensive for the Russians, and when the crisis subsided in 1999 the factory was ready for production and was able to deliver cakes to the Russian market at affordable prices.

Since then the factory has expanded several times, and today there are nine production lines at the factory in Moscow, which employs almost 750 people in an area where gainful employment has been difficult. Harry's Russia has also developed a big distribution network with

the same number of people working on commission all over Russia.

In the beginning the project was a joint venture between Dan Cake, IØ and the Russian partner, Bandore Ltd., which used to import cakes from Dan Cake. Later on the European Bank for Reconstruction and Development (EBRD) participated with additional financing.

The Russian partner until April 2004, Azarov Dmitry, who is still on the board of directors, believes that IØ's participation has been decisive of the project's success.

"The Fund has acted as a mediator between the various partners who may have had conflicting interests at times. IØ's participation also helps to reduce the political "risks". Personally, I want to mention the invaluable guidance of IØ's investment officer and representative on the board, who helped the board make sound decisions."

In 2000 Dan Cake sold its shares to its French owner, Harry's S.A. In 2004 IØ and EBRD withdrew from the project.

After the above case story was completed, the factory in Moscow burned to the ground as a result of an accident. But the factory was fully insured, and is expected to be rebuilt by 2006.

From run-down farms to state-of-the-art pig production

One of IØ's most experienced Danish partners is behind the project company Danosha Ltd. in Ukraine, which IØ decided to co-finance in 2004. The group of Danish pig producers involved in the company has worked with IØ in Poland since 1994.

Back then the pig producers came to IØ without much experience of making foreign investments, and no one imagined how successful the project in Poland would turn out to be.

In the last ten years the company in Poland, Poldanor, has literally transformed the area around the city of Przechlowo. It was marked by deep poverty and extreme unemployment rates, but the pig production has created employment, and this has notably increased the wealth of the city, which is now flourishing with new shops, renovation of buildings, roads, etc.

The success of Poldanor is the result of the company's transformation of run-down state farms into state-of-the-art pig production. Today, Poldanor produces approximately 400,000 slaughter pigs at 25 different farms. The

meat is processed at the Prime Food slaughterhouse, which is another project in the area established by the Danish pig producers and IØ. Today, the two projects combined employ nearly 1,100 local inhabitants. Both projects have a very high environmental standard.

Based on this success the Danish pig producers have now decided to establish a similar project in the western part of Ukraine. The area is very similar to Przechlowo in 1994: High unemployment rates, poverty and worn-out infrastructure. In May 2004 the project company, Danosha Ltd., bought a run-down farm, which is currently under renovation.

The plan is to gradually build up a herd of 10,000 sows in the years to come. Tom Axelgaard is managing director of Danosha and Poldanor and a member of Prime Food's management board. He believes that cooperating with IØ has many advantages. Basically, IØ participates in the financing of the project and in paving the way for the involvement of other financial institutions, but he also mentions other aspects of the cooperation:

"Many official doors are open when IØ is involved, be-

cause IØ was established by the Danish state. Ukraine is still in a transition phase, and IØ's involvement clearly facilitates the cooperation with the authorities.

The great importance attached by IØ to environmental standards and corporate governance is also viewed as an advantage by the managing director.

"It adds high credibility and a positive reputation to the project", he says.

When it comes to environmental issues, IØ demands that all projects in which IØ is involved must comply unconditionally with the environmental rules and regulations of the

host country. In case an existing production facility is taken over, which does not fully live up to the Danish environmental rules, a plan will be made for the project to reach the level of the Danish rules and regulations within an agreed time frame. To monitor this, the management of each project company presents an annual environmental status report, which includes occupational health and safety, to the board of the project company.

IØ has agreed to participate in the financing of Danosha's project in Ukraine with a loan of DKK 35.7m and DKK 13.8m in share capital.



Kuma, Romania

A fruitful meeting of cultures

Ten years ago the managing director of Kuma, a small Danish producer of wash basins, would never have considered moving production abroad. Yet today the company owns an extremely successful factory in Romania.

It all started by coincidence: In 1997 a Romanian delegation came to Denmark on a study trip, and among other places they visited Kuma in Gadbjerg near the town of Jelling. Even though the Danish company had practically no international experience, the meeting was the beginning of a fruitful partnership.

For a long time Kuma had been under pressure from competitors producing in Eastern Europe. In Romania the cost price of work heavy products could be reduced significantly due to the lower cost of labour.

After several visits to Romania and negotiations with the Romanian partners, Kuma and a group of local investors formed a joint venture, which rented a factory building in the town of Campina. The biggest local partner renovated the buildings, Kuma supplied several production lines from its factory in Denmark, and loans of DKK 1.2m from IØ en-

sured that the joint venture company had sufficient working capital.

"Our primary motive for cooperating with IØ was spreading the risk. But we have also benefited from the Fund's advice and experience in connection with the establishment of the factory in Romania", says managing director, Hans Christiansen.

The Romanian factory has developed above all expectations. Today, 42 local employees work in the factory, which had a turnover of more than DKK 30m last year. At the same time a brand new factory is under construction. Kuma mainly sells its basins in Scandinavia, but Romania has also developed into a good market. Kuma is very successful when it comes to concept sale of bathroom equipment to a number of Romanian hotels and restaurant chains such as Ibis Accor and McDonald's.

At the Danish factory in Gadbjerg, which was actually subjected to outsourcing, there are more employees today than before the production was moved to Romania. Here they concentrate on custom-made wash basins.

IØ as partner

Partners gain access to comprehensive knowledge, contacts and a wide network of advisers by collaborating with IØ – in addition to financing, of course!

Through partnership with IØ, Danish companies will

- Gain access to IØ's general experience from activities in countries with difficult investment conditions.
- Gain access to IØ's experience from previous investments in the same sector or country.
- Gain access to IØ's advisers in the geographic areas in question or within specific areas of expertise.
- Benefit from the respect which IØ enjoys in the investment countries by the mere fact that IØ has been established by the Danish state.

Investors in Central and Eastern Europe have good reasons to seek cooperation with Danish companies

- Because the Danish business structure is characterised by small enterprises and a high number of entrepreneurs, entrepreneurs from Central and Eastern Europe find it easy to see eye to eye with Danish businessmen.
- Danish companies have advanced technology, competent management and hold a strong market position within many sectors.

IØ's financing is also important

- The risk is shared among several parties.
- IØ was created to take risks and provide financing where it is hard to find alternative means of financing, e.g. from commercial banks.

With IØ's money comes advice

- With investments in more than 16 countries in Central and Eastern Europe, IØ has accumulated important, specific country experience.
- In the same way IØ has gathered general experience from a variety of business sectors.
- IØ has unique knowledge when it comes to partner relations. Through the years IØ has gained considerable insight into the strengths of partnerships, and also their pitfalls.
- IØ normally takes a seat on the board of the project companies. In this way IØ's experience is shared with the other project partners and the management to the benefit of the project companies.

Co-financing through IØ

- Thanks to its extensive experience IØ is capable of putting together total financing solutions for projects. IØ cooperates with a number of international, European and Nordic sources of financing. Among these can be mentioned the International Financing Corporation (IFC), the European Bank for Reconstruction and Development (EBRD), the Nordic Environmental Finance Corporation (NEFCO) and the 12 other members of the association of European Development Finance Institutions (EDFI). See page 44.
- Based on IØ's knowledge of local financing conditions, IØ can increasingly help identify local sources for long and short term financing in the host countries.

IØ's part of the project financing

- IØ may subscribe for share capital, provide mezzanine financing, grant loans and issue guarantees for loans from other financial institutions.
- IØ can normally co-finance up to 30% of the total project investment, including working capital. For small projects IØ's co-financing may go up to 50% of the total investment.
- Since the 2004 capital reduction, the maximum amount IØ may invest in a single project is DKK 50m.
- IØ's part of the equity capital shall always be smaller than that of the Danish partner.

Eligibility

Both large and small projects, including pilot projects, are eligible for financing. This applies whether they are green-field projects, expansion of existing projects or privatisation of state-run businesses.

The investment is conditional on IØ viewing the project as commercially viable and on the participation of an experienced Danish company.

Host countries of investments must belong to the group of former communist states in Central and Eastern Europe except the countries that became EU members in 2004.

How IØ works

IØ recommends that interested companies contact IØ early on during preparations. In this way they will be able to benefit fully from IØ's participation.

In the beginning of the process, IØ may grant a preliminary approval of the project – a declaration of Clearance in Principle. This serves as proof of IØ's support in principle, and can facilitate negotiations with authorities, project partners and lenders.

When preparations are drawing to a close, IØ will endeavour to arrange for the partners to meet at a final meeting, a so-called "pre-investment meeting", headed by an independent facilitator to ensure that all potential problems are tabled, and that the partners share a full and clear understanding of each other's business motives and obligations prior to the final investment decision.

The signing of the shareholders' agreement and/or the loan agreement between IØ and the partners marks the conclusion of the project preparations. IØ usually takes a seat on the board of the project company, which allows the partners to benefit continuously from the Fund's knowledge.

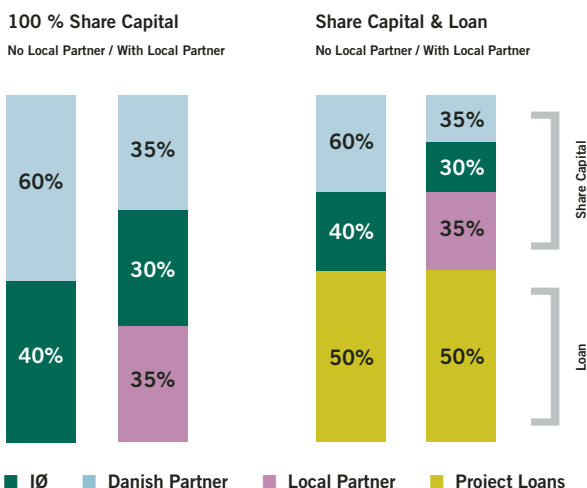
Once the commercial and financial situation of the proj-

ect company is consolidated – usually after 6-8 years – IØ withdraws. IØ's shares are sold at market terms or in some cases on conditions agreed by the partners at the beginning of the project. The revenue thus earned by IØ can then be used for new investments.

IØ's sister funds and international cooperation

Together with its sister fund IFV (The Investment Fund for Emerging Markets), which stopped making new investments in 2004, IØ is administered by IFU (The Industrialisation Fund for Developing Countries). The three funds are collectively termed the Danish International Investment Funds.

