

INVESTMENT FUND FOR DEVELOPING COUNTRIES

Capital for **sustainable investments**

IFU is a Danish-state owned Development Finance Institution (DFI). We offer risk capital and professional advice to companies as well as industrial and financial partners wanting to do business in developing countries and emerging markets in Africa, Asia, Latin America and parts of Europe. The purpose is to promote economic and social development in the investment countries.

Investments are made on commercial terms, and we contribute with the following financial products:

Equity

- Long-term equity participation for 5-7 years
- Minority shareholder
- Clear exit strategy
- Active role, e.g. board representation

Senior loans

- Long-term loans, duration 5-7 years
- Secured by mortgage or other indemnity
- Grace period depending on cash flow
- Interest rate market-oriented depending on project, country and partner risk

Mezzanine financing and subordinated loans

- Long-term duration 5-7 years
- Subordinated to other loan financing
- Preference shares, convertible debentures
- Conversion rights or other performance linked returns

Single engagements are in the range of USD 1 - 15m.

AN ACTIVE INVESTOR

IFU is an active investor. We have a long-term investment horizon, and we invest directly in the project company that is being set up in the host country. IFU can participate in the establishment of new companies, joint ventures, in acquisitions and investment funds.

IFU can invest in all DAC countries and all sectors except a few that appear on our exclusion list, including weapons and hard liquor.

We appreciate our cooperation with the Danish Climate Investment Fund, because they can contribute with risk capital as well as solid business experience and insight in developing countries...

Morten Dyrholm, CEO, Group Senior Vice President, Marketing, Communication and Public Affairs, Vestas

50 YEARS OF EXPERIENCE

During the last 50 years, IFU has co-invested in more than 1,200 projects in 100 different countries. The total expected investment in these projects is close to USD 25bn, of which IFU has contributed USD 2.5bn.

This