The Funds are members of the European Development Finance Institutions (EDFI). This is an organisation created by its members with the objective of furthering mutual cooperation between the 13 EU development finance institutions and safeguarding common interests and a strong cooperation platform in relation to the European Commission and its institutions.



IØ's adviser network

IØ's special expertise and local knowledge

Companies entering into dialogue with IØ can draw directly on a diverse group of IØ advisers, who have special expertise or local knowledge of the area in which establishment of the project is contemplated.

At the end of 2004, IØ had 22 advisers in eight countries.

The network is extended continuously with the purpose of offering the best possible guidance when it comes to choice of partners, preparation and implementation of the projects.

Most of the advisers are senior businessmen with considerable commercial experience. They have run their own business or have held a leading position in a company, and they have in-depth knowledge of local business culture, investment authorities, local financing institutions, accountants, lawyers, etc. The advisers can be contacted through IØ.



Bo Jørgensen

Ukraine Extensive business network

Inexpensive and well-educated labour, abundant natural resources, a dynamic and growing economy and all within reasonable distance from Denmark. There are many reasons why Ukraine is likely to become the next big business adventure for Danish – and other foreign - investors. “But there are still numerous obstacles in the form of extensive bureaucracy, which places heavy demands on the investors’ knowledge of rules and procedures”, says IØ’s adviser in Ukraine, Bo Jørgensen. He has an extensive network and in-depth knowledge of the business culture in the country and presently resides in L’viv.

He graduated as Master of Science in Accounting and Business Administration in 1987 and later complemented this with a CPIM degree (Certified Production and Inventory Management). For 15 years Bo Jørgensen worked in Denmark as financial and logistics manager and director within industries such as machine manufacturing, food and textiles.

Since 2001 he has worked in Ukraine, where he was stationed permanently in 2002 as director in the Danish subsidiary, Danish Textiles, which manufactures fabrics and garments. In 2004 he was appointed managing director of Holger Christiansen Production Ukraine, a company re-manufacturing starters for automobiles.



Michael L. Ammitzbøll

Bulgaria: Valuable assistance

According to the European Commission it will only be a few years before Bulgaria will join the EU, but if Danish companies act quickly they can still benefit from the low costs of setting up a business in the country. “The access to a highly educated population, laws and taxes which are favourable towards new investments combined with slowly but steadily improving purchasing power should attract far more Danish investors than presently”, says IØ’s adviser in Bulgaria, Michael Lawrence-Ammitzbøll. With an MBA in International Marketing and EU law, he has worked his way through Eastern Europe since 1994, start-

ing in Estonia and St. Petersburg before setting up his own sewing factory, Ammitzbøll Textile Ltd. & T.A.C. Ltd., in Plovdiv seven years ago. The factory now employs 100 people.

Having year-long experience from working in Bulgaria at all levels and continuously dealing with day-to-day problems, he can offer Danish companies valuable assistance.

The working environment in Bulgaria is not so different from the rest of Eastern Europe, he says:

“But some guidelines and advice are always necessary in order to avoid the pitfalls and other inconveniences which can arise from bureaucracy, a complex business environment, financial constraints and other obstacles here.”



Andrey Ibragimov

Russia: In-depth knowledge

Political stability and fast economic growth under President Putin’s leadership in the last five years have created a favourable environment for foreign investors in the Russian Federation. Nevertheless, investors often find the legislation – concerning registration, banking, taxation, labour laws, etc. – very complex. Here, IØ’s partners can benefit from the Fund’s adviser in St. Petersburg, Andrey Ibragimov. He assists companies with business structuring, company registration, tax planning and customs regulations, corporate and property law, banking, etc. In his expe-

rience a successful business in Russia is a combination of reliable business partners and a professional local lawyer. Having resigned from state service in 1990, Andrey Ibragimov started his business career as managing director of the Russian-Finnish joint venture, LenArt, which promoted printing, tourism and exhibitions. After graduating from a training course at Manchester Business School he managed the Russian subsidiary of one of the major British retail chain stores, Littlewoods Trading, while at the same time acting as deputy chairman on the board of Bank of St. Petersburg and as senior managing partner in the consultancy firm Musin & Partners.

Development finance institutions cooperate

EDFI, the Association of European Development Finance Institutions, is a group of 13 bilateral European development finance institutions, whose members provide advice and long-term finance for private sector enterprises investing in developing and reforming economies. The main objectives of EDFI, which was founded in Brussels in 1992, are to foster cooperation among its members and to strengthen links between EDFI and EU institutions.

In 2004 the members of EDFI were:



Instrument: Guarantees
Geographical area: Developing countries and Central and Eastern Europe
Austria Wirtschaftsservice Gesellschaft m.b.H.
Austria
Website: <http://www.awsg.at>



Instruments: Equity, quasi-equity and loans
Geographical area: Developing countries (Low Income and Least Developed Countries)
The Belgian Investment Company for Developing Countries
Belgium
Website: <http://www.b-i-o.be>



Instruments: Equity and quasi-equity
Geographical area: Developing countries
CDC Group
United Kingdom
Website: <http://www.cdcgroup.com>



Instruments: Equity, quasi-equity and loans
Geographical area: Developing countries and Central and Eastern Europe
Compañía Española de Financiación del Desarrollo
Spain
Website: <http://www.cofides.es>



Instruments: Equity, quasi-equity, loans and guarantees
Geographical area: Developing countries and Central and Eastern Europe, EU countries exclusively equity
Deutsche Investitions- und Entwicklungsgesellschaft m.b.H.
Germany
Website: <http://www.deginvest.de>



FINNFUND
Instruments: Equity, quasi-equity, loans and guarantees
Geographical area: Developing countries and non-EU member countries in Central and Eastern Europe
Finnfund
Finland
Website: <http://www.finnfund.fi>



Instruments: Equity, quasi-equity, loans and guarantees
Geographical area:
Developing countries and Central and Eastern Europe
Netherlands Development Finance Company
The Netherlands
Website: <http://www.fmo.nl>



Instruments: Equity, quasi-equity and loans
Geographical area: Developing countries
Norwegian Investment Fund for Developing Countries
Norway
Website: <http://www.norfund.no>



Instruments: Equity, quasi-equity, loans and guarantees
Geographical area: Developing countries and emerging markets
Société de Promotion et de Participation pour la Coopération Economique
France
Website: <http://www.proparco.fr>



Instruments: Equity, quasi-equity and loans
Geographical area: All countries
Belgian Corporation for International Investment
Belgium
Website: <http://www.bmi-sbi.be>



Instruments: Equity and quasi-equity
Geographical area: All countries
Società Italiana per le Imprese all'Estero
Italy
Website: <http://www.simest.it>



Instruments: Equity, quasi-equity, loans and guarantees
Geographical area:
Developing countries and Central and Eastern Europe
Swedish Investment Fund for Developing Countries
Sweden
Website: <http://www.swedfund.se>

Investment portfolio as at 31 December 2004

| Activity/product | Danish Partner(s) | IØ Participation | | Total Disbursed DKKkm | Total Outstanding DKKkm | Total Investment DKKkm | Employment Persons | Period | |
|------------------------------------|--------------------------------|--------------------------------|----------------|--------------------------|----------------------------|---------------------------|-----------------------|--------------|-------------|
| | | Shares DKKkm | Loans DKKkm | | | | | | |
| Baltic Countries (Regional) | | | | | | | | | |
| Baltic Property Trust | Real estate | Baltic Property Trust | 20.8 | | 20.8 | 20.8 | 200.0 | 40 | 2002- |
| Incentive | Research and development | Incentive | 0.1 | 0.4 | 0.5 | | 1.2 | 5 | 1993-1995* |
| Jysk Baltics | Retail shops | Skemman (Jysk) | | 12.5 | 12.5 | 10.0 | 50.0 | 220 | 2002- |
| TK Development Baltics | Development of real estate | TK Development | 7.8 | 18.8 | | | 333.0 | 6 | 2002-2004* |
| Total 4 projects | | | 28.7 | 31.6 | 33.8 | 30.8 | 584.2 | 271 | |
| Central Europe (Regional) | | | | | | | | | |
| Euro Mall Holding | Real estate activities | TK Development | 120.0 | 106.8 | 226.8 | 106.8 | 1,900.0 | 1 | 2001- |
| Total 1 project | | | 120.0 | 106.8 | 226.8 | 106.8 | 1,900.0 | 1 | |
| Belarus | | | | | | | | | |
| Beldandor | Consulting | Kampsax | 0.1 | | | | 0.6 | 2 | 1996-1997* |
| Maersk Medical Belarus | Medical/precision instruments | Unomedical | 0.2 | 3.6 | 3.7 | 0.1 | 7.8 | 25 | 1992- |
| Technology Science | Chemical industry | Three Stones Company | 0.0 | 0.3 | | | 3.0 | 3 | 1995-1997* |
| Total 3 projects | | | 0.2 | 3.9 | 3.7 | 0.1 | 11.4 | 30 | |
| Bosnia & Herzegovina | | | | | | | | | |
| Horizonte BH Enterprise | Financial institution | No Danish partner | 6.9 | | 4.8 | 4.8 | 125.0 | 6 | 1997- # |
| Panonska pivovara Saraj. | Beer distribution | Tuborg International | | | | | 3.8 | 2 | 1998-2001* |
| Total 2 projects | | | 6.9 | 0.0 | 4.8 | 4.8 | 128.8 | 8 | |
| Bulgaria | | | | | | | | | |
| Brunata | Energy consulting | Brunata | 0.1 | | 0.1 | | 0.4 | 4 | 1992-1995 |
| Bulrib NOWACO | Storage/distrib. of food prod. | Nowaco | 1.8 | 4.0 | 5.5 | 5.2 | 20.0 | 30 | 2000- |
| Carlsberg Bulgaria | Brewery | Carlsberg | 79.3 | | 79.3 | 79.3 | 396.5 | 512 | 2004- |
| Martello-Trikel SrL. | Tekstile | Martello | | 10.0 | 10.0 | 10.0 | 35.0 | 350 | 2004- |
| Porsaco | Fabricated metal products | Porsaco | 0.1 | | | | 0.3 | 2 | 1994-1996* |
| Toptex | Textiles | B&C Textiles | 0.3 | | 0.3 | 0.3 | 2.0 | 50 | 1998- |
| UMS Tervel | Sunflower extraction | United Milling Systems | 7.8 | | | | 93.0 | 125 | 1995-1996* |
| Total 7 projects | | | 89.4 | 14.1 | 95.2 | 94.8 | 547.2 | 1,073 | |
| Croatia | | | | | | | | | |
| Carlsberg Croatia | Brewery | Carlsberg Breweries | 73.6 | | 53.2 | 53.2 | 55.0 | 320 | 1994- |
| Esplanade Oleander | Hotel with restaurant | SAS Hotels | | 52.0 | 54.2 | 54.2 | 286.8 | 142 | 2003- |
| Panonska Pivovara II | Brewery | Tuborg International | | | | | 320.0 | 130 | 1995-2003 |
| Starco Beli Manastir | Production of iron car wheels | Starco | | 10.0 | 10.0 | 10.0 | 25.5 | 70 | 2003- |
| Total 4 projects | | | 73.6 | 62.0 | 117.4 | 117.4 | 687.3 | 662 | |
| Czech Republic | | | | | | | | | |
| Baltom | Road maintenance | Inreco | | 2.2 | 2.2 | 1.0 | 9.9 | 3 | 2001- |
| BHJ Garant | Wholesale and distribution | BHJ | 7.0 | 11.0 | 17.3 | 14.2 | 89.3 | 180 | 2001- |
| Bohemian Waste | Sewage and refuse disposal | Marius Pedersen | | 0.9 | 0.9 | | 4.0 | 5 | 1992-2001 |
| Brno Shopping Center | Shopping center | TK Development | | | | | | 5 | 1999-2001 # |
| Cembrit CZ | Fibre cement products | Dansk Eternit Holding | 68.0 | 69.9 | 118.2 | 81.0 | 201.0 | 401 | 1992- |
| Cembrit Moravia | Fibre cement products | Dansk Eternit Holding | 20.6 | 25.5 | 46.1 | | 126.5 | 230 | 1993-2003 |
| Central Sticks | Wood products | Norwood | 2.2 | 7.0 | 7.2 | | 26.1 | 15 | 1995-2002 |
| CRI (CZ) | Software / consultancy | Computer Resources Int. | 2.0 | | 2.0 | | 12.0 | 40 | 1993-1999 |
| CTT | Research and development | Dansk Eternit Holding | | 2.5 | 2.8 | | 5.0 | 6 | 1992-1997 |
| Dan-Moravia Agrar | Agricultural production | Moravia Invest | | 16.5 | 2.1 | 0.9 | 28.1 | 20 | 1998- |
| Dancoo Praha | PVC pipes | Naturgas Syd | 12.9 | | | | 60.0 | 115 | 1990-1992* |
| Danflax | Textiles | Dansk Stålservice | 0.6 | 1.2 | 1.7 | | 4.5 | 6 | 1992-2003 |
| DISA Industries | Machinery and equipment | DISA | | 61.5 | 61.9 | 28.4 | 168.7 | 220 | 1997- |
| EKO-Chlebicov | Sewage and refuse disposal | Marius Pedersen | | 3.6 | 3.6 | | 18.5 | 8 | 1994-2001 |
| Elio Slezsko | Sewage and refuse disposal | Marius Pedersen | | 1.8 | 1.8 | | 7.0 | 5 | 1995-2001 |
| Euro Mall Czech Holding | Real estate activities | TK Development | | | 0.0 | | | 3 | 2001- # |
| Hydrotech International | Hydraulic systems | Svendborg Brakes | | 5.1 | 5.1 | 2.0 | 19.1 | 80 | 2001- |
| Ivesko | Ventilation equipment | IVS | 0.1 | 0.7 | 0.7 | | 2.9 | 6 | 1992-2003 |
| Lifeline Bohemia | Retail textile company | United Textile Group | | | | | 2.5 | 8 | 2000- |
| Lousa & Christensen | Auditing firm | Erik Nielsen & N.H Christensen | | 0.2 | 0.2 | | 0.9 | 6 | 1993-1997 |
| Maersk Agency | Warehousing/distribution | A. P. Møller-Mærsk | | 34.5 | 35.3 | 30.9 | 76.9 | 42 | 2001- |
| Maersk Sealand | Container terminal operation | Maersk Czech | | 59.4 | | | 122.7 | 84 | 2002-2005* |
| Merfin Europe | Pulp and paper products | GEA Niro | 24.6 | | 19.6 | 0.6 | 255.4 | 60 | 1995- |
| Morabo a.s. | Roofing material | Dansk Eternit Holding | | 6.2 | 6.2 | | 28.1 | 20 | 1996-2002 |
| Moravska Skladkova | Sewage and refuse disposal | Marius Pedersen | | 2.0 | 2.0 | | 6.7 | 10 | 1993-2001 |
| nkt cables a.s. | Cables and conductors | No Danish partner | 36.7 | | 36.9 | 36.9 | 314.0 | 566 | 2002- |
| Nowaco | Food trading and cold stores | Nowaco | | 7.0 | 7.0 | | 28.5 | 40 | 1994-2001 |
| Regios | Sewage and refuse disposal | Danwaste | | 7.3 | 7.9 | | 24.0 | 20 | 1994-2001 |
| Sedba Baking | Food and beverages | Havnemøllerne | 0.4 | | 0.4 | | 1.2 | 15 | 1992-1995 |
| SSHL | Sewage and refuse disposal | Marius Pedersen | | 5.1 | 5.1 | | 5.9 | 3 | 1993-2001 |
| TK Development Czech H. | Real estate | TK Development | 11.3 | 20.0 | 25.1 | | 200.0 | 9 | 1997-2001 # |
| Zivotice | Agriculture and farming | DLF-T | 1.8 | 4.2 | 6.2 | 3.5 | 73.8 | 35 | 1995- |
| Total 32 projects | | | 188.3 | 355.4 | 425.4 | 199.4 | 1,923.2 | 2,266 | |

| Activity/product | Danish Partner(s) | IØ Participation | | Total | Total | Total | Employment Persons | Period | |
|---------------------------|--------------------------------|-------------------------------|----------------|--------------------|----------------------|---------------------|-----------------------|--------------|-------------|
| | | Shares DKKkm | Loans DKKkm | Disbursed DKKkm | Outstanding DKKkm | Investment DKKkm | | | |
| Estonia | | | | | | | | | |
| Baltifalt | Construction | Colas Danmark | 2.9 | 2.6 | 5.5 | 5.5 | 19.8 | 140 | 1997- |
| Bunim Welding | Production of metal components | Jern Holding | 2.4 | | 2.0 | | 20.0 | 120 | 1998-2002 * |
| Falck Baltic | Safety services | Group 4 Falck | 26.8 | | 26.8 | 26.8 | 122.0 | 3.000 | 1998- |
| Flex-Heat | Energy production/distribution | Justsen Energi./Flexa | 0.5 | | 0.5 | | 1.5 | 2 | 1996-2000 |
| Flexa Eesti | Wood products | Flexa Møbler | 3.6 | 3.1 | 5.9 | | 23.7 | 125 | 1994-1997 |
| Hansa Graanul | Wood pellets | VE-Gruppen | | 6.0 | 6.0 | 3.8 | 25.2 | 14 | 2001- |
| Holsteinborg | Wood products | Holsteinborg | 0.3 | | 0.3 | | 2.5 | 2 | 1994-1995 |
| Merit Kinnisvara | Ecological milk product | I/S Estland | | 2.5 | | | 8.4 | 5 | 2003-2004 |
| Nycomed SEFA | Chemical industry | Nycomed Danmark | | 8.0 | 5.0 | | 21.5 | 32 | 1993-1999 |
| OÜ Notio Puit | Furniture | Notio Møbler | 1.1 | 0.6 | 1.7 | 1.4 | 3.8 | 31 | 1997- |
| Radisson SAS Hotel | Hotels | SAS Hotels | 13.4 | | 13.4 | 13.4 | 240.7 | 220 | 1999- |
| Rationel Eesti | Wooden windows | Viking Window | 2.3 | 0.2 | 2.0 | | 12.0 | 60 | 1995-2002 |
| Saare Püünis | Rope and fishing nets | Frydendahl | | 3.0 | 3.0 | 3.0 | 9.4 | 100 | 2003- |
| Treilor | Road pavement | Colas Danmark | | | | | 7.6 | 60 | 1999- |
| Vest-Wood Eesti | Production of doors/furniture | Vest-Wood | | 4.5 | 4.5 | | 30.0 | 150 | 1999-2003 |
| Total 15 projects | | | 53.2 | 30.4 | 76.5 | 53.8 | 548.1 | 4,061 | |
| Georgia | | | | | | | | | |
| Georgian Egg | Production of egg | ScanBrid | 4.1 | | | | 21.2 | 213 | 2002-2003 * |
| Georgian Natural Products | Production of hazel nuts | Venndt | 1.6 | 0.6 | 1.5 | 1.5 | 3.7 | 140 | 1999- |
| Total 2 projects | | | 5.7 | 0.6 | 1.5 | 1.5 | 24.9 | 353 | |
| Hungary | | | | | | | | | |
| Capella | Food and beverages | Niels Buchholst | | 0.4 | | | 1.7 | 5 | 1993-1994 * |
| Dan-Farm Hungary Kft. | Pig production and farming | Dan-Farm Holding | 1.5 | 8.8 | 2.4 | 2.4 | 41.7 | 20 | 2002- |
| Danagrico Production | Pasteurised liquid eggs | Danæg Products | 4.0 | | 1.3 | 1.3 | 16.0 | 20 | 2001- |
| Danagricola | Egg products | Danæg Products | 0.1 | | | | 0.2 | 5 | 2001- |
| Hungarian Tel. and Cable | Telecommunications | TDC | 62.4 | | 62.2 | | 1,285.9 | 380 | 1999-2002 |
| Inreco Hungary | Road construction | Inreco | 0.5 | 0.5 | 0.9 | | 9.4 | 19 | 1995-2004 |
| Intermag | Agriculture and farming | Frøkompaniet | 1.2 | | 0.0 | | 14.6 | 9 | 1990-1992 * |
| IO Interactive Hungary | Computer games | IO Interactive | 6.0 | | 4.7 | 4.7 | 10.0 | 100 | 2003- |
| Kelet-Nógrád-Com | Post and telecommunications | TDC | 4.9 | 27.6 | 31.9 | | 419.0 | 200 | 1994-1997 |
| Kolos | Food and beverages | Kolding Gruppen | 41.3 | 6.0 | 19.0 | | 95.5 | 29 | 1993-2004 |
| Mentor Informatika | Computer and rel. activities | Mentor Informatik | 0.1 | | 0.1 | | 2.2 | 13 | 1992-1994 * |
| Pannon GSM | Post and telecommunications | TDC | | 23.7 | 21.6 | | 1,200.0 | 200 | 1994-1996 |
| Raba-Com | Post and telecommunications | TDC | 4.1 | 20.2 | 23.4 | | 175.0 | 66 | 1994-1997 |
| TOPP Group | Cold goods distribution | TOPP Group | | 3.5 | 3.5 | | 20.0 | 20 | 1996-2000 * |
| Wavin Kft. | Rubber and plastic products | Nordisk Wavin | 15.0 | | 14.1 | | 62.6 | 83 | 1992-2004 |
| Total 15 projects | | | 141.2 | 90.6 | 185.2 | 8.4 | 3,353.7 | 1,169 | |
| Latvia | | | | | | | | | |
| Air Baltic Corporation | Air transport | SAS | 15.9 | 18.4 | 36.8 | | 130.0 | 300 | 1995-2004 |
| Ballegaard | Wood products | Ballegaard Ejendomme | | 0.5 | 0.5 | | 2.3 | 15 | 1994-1996 |
| Balta | Insurance | Codan | 82.3 | | 69.2 | 69.2 | 238.0 | 1.000 | 2001- |
| Balta Insurance | Insurance and pension funds | Tryg-Baltica | | 2.9 | 2.8 | | 7.4 | 12 | 1992-1993 * |
| Baltic Candles | Production of candles | P. Brøste/Langeland Design | | 0.5 | 0.5 | | 1.4 | 25 | 1997-2000 |
| CSK Steel SIA | Steel constructions | CSK Letland Holding | 3.7 | | 3.0 | 3.0 | 16.5 | 60 | 2000- |
| Danlat Agro | Agriculture | Dan-Lat Agro | | 1.2 | 1.2 | 0.9 | 5.2 | 8 | 1999- |
| Danlat Inform Whole Sale | Computer and rel. activities | Bornholms Skibradio | 0.2 | 0.6 | 0.8 | | 2.4 | 15 | 1991-1999* |
| Danteks | Production of knitwear | First Factory | | 3.0 | 3.0 | 3.0 | 7.4 | 100 | 2003- |
| DLT-AUCE | Clothing | Godske Group/Spectre/Power K. | | 0.6 | 0.6 | | 1.2 | 125 | 1996-1997 |
| DLT-Saiva | Clothing | Godske Group/Spectre/Power K. | | 2.5 | 2.5 | | 47.0 | 500 | 1993-1997 |
| East Metal | Metal production | East Metal Trade | | 1.5 | 1.5 | 0.6 | 3.3 | 50 | 2000- |
| East Wood | Building materials | E Wood | | 1.8 | 1.8 | | 7.0 | 85 | 1998-2003 |
| Gaizeni | Pig breeding | Danlat Gruppen | 0.3 | 3.8 | 4.0 | | 15.0 | 20 | 2001-2004 |
| Godske Latvian Textile | Textiles | Godske Group | | 1.6 | 1.6 | | 6.5 | 30 | 1997-2002 |
| HoP Riga | Tobacco | House of Prince | 6.4 | | 7.2 | | 117.6 | 360 | 1992-2001 |
| Hotel Cesis | Hotel activity | Danlat Gruppen | 0.8 | 0.8 | 1.7 | | 6.0 | 30 | 1998- |
| Kakenieki | Agriculture and farming | Dansk-Lettisk Kartoffelavl | 0.2 | | 0.2 | | 1.5 | 12 | 1994-2002 * |
| Klagati | Land purchase and cultivation | Klagati DK | | 0.5 | 0.5 | 0.5 | 2.1 | 3 | 2003- |
| Kristensen Baltic | Shopping center | Th. Kristensen Properties | 12.7 | 19.0 | 11.2 | 4.1 | 145.5 | 15 | 2000- # |
| Labiba Un Kvalitate | Agriculture | P. Andresen Nygaard | 1.3 | 0.6 | 1.6 | 1.3 | 5.1 | 6 | 1999- |
| Lanell Int. | Clothing | Kinell Fashion/Kirsten Lyngsø | 0.2 | | 0.1 | | 0.5 | 21 | 1993-1996 |
| Latvall | Wood pellets | Spanvall | 1.9 | 3.5 | 5.0 | | 17.3 | 13 | 1997- |
| Latvia Timber Int. | Wood products | Vejen Trælasthandel | 6.3 | 3.4 | 8.9 | | 16.5 | 30 | 1992-1996 |
| Latvidan Agro | Production of slaughter pigs | Torpgaard Holding | | 12.0 | | | 33.6 | 17 | 2002- |
| Lauku Agro | Production of grain for feed | Torpgaard Holding | | 3.0 | | | 18.0 | 4 | 2002- |
| Let-Line | Water transport | Dan Transport Group | 1.6 | 2.5 | 4.1 | | 14.0 | 8 | 1994-1996 * |
| Ozolaji Cukaudzetava | Pig production | Lat-Agro | | 5.0 | 5.0 | 5.0 | 10.0 | 15 | 2003- |
| Pumac Liepaja | Production of steel components | Pumac | | 5.2 | 5.2 | 5.2 | 20.2 | 75 | 2003- |
| Sia Locitech | Production of metal components | Haugaard | | 2.5 | 2.5 | 2.5 | 8.5 | 75 | 2003- |
| Stema Latvia | Processing of fish | Ideal Huse | 1.5 | | 1.4 | | 12.1 | 35 | 2002- |
| Total 31 projects | | | 135.2 | 96.9 | 184.4 | 95.2 | 919.2 | 3,064 | |
| Lithuania | | | | | | | | | |
| ABB ELGA | Fabricated metal products | ABB Energi | 0.7 | | 0.5 | | 3.0 | 5 | 1993-1995 |
| ABB Tekhnika | Construction | ABB | 0.4 | | | | 2.5 | 3 | 1994-1995 * |
| Azuolas | Furniture production | Bodilsen | 2.3 | 2.0 | 3.8 | 3.1 | 10.0 | 150 | 2001- |
| Baltijos Kopia | Publishing and printing | Damgaard-Jensen/Århus Neokopi | 0.4 | | 0.4 | | 1.5 | 20 | 1994-2003 |

| Activity/product | Danish Partner(s) | Ø Participation | | Total | Total | Total | Employment Persons | Period | |
|---------------------------|--------------------------------|-------------------------------|----------------|--------------------|----------------------|---------------------|-----------------------|--------------|-------------|
| | | Shares DKKkm | Loans DKKkm | Disbursed DKKkm | Outstanding DKKkm | Investment DKKkm | | | |
| Bio Ekra | Waste water engineering | Biobalance | 0.2 | | 0.2 | | 0.4 | 3 | 1996-2002 |
| Bité GSM Baltic | Post and telecommunications | TDC | | 23.5 | 25.8 | | 165.0 | 300 | 1996-2002 |
| BlueTel Baltic | Telecommunications | BlueTel | 3.0 | 1.5 | 2.4 | 2.4 | 10.0 | 45 | 2001- |
| Comliet | Post and telecommunications | TDC | | 10.3 | 8.9 | | 30.7 | 33 | 1992-2001 |
| DanBaltTrans | Land transport | Andreas Andresen | 0.8 | 0.3 | 0.7 | 0.7 | 3.1 | 15 | 1994- |
| Danplastas | Glass fibre production | Bach Glasfiber | | 2.0 | 2.0 | 1.8 | 7.0 | 60 | 2003- |
| Dara Food | Agriculture and farming | IME | 0.0 | 0.4 | 0.4 | | 1.2 | 40 | 1992-1999* |
| Engel-Dali | Clothing | F. Engel | 0.4 | | 0.3 | | 1.4 | 60 | 1995-1999 |
| Espersen Lietuva | Fish processing | Espersen | | 15.0 | 15.0 | 10.0 | 50.8 | 180 | 2002- |
| Gelezies Lauzas | Recycling | H.J. Hansen Genvindingsind. | 1.9 | | 1.7 | | 8.0 | 40 | 1996-1999 |
| Gitolita | Textiles | Gito | | | 0.3 | | 1.8 | 105 | 1995-1996* |
| Jurbalita | Flower decorations | El-Flora | | 0.4 | 0.4 | 0.4 | 0.9 | 50 | 2002- |
| La-Nika | Textile production | United Textile Group | | 2.0 | 2.0 | 1.2 | 5.7 | 393 | 2002- |
| LA-NIKA Baltic | Clothing | United Textile Group | | 1.4 | 1.4 | | 4.6 | 100 | 1994-2000 |
| Lietuvos Draudimas | Insurance | Codan | 98.9 | | 102.2 | 87.9 | 618.0 | 2,000 | 2000- |
| Minijos Nafta | Extraction of oil and gas | DONG | 0.1 | 22.9 | 8.5 | | 30.0 | 8 | 1995-1999 |
| Modematic | Electrical machinery/equipment | Relæmatic/Løsekraut | 1.0 | | 1.0 | | 3.5 | 15 | 1995-2003 |
| NCC Fegda UAB | Construction | NCC Danmark | 18.1 | 3.4 | 18.1 | | 89.0 | 50 | 1997- |
| Randers Reb Production | Production of rope | Randers Reb | 7.5 | 20.0 | 17.5 | 7.5 | 40.0 | 73 | 2002- |
| Saerimner | Pigfarm | Danish Lithuanian Holding | | 17.5 | 17.5 | 13.1 | 65.9 | 90 | 2000- # |
| Svyturys Brewery | Brewery | Carlsberg Int. | 70.6 | | 69.0 | 69.0 | 330.0 | 292 | 1999- |
| Utzon | Production of fish nets/ropes | N.P. Utzon Holding | | 7.0 | 7.0 | | 16.0 | 30 | 2001-2004 |
| Vilniaus Margarino Gam. | Food and beverages | Dragsbæk | 2.5 | 3.8 | 3.3 | | 14.9 | 26 | 1997-2003 |
| Vilniaus Tauras Brewery | Brewery | Bryggerigruppen | | 23.4 | 26.6 | | 58.5 | 500 | 2000- |
| Wavin Baltic | Rubber and plastic products | Nordisk Wavin | 3.9 | | 4.4 | | 18.0 | 100 | 1995-2002 |
| Wood Team Production | Furniture | Wood Team Denmark | 5.1 | 0.2 | 4.2 | | 21.6 | 170 | 1997-2002 |
| Total 30 projects | | | 217.7 | 157.3 | 345.1 | 197.2 | 1,613.0 | 4,956 | |
| Poland | | | | | | | | | |
| Aalborg Portland | Cement | Aalborg Portland | 7.5 | | | | 20.0 | 7 | 1995-1996* |
| Aalborg Portland Polska | Trade company | Aalborg Portland | 0.0 | | 0.0 | | 0.2 | 4 | 1996-2004 |
| Agrocorm | Machinery and equipment | Cormall Agro Holding | 1.1 | | 1.1 | | 8.3 | 18 | 1990-1995 |
| Allerpasz | Wholesale of feeds | Brdr. Bylling | | 8.0 | 8.0 | 8.0 | 34.0 | 25 | 2001- |
| Alsybet | Concrete pipes | Sydbeton | 1.4 | 1.0 | 2.4 | | 6.8 | 18 | 1992-2004 |
| Anonymous | Production of cables | Anonymous | 7.5 | | | | 118.8 | 426 | 1998-2000* |
| BAAC | Auditing firm | Alsø & Breinholt/Christiansen | 0.5 | 0.1 | 0.6 | | 1.8 | 11 | 1990-1998 |
| Bank Wlasnosci Procown. | Banking | Nordea | 12.0 | | 12.5 | | 268.0 | 20 | 1999-2001 |
| Bauma Unicon | Paving stones | Unicon Beton | 2.2 | 1.9 | 3.9 | | 94.3 | 37 | 1994-2000 |
| Baxi Radan | Production of boilers | Baxi | 4.9 | 8.8 | | | 36.5 | 140 | 1999-2001* |
| BDO Polska | Auditing firm | RIR Revision | 0.5 | | 0.1 | | 1.1 | 15 | 1991-1995* |
| BelTiCa-Poland | Textiles | Belika Strikvarefabrik | | 1.2 | 1.2 | 0.9 | 5.6 | 275 | 1997- |
| Berendsen Poland | Laundry Services | Sophus Berendsen | 11.1 | | 8.5 | | 82.1 | 390 | 1993- # |
| BL-Invest | Real estate activities | ABC Hansen/Skiold Holding | | 2.2 | 2.2 | 0.9 | 8.4 | 1 | 1998- |
| BL-Kutno | Agricultural machinery | Maskinfabrikken BL | | 0.6 | 0.6 | | 2.8 | 40 | 1998- |
| Bording Polska | Production of envelopes | F.E. Bording | 1.0 | 0.4 | 1.0 | | 1.9 | 5 | 1996-2001 |
| Budodana | Energy production/distribution | Smedana | 0.1 | | | | 0.7 | 20 | 1995-1996* |
| Bytom Ren.Energy Gen. | Landfill gas extraction | ESCO International | 4.7 | 3.1 | 0.0 | 0.0 | 15.0 | 3 | 2000- |
| C. H. Reduta | Shopping center | TK Development | | | | | | 5 | 1997-2001 # |
| C. H. Targówek | Shopping center | TK Development | | | | | | 5 | 1997-2001 # |
| C.H.Reduta II | Shopping center | TK Development | | | | | | 5 | 2000-2001 # |
| C.H.Targowek II | Shopping center | TK Development | | | | | | 5 | 2000-2001 # |
| C.J.International | Land transport | C.J. International | 0.3 | | 0.3 | | 3.5 | 120 | 1991-1996 |
| Carlsberg Okocim | Brewery | Carlsberg | 77.0 | | 76.6 | 66.4 | 830.3 | 1,173 | 1996- |
| Centrum Handl. Chorzow | Shopping center | TK Development | | | | | | 5 | 1998-2001 # |
| Centrum Handlowe Bytom | Shopping center | TK Development | | | | | | 5 | 1998-2001 # |
| Centrum Handlowe Sosnowie | Shopping center | Euro Mall (TKF) Holding | | | | | | 5 | 1999-2001 # |
| CET | Electrical machinery/equipment | NKT Holding | 0.3 | | 0.3 | | 5.5 | 25 | 1993-1998 |
| Chlodnice Nissens Polska | Radiators for vehicles | Nissens Kølerfabrik | 0.0 | 0.5 | | | 3.1 | 5 | 1998-2001* |
| Credin Polska | Food and beverages | Palsgaard Industri | 5.8 | | 5.2 | 5.2 | 6.0 | 9 | 1994- |
| Cygate Polska | Computer and rel. activities | Erik Westerberg | | 3.0 | 3.0 | | 8.0 | 11 | 1996-2001 |
| Danagri Invest | Real estate activities | Cormall Agro Holding | | 0.4 | | | 1.2 | 1 | 1998-2001* |
| Danexport Polska | Whole sale and distribution | BHJ | 8.0 | | 6.7 | 6.7 | 41.6 | 35 | 2002- |
| Danipol | Textiles | Performance Group | 2.0 | | 2.0 | | 15.3 | 500 | 1992-2004 |
| Danish Farm. Consultants | Production of Slaughter Pigs | Pol-Dan | 2.3 | 8.5 | 10.1 | 3.3 | 45.1 | 65 | 1995- |
| Danlux | Wood products | Dan-Imex | | 1.1 | 0.6 | | 1.7 | 35 | 1993-2000 |
| Danselbud | Real estate activities | Noratej Denmark | | | | | 4.0 | 1 | 1996-1998* |
| Demex Electric Polska | Manufacture of el. switches | Demex Electric | 1.3 | 1.0 | 2.0 | 2.0 | 6.0 | 35 | 2003- |
| DISA | Air pollution control equip. | DISA | | 59.6 | 29.8 | | 62.2 | 140 | 2000- |
| DLH Finér | Wood products | Dalhoff Larsen & Hornemann | | 3.5 | 3.5 | | 14.3 | 30 | 1995-1999 |
| DLH Nordisk | Wood products | Dalhoff Larsen & Hornemann | | 27.6 | 17.4 | | 28.9 | 16 | 1994-1999 |
| DP Batteries | Batteries | Alkaline Batteries | 2.0 | 6.1 | 5.1 | | 17.3 | 72 | 1991-1995 |
| Druk X-Press | Publishing and printing | Power Print Polen | 0.1 | 0.5 | 0.6 | | 2.3 | 10 | 1991-1994* |
| Dyrup Polska | Chemical industry | Dyrup & Co. | | 4.8 | 4.8 | | 61.9 | 66 | 1994-2002 |
| EIEE | Education | EIEE | 0.3 | | 0.2 | | 0.7 | 4 | 1994-1996 |
| Elda | Electrical machinery/equipment | LK | 33.0 | | 21.7 | | 154.4 | 1,200 | 1994-1999 # |
| Elopak | Pulp and paper products | Schouw Packing | 15.9 | 8.4 | 22.6 | | 40.0 | 11 | 1993-2002 |
| Elopak Finance | Financial institution | Schouw Packing | 7.8 | | | | 28.8 | 1 | 1995-1996* |
| Elsamprojekt Polska | Consultancy | Elsam | 0.4 | | 0.2 | | 1.6 | 6 | 1990-1998 |
| Elserv | Marketing & financial services | LK | | | | | 24.1 | 1 | 1998-1999 |
| Energó Zycie | Life insurance company | Tryg-Baltica | | | | | 157.2 | 30 | 2000-2001 |
| Energó-Asekuracja | Non-life insurance | Tryg-Baltica | 45.4 | | 44.5 | | 335.6 | 320 | 1999-2001 |

| | Activity/product | Danish Partner(s) | IØ Participation | | Total | Total | Total | Employment | Period |
|---------------------------|--------------------------------|------------------------------|------------------|-------|-----------|-------------|------------|------------|---------------|
| | | | Shares | Loans | Disbursed | Outstanding | Investment | Persons | |
| | | | DKKkm | DKKkm | DKKkm | DKKkm | DKKkm | | |
| ESCO International A/S | Energy production/distribution | HME Contractors | 4.0 | | | | 53.7 | 2 | 1997-1998 * # |
| ESCO International S.A. | Energy production/distribution | HME Contractors/DIFKO Energi | 8.4 | 8.7 | | | 336.4 | 15 | 1997-2000 * |
| Espersen Polska | Food and beverages | Espersen | 3.9 | 11.5 | 14.4 | | 73.5 | 75 | 1994-2003 |
| Euro Mall Holding | Real estate activities | TK Development/Steen & Strøm | 6.0 | 60.6 | 70.9 | | 304.3 | 2 | 1997-2001 # |
| Euro Mall Poland Holding | Real estate activities | TK Development | | | | | | 25 | 2001- # |
| Exbud-Nova | Road material | Novejfa | 1.0 | 2.7 | 3.6 | | 23.0 | 185 | 1995-2001 |
| Expol | Building products | Dras | | 3.0 | | | 12.0 | 60 | 1993-1996 * |
| Fabryka Wafli MIRAN | Food and beverages | Frima Vafler | 1.7 | 0.7 | 2.2 | | 4.0 | 10 | 1994-2004 |
| Famacorm | Real estate activities | Kongskilde | 0.1 | | 0.1 | | 3.7 | 1 | 1994-1999 |
| FARO Szczecin | Whole sale and distribution | BHJ | | | | | 1.0 | 22 | 2002-2003 |
| Fire-Eater Poland | Fire equipment | Fire Eater | 0.4 | 1.0 | | | 3.0 | 40 | 2003-2005 * |
| FishinSea | Processing of fish products | FishinSea | 0.8 | 1.1 | 1.3 | 0.7 | 5.7 | 56 | 1992- |
| Fiskars Slupsk | Fabricated metal products | Fiskars Danmark | 3.0 | 0.4 | 2.5 | | 9.5 | 44 | 1991-1999 |
| Fiskars Warsaw | Trade company | Fiskars Danmark | 0.0 | | | | 0.1 | 5 | 1996-1996 * |
| Fomar Roulunds | Friction materials | Roulunds Braking | 41.6 | 8.4 | 50.7 | | 144.4 | 850 | 1996- |
| Gedsted Auto | Vehicle spare parts | Gedsted Auto | 1.3 | | 1.0 | | 5.7 | 10 | 1994-2001 * |
| Geotermia Stargard | Geothermal power production | Scandinavian Energy Group | | 2.3 | | | 75.8 | 5 | 2003- |
| GMT-Poland | Food and beverages | Globe Meat Technology | | 12.4 | 12.7 | | 44.6 | 450 | 1996-2004 * |
| GP Batteries | Whole sale of batteries | Alkaline Batteries | | 1.0 | | | 4.0 | 11 | 1993-1995 * |
| Greensam | Consulting engineers | Hørning Maskinfabrik | 0.3 | | | | 0.8 | 0 | 1992-1995 * |
| Grene | Agricultural machinery | P. Grene | 16.5 | | 16.3 | 16.3 | 89.2 | 250 | 1998- |
| Hercules Poland | Fabricated metal products | Hercules | 1.5 | | | | 7.3 | 15 | 1994-1996 * |
| HTH Ekspert w Kuchni | Kitchen furniture | HTH Køkkener | 3.0 | 1.1 | 3.0 | 2.2 | 14.5 | 120 | 1999- |
| InfoCenter | Directory service provider | Yellow Tel | | 5.7 | 5.7 | | 11.6 | 3 | 2000-2004 |
| Inreco Polska | Road renovation | Inreco | 0.8 | 1.9 | 2.7 | | 5.0 | 20 | 1994-2004 |
| Inreco-Emulsja | Asphalt emulsion | Inreco | | 1.4 | 1.4 | | 5.2 | 1 | 1999-2003 |
| ISOwent | Machinery and equipment | JKF Industri | 0.9 | | 0.7 | 0.7 | 4.9 | 9 | 1996- |
| Karwice | Farming | Karsten Birkedal Jensen | | 2.1 | 2.1 | | 26.8 | 10 | 1998- |
| Katowice Ren.Energy Gen. | Landfill gas extraction | ESCO International | 4.7 | 2.8 | 3.8 | 3.8 | 15.0 | 3 | 2000- |
| Kongskilde Polska I | Machinery and equipment | Kongskilde | 0.0 | 0.7 | 0.7 | | 3.3 | 73 | 1994-2003 |
| Kongskilde Polska II | Machinery & equipment | Kongskilde | | 6.0 | 6.0 | 2.0 | 12.0 | 150 | 1998- |
| Kongskilde Polska III | Machinery & equipment | Kongskilde | | 20.0 | 19.9 | 19.2 | 50.0 | 250 | 2001- |
| KVF Poland | Clothing | Vestergaard Frandsen Group | 0.4 | 0.3 | 0.7 | 0.4 | 1.9 | 90 | 1995- * |
| Legajne Energy Gen. | Landfill gas extraction | ESCO International | 2.7 | 0.2 | 2.9 | 2.7 | 11.7 | 2 | 1997- # |
| Logstor-Pol | Heating pipes | Løgstør Rør | 0.1 | | | | 0.2 | 5 | 1991-1996 * |
| Lubna Energy Gen. | Landfill gas extraction | ESCO International | 3.7 | | | | 12.0 | 2 | 1997- |
| Maersk Polska | Warehousing and distribution | Maersk Holding Poland | | 34.5 | 34.6 | 18.6 | 103.1 | 100 | 1999- # |
| Malarska Hørberg | Sale of paints | Malerfirmaet Hørberg | 0.3 | 0.3 | 0.2 | 0.2 | 2.0 | 3 | 1992- * |
| Marburg | Fast food | Slagteriregion SYD | | 1.3 | 1.3 | | 2.5 | 70 | 1991-1993 * |
| Max Derby | Refrigeration | Maskinfabrikken Derby | 7.9 | | 1.6 | | 67.7 | 260 | 1993-2001 * |
| MBL Poland | Production of spare parts | MBL | | 10.0 | 10.0 | 10.0 | 54.3 | 225 | 2002- |
| ME-FA International | Fabricated metal products | Me-Fa | | 1.0 | 1.0 | | 3.6 | 10 | 1995-1998 * |
| Mira Polska | Non-metallic mineral products | Mira | 1.2 | | | | 8.3 | 50 | 1998-2002 * |
| Multiram | Fabricated metal products | Melstrup & Lomholt | | 0.3 | 0.3 | | 0.7 | 5 | 1995-2000 |
| nkt cables Warszowice | Production of wires and cables | NKT Holding | | 19.3 | 19.3 | 5.2 | 275.6 | 25 | 1999- |
| Noratel | Electrical machinery/equipment | Noratel Denmark | 1.3 | 1.2 | 2.0 | | 4.5 | 95 | 1992-2004 |
| Nykredit Bank Hipoteczny | Mortgage bank | Nykredit | | 74.3 | | | 232.6 | 100 | 2003- |
| OSM Krotoszyn | Food and beverages | GEA Niro | | 3.8 | 5.0 | | 51.0 | 210 | 1995-2002 |
| P. Nielsen & Partners | Firm of lawyers | P. Nielsen & Partners | 0.2 | | 0.2 | | 0.7 | 7 | 1990-1997 |
| Palsgaard Poland | Sale of emulsifiers | Palsgaard Industri | 0.2 | | 0.2 | 0.2 | 1.5 | 4 | 2002- |
| Pantom Poland | Food and beverages | Pantom | 0.3 | 0.3 | 0.6 | | 1.9 | 5 | 1993-2000 |
| Podan-Pfeiffer | Slaughterhouse machinery | Pfeiffer | 0.9 | | 0.4 | | 2.2 | 5 | 1992-1996 * |
| Pol-Sun | Wholesale of solariums | Dan-Sun | | 0.5 | | | 2.5 | 4 | 2000-2002 * |
| Polconsul | Construction | ISC Holding | 0.3 | | | | 1.3 | 3 | 1990-1994 * |
| Poldanor | Agriculture and farming | Polen Invest | 7.9 | 28.6 | 36.0 | | 82.0 | 135 | 1994-2004 |
| Policon | Production of 3D labels | Jørgen Clemmensen Holding | 1.1 | 0.7 | 1.5 | 1.3 | 4.7 | 6 | 2001- |
| Polline | Fishing equipment | Hvalpsund Net | | 1.3 | | | 3.9 | 10 | 1997-2002 * |
| Polrubber | Rubber products | Danrubber | 0.5 | | 0.5 | | 1.8 | 55 | 1991-1995 * |
| Pomrol Agro | Agriculture and farming | Polen Invest | 2.4 | 2.0 | 2.3 | | 14.3 | 75 | 1996-2001 |
| Prime Food | Food and beverages | Polen Invest | 31.9 | 19.1 | 35.5 | 27.9 | 206.0 | 440 | 1993- |
| Print Partner | Manufacture of plastic packing | J. & R. Frydenberg | | 0.4 | 0.4 | 0.3 | 1.6 | 3 | 1999- |
| Radiowo Ren.Energy Gen. | Landfill gas extraction | Hedeselskabet | 3.4 | 4.8 | 4.8 | 4.8 | 26.5 | 3 | 2000- |
| Radisson SAS Krakow | Hotel | SAS Hotels | | 17.9 | 18.4 | 18.4 | 220.8 | 134 | 2001- |
| Radisson SAS Wroclaw | Hotel | SAS Hotels | | 14.9 | 16.2 | 16.2 | 171.3 | 120 | 2000- |
| Remek | Car starters and alternators | Elstock | | 9.9 | 9.9 | 8.0 | 29.6 | 120 | 2001- |
| Rockwool Malkinia | Insulating material | Rockwool International | | 35.0 | | | 140.0 | 150 | 1995-1996 * |
| Rockwool Polska | Insulating material | Rockwool International | 21.1 | 34.7 | 53.9 | | 98.0 | 554 | 1993-2002 |
| Rol-Dan | Growing of crops | Dangro Invest | | 4.4 | 3.6 | | 12.2 | 20 | 1999- |
| Rosti (Polska) | Prod. of plastic components | Rosti | | 25.0 | 21.3 | | 91.3 | 150 | 1999- |
| Scandic Food | Food and beverages | DDG Holding | | 4.8 | 4.8 | | 100.0 | 50 | 1997-2004 |
| SFK | Electrical machinery/equipment | NKT Holding | 7.5 | | 20.0 | | 118.8 | 470 | 1993-1997 |
| SGS Poland | Distribution & transportation | Scandinavian Garment Service | 1.0 | | 0.8 | | 8.0 | 11 | 1997-2000 |
| Siltec | Electrical equipment | Silcon | | 9.5 | 9.5 | | 37.8 | 70 | 1998-2003 |
| Skandinavian Transformer | Transformer production | TransElectro | | 2.3 | 2.3 | 2.3 | 5.7 | 25 | 2002- |
| Sonion Polska | Medical/precision instruments | Sonion Roskilde | 3.0 | 2.0 | 5.0 | 3.0 | 18.0 | 50 | 1997- |
| Sopot Bank | Bank | DiskontoBanken | 1.0 | 5.4 | 6.4 | | 7.4 | 40 | 1993-1996 |
| Sosnowiec Ren.Energy Gen. | Landfill gas extraction | ESCO International | 4.7 | 2.8 | 3.8 | 3.8 | 15.0 | 3 | 2000- |
| Sotofte Polska | Real estate development | Søtøftegård | 2.8 | 6.7 | 8.8 | 8.8 | 20.0 | 6 | 2001- * |
| Stok Emballering | Pulp and paper products | Stok Emballering | | 1.5 | 1.1 | | 5.0 | 28 | 1995-2001 |

| Activity/product | Danish Partner(s) | IØ Participation | | Total | Total | Total | Employment | Period | |
|--------------------------------|--------------------------------|------------------------------|-------|--------------|--------------|--------------|--------------|----------------|---------------|
| | | Shares | Loans | Disbursed | Outstanding | Investment | Persons | | |
| | | DKKm | DKKm | DKKm | DKKm | DKKm | | | |
| Synoptik Polska | Optical retail chain | Synoptik | | 3.8 | | 3.0 | 80 | 2000-2003 | |
| Tarco Vej | Construction | Tarco Vej | | 0.1 | | 0.3 | 170 | 1992-1996* | |
| TK Development Polska | Real estate | TK Development | 20.0 | 5.0 | 25.0 | 158.0 | 16 | 1996-2001 | |
| TopWasa | Insurance | TopWasa | | 8.4 | | 30.0 | 2 | 1992-1995* | |
| Unicon Beton | Ready-mix concrete | Unicon Beton | 8.5 | 22.1 | 24.1 | 172.4 | 38 | 1995-2004 | |
| Unicon Beton Gdansk | Ready-mix concrete | Unicon Beton | | | | 21.6 | 20 | 1997-2004 | |
| Unicon Beton Gdynia | Ready-mix concrete | Unicon Beton | | | | 6.2 | 16 | 1998-2004 | |
| Unicon Beton Myslowice | Ready-mix concrete | Unicon Beton | | | | 13.6 | 18 | 1998-2004 | |
| Unicon Beton Warsaw II | Ready-mix concrete | Unicon Beton | | | | 22.5 | 20 | 1997-2004 | |
| Unicon Beton Warsaw III | Ready-mix concrete | Unicon Beton | | | | 9.5 | 14 | 1998-2004 | |
| Vallo Holding | Food and beverages | Vallø Saft | 18.0 | 4.7 | 18.0 | 190.0 | 25 | 1996-2004 | |
| Voigt Promotion | Production of flags | Klaus Voigt | 2.0 | | 2.0 | 0.9 | 4.9 | 2000- | |
| Wavin Metalplast-Buk | PVC pipes | Nordisk Wavin | | 9.9 | 9.4 | 93.5 | 425 | 1991-1997 | |
| Woody | Sale of building material | Dalhoff Larsen & Hornemann | 8.5 | | 5.5 | 17.4 | 40 | 1996-1999 | |
| X-Press Couriers | Courier services | ViaBaltic/Budstikken | 0.3 | 0.5 | 0.7 | 1.5 | 40 | 1996- | |
| Zelmech | Electric domestic appliances | Metro Therm | 3.6 | | 1.6 | 1.6 | 17.4 | 105 | 1999- |
| Zylber König | Food and beverages | Danpol Copenhagen | | 2.0 | 0.0 | | 9.8 | 22 | 1996-1998* |
| Total 148 projects | | | | 521.3 | 748.0 | 956.7 | 272.8 | 7,037.0 | 13,273 |
| Romania | | | | | | | | | |
| Agraria Majeco | Agriculture and farming | Manfred Johannesen | | 0.0 | | | 0.1 | 1 | 1992-1994* |
| Agrileasing | Leasing activity | Agriholding | | 1.6 | | 1.5 | 1.5 | 5 | 2000- # |
| APM Terminals Romania | Container terminal | A. P. Møller-Mærsk | 29.8 | | 29.8 | 19.4 | 59.4 | 30 | 2001- |
| BlueTel | Telecommunication equipment | BlueTel | | 1.1 | 1.1 | 1.1 | 2.7 | 10 | 1999- |
| Carlsrom Beverage | Beer distribution | Carlsberg Int. | | | 0.0 | | 0.1 | 10 | 1995- # |
| DDCA Romania | saw mill and pallet production | Tipsgården | 1.5 | | 1.5 | 1.5 | 4.9 | 80 | 2003- |
| Glulam Romania | Production of woodproducts | Limtræ Danmark | 5.8 | 20.1 | 26.1 | 25.9 | 30.0 | 170 | 2003- |
| HITROM | Insulating material | Rockwool International | 12.0 | | 9.1 | | 14.5 | 800 | 1998-2002 |
| IMT Labs Romania | automated chat | IMT Labs | 2.5 | | | | 5.3 | 5 | 2004- |
| Kuma Romania | Marble basin production | Kuma Produkter | | 1.2 | 0.8 | 0.1 | 1.8 | 27 | 1999- |
| Richter Romania | Leather furniture upholstery | Richter | | 0.5 | 0.5 | | 2.1 | 22 | 2000-2004 |
| United Romanian Breweries | Brewery | Carlsberg Int. | 9.5 | 9.8 | 8.0 | 8.0 | 260.0 | 160 | 1995- # |
| Villa Bona Terra | Production of wine | Chris-Wine | 3.7 | 5.9 | 8.9 | 8.9 | 22.5 | 100 | 2002- |
| Total 13 projects | | | | 35.1 | 69.9 | 87.2 | 66.4 | 419.9 | 1,420 |
| Russian Federation | | | | | | | | | |
| Agripo | Pork production | Agripo | 10.0 | | | | 28.0 | 14 | 2004- |
| Belsoe Russia | Production of cereals | Nutana Holding | 3.3 | | 2.6 | | 8.0 | 50 | 2001-2004# |
| Bianco Footwear Russia | Sale of shoes | B Holding | | 0.4 | 0.4 | 0.4 | 1.7 | 10 | 2004- |
| Broen - ADL | Production of valves | BROEN | | 26.3 | 4.0 | 3.5 | 59.0 | 70 | 2002- # |
| Danfoss | Machinery and equipment | Danfoss | 24.3 | | 21.6 | | 70.0 | 50 | 1993- |
| DRTG | Telecommunication | GN Store Nord/TDC | | 20.0 | 20.0 | | 80.0 | 60 | 1993-1996 |
| DRTG R-J-K | Telecommunication | GN Store Nord/TDC | | 20.0 | 20.0 | | 370.0 | 1 | 1995-1998 |
| EBI Suppliers | Machinery and equipment | EBI Suppliers | 6.2 | 1.2 | 7.7 | | 21.2 | 40 | 1992-1995 |
| Harry's Russia | Food production | Dan Cake | 4.6 | 10.1 | 24.0 | | 40.6 | 200 | 1998-2004# |
| Iceberg | Ice cream | Scan System Group | 0.3 | 1.0 | 1.2 | | 4.8 | 35 | 1994-2002 |
| KAR-KO RUS | Agriculture and farming | Kar-Ko | 0.5 | | 0.5 | | 1.7 | 5 | 1993-1995 |
| Neda Paging | Telecommunication | GN Store Nord | | 2.0 | 1.7 | | 7.5 | 48 | 1993-1998 |
| Nordrus Hotel Holdings | 3-star hotel chain | SAS Hotels | 51.2 | | 0.7 | 0.7 | 540.0 | 320 | 2003- |
| Novsvin | Pork production | Russian Pig Meat | 11.0 | | 0.5 | 0.5 | 50.0 | 54 | 2004- |
| OOO Aller Petfood | Production of pet food | Brdr. Bylling | 9.4 | | | | 40.0 | 120 | 2004- # |
| OOO Estate | Prod/assembly of freezers | Caravell | 14.2 | 33.2 | 0.1 | 0.1 | 163.6 | 150 | 2004- # |
| OOO Villaco | Prod. of roofing protection | Icopal | | 39.0 | | | 97.5 | 100 | 2004- |
| PEH/PBCM | Metal packaging products | PLM Holding | 51.6 | | 53.6 | | 947.2 | 229 | 1997-2003# |
| Petro Pack | Forest berries packaging | Berrifine | | 3.3 | 3.3 | 3.3 | 17.1 | 25 | 2003- |
| Rockwool Vyborg | Production of stone wool | Rockwool International | 75.6* | 39.0 | 59.8 | 59.8 | 385.0 | 150 | 2003- |
| Roulunds Rus | Production of V-belts etc. | Roulunds Rubber | 2.5 | | | | 20.7 | 50 | 1998-2000* |
| Sabroe Russ | Machinery and equipment | York Refrigeration | 0.9 | 0.0 | 0.9 | | 10.0 | 10 | 1992-1999* |
| Sadolin Garments | Production of garments | Sadolin Trade | | 0.5 | 0.5 | 0.5 | 2.4 | 300 | 1998- * |
| Sadolin Properties | Renting of real estate | Kalinka Trade | 0.2 | 1.2 | 1.4 | 1.4 | 3.5 | 1 | 1999- *# |
| Sadolin Sestroretsk | Production of garments | Kalinka Trade | 0.9 | | 0.9 | 0.9 | 3.5 | 300 | 1999- |
| Scanbech | Rubber and plastic products | Scanbech | 2.8 | 0.8 | 2.6 | | 8.9 | 16 | 1996-2004* |
| Shawood | Wood products | Velux | | 8.0 | 8.0 | 7.9 | 41.0 | 50 | 1991- |
| SJSL | Fishing | Ørskov Værft/Royal Greenland | 30.0 | | 30.0 | | 530.0 | 180 | 1997-2004# |
| St. Petersburg Taxophones | Payphone operators | GN Store Nord | 6.5 | 11.5 | 18.8 | | 50.0 | 90 | 1994-2001 |
| Stimorol Chewing Gum | Chewing gum (packaging) | Dandy Holding | 20.8 | | 19.4 | | 57.8 | 58 | 1995-1999 |
| Sunny Cake | Food products | Dan Cake | 9.8 | | | | 91.8 | 3 | 1997-1999* |
| TK Development Pushkin | Construction | TK Development | 1.4 | 15.0 | 16.4 | 16.4 | 65.0 | 1 | 1995- # |
| Vladimir of Scandinavia | Textiles retail trade | Danko Trade | | 2.6 | | | 10.3 | 15 | 1998-1999* |
| ZAO Dirol | Chewing gum | Dandy Holding | 3.1 | 68.2 | 71.0 | | 665.0 | 304 | 1997-2002# |
| ZAO Mineral Wool | Insulating material | Rockwool International | 52.1 | 48.8 | 97.7 | 24.4 | 167.5 | 500 | 1998- |
| ZMI St.Petersborg | Machinery and equipment | EBI Suppliers | 0.2 | | | | 1.0 | 80 | 1995-1996* |
| Total 36 projects | | | | 383.1 | 323.0 | 489.3 | 119.7 | 4,661.4 | 3,689 |
| Serbia & Montenegro | | | | | | | | | |
| Pivara Celarevo | Brewery | Carlsberg Breweries | 93.3 | | 93.3 | 93.3 | 466.5 | 348 | 2004- |
| Total 1 project | | | | 93.3 | 93.3 | 93.3 | 466.5 | 348 | |

| Activity/product | Danish Partner(s) | IØ Participation | | Total | Total | Total | Employment | Period |
|---------------------------------|-------------------------------|---------------------------|----------------|----------------|----------------|----------------|-----------------|---------------|
| | | Shares | Loans | Disbursed | Outstanding | Investment | Persons | |
| | | DKKm | DKKm | DKKm | DKKm | DKKm | | |
| Slovakia | | | | | | | | |
| CRI (SK) | Computer and rel. activities | Computer Resources Int. | 0.0 | 0.3 | | 0.4 | 5 | 1996-1999* |
| Dan-Slovakia | Production of slaughter pigs | Slovakia Invest | | 35.0 | | 127.5 | 85 | 2002- |
| DKI Plast | Prod. of plastic components | DKI Plast | 2.5 | 3.8 | 5.0 | 5.0 | 25 | 2003- |
| Dusan Rajcan | Kiln drying of sawed wood | Danish Hardwood Sjælland | | 1.6 | 1.6 | 2.1 | 24 | 2000-2004 |
| Ecco Slovakia | Shoe production | Ecco Sko | 20.0 | 25.0 | 45.0 | 42.2 | 1,500 | 2002- |
| Euro Mall Slovakia Hold. | Real estate activities | TK Development | | | | | 3 | 2001- # |
| Eurostart | Car starters and alternators | Dansk Renoveringsindustri | 1.1 | 9.2 | 10.0 | 10.0 | 280 | 2002- |
| JK Gabcikovo | Pig and milk production | Hospoda Invest | | 20.0 | | 80.8 | 40 | 2003- |
| Lifeline | Textiles retail trade | La-Nika | 1.0 | | | 3.0 | 40 | 1995-1996* |
| Lifeline Slovakia | Retail textile company | United Textile Group | | 2.0 | 2.0 | 0.9 | 12 | 2000- |
| Pohronie | Sewage and refuse disposal | Marius Pedersen | | 1.8 | 1.8 | 6.8 | 30 | 1996-2002 |
| Polnovakia Agrar | Production of slaughter pigs | Agrovakia | 8.5 | 8.5 | 15.4 | 15.4 | 1 | 2003- |
| Povazie | Sewage and refuse disposal | Marius Pedersen | | 1.6 | 1.6 | 6.3 | 30 | 1996-2002 |
| Radisson SAS Carlton | Hotel complex | Tractebel/SAS Hotels | | 35.1 | 35.2 | 351.6 | 130 | 1999- |
| Saris | Sewage and refuse disposal | Marius Pedersen | | 1.5 | 1.5 | 5.7 | 30 | 1996-2002 |
| Slovakian Farm Invest | Production of slaughter pigs | Christian Nors Holding | | 31.9 | 23.4 | 139.8 | 20 | 2002- |
| Slovakian Field Invest | Cultivation of plants | Christian Nors Holding | | 17.8 | | 60.0 | 15 | 2003- |
| Total 17 projects | | | 33.1 | 194.9 | 142.4 | 96.9 | 1,060.0 | 2,270 |
| Slovenia | | | | | | | | |
| Danfoss Compressors | Compressors | Danfoss | | 54.0 | 53.4 | 342.5 | 600 | 1996- |
| Wilhelm Slovenia | Drying of wood | Wilhelm | 1.1 | | | 6.1 | 6 | 1999-2000* |
| Total 2 projects | | | 1.1 | 54.0 | 53.4 | 348.6 | 606 | |
| Ukraine | | | | | | | | |
| 3J Holding | Distribution centre | P. Jahn | | 2.2 | 2.2 | 2.2 | 3 | 2002- |
| Airline Tekstil. Ukraine | Textile print | Airline Textiltryk | | 1.6 | | 5.5 | 22 | 2003- |
| Dana Metal | Products of metal wire | Dana Tråd | 3.4 | 1.0 | 3.7 | 3.7 | 20 | 2004- |
| Danam Farms | Farming and pig breeding | ABC Hansen | | 2.5 | 2.6 | 2.2 | 10 | 2000- |
| Danish Textiles | Prod. of velour fabrics | PVN Holding | | 1.5 | 1.5 | 1.2 | 500 | 2002- |
| Danosha | Pig breeding and crop growing | Ukraine Invest | 13.8 | 35.7 | | 195.6 | 260 | 2004- |
| Dronningborg Ukraine | Machinery and equipment | Dronningborg Industries | 0.6 | | 0.5 | 82.4 | 2 | 1996-2000* |
| Ivanodan | Production of steel plates | Dana Tråd | 3.1 | | | 5.2 | 30 | 2004- |
| Lindevang Ukraine | Farming | Knud Rasmussen | | 0.8 | | 2.5 | 15 | 2004- |
| MP Ukraine | Lids for kitchen furniture | MP Låger | | 1.5 | 1.5 | 1.5 | 40 | 2004- |
| Novokasa | Real estate/sewing operation | Novotex | | 3.0 | | 11.6 | 5 | 2001-2003* |
| Sokalska Hosiery Factory | Real estate | PVN Holding | | 4.2 | 4.2 | 3.4 | 3 | 2002- |
| Total 12 projects | | | 20.8 | 54.0 | 16.2 | 14.1 | 373.4 | 910 |
| Grand Total 375 projects | | | 2,147.9 | 2,432.4 | 3,538.1 | 1,573.6 | 26,607.8 | 40,430 |

* Temporarily registered as a loan

IØ participation is the accumulated sum in DKK of IØ's contracted investments in all project companies since project start. Investments governed in foreign currency are stated at the exchange rate prevailing at the time of signing. The list includes active projects as well as projects where IØ's participation has been terminated. Consequently, the figures for IØ's participation cannot be related to the figures in the balance sheet at year-end.

Figures for contracted investments in shares include overrun commitments, and investment in loans includes guarantees.

Total disbursements are the total sum in DKK of share capital and loans disbursed to projects as per end of 2004. Disbursements in foreign currencies are stated at the exchange rate prevailing at the time of disbursement, and disbursement figures can therefore be larger than the stated, contracted investment amount due to fluctuations in the exchange rate.

Outstanding amounts are stated in DKK at cost and can be reconciled to the figures in notes 6 and 7 in the annual accounts for 2004.

Total investment is the total investment in all project companies in DKK as originally foreseen at the latest appraisal stage.

The number of employees is the number expected to be employed at the appraisal stage.

* Operation discontinued

Investment through holding company

Co-financing by the Environmental Investment Facility for Central and Eastern Europe

Danish International Investment Funds

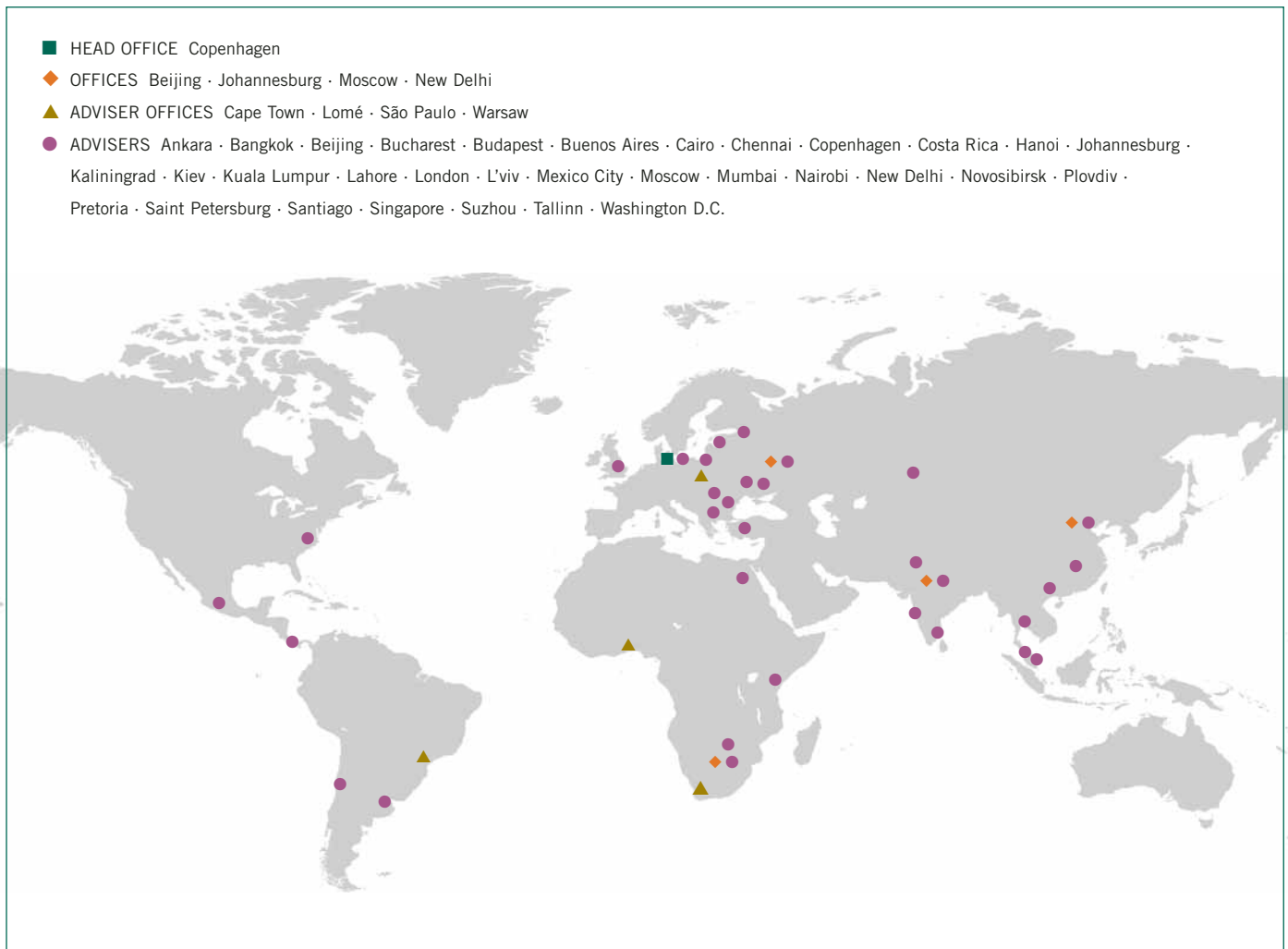
Danish International Investment Funds is the umbrella term for IØ, IFU and IFV. Each of the Funds operates within a specific geographical sphere:

- IØ in Central and Eastern Europe and in the Asian part of the former Soviet Union
- IFU in developing countries with a per capita income below the World Bank's upper limit for new loans (USD 5,295 in the year 2005)
- IFV in developing countries with a per capita income above the IFU limit (IFV has stopped making new investments)

European cooperation

IØ, IFU and IFV are members of the European Development Finance Institutions (EDFI). Besides the Danish Funds, there are 12 other members. They are all bilateral finance institutions offering capital for the development of the private sector in developing countries and countries that are in a transition process towards market economy. The objective of EDFI is to further co-operation and to safeguard common interests in relation to the European Commission and its institutions.

EDFI website: www.edfi.be



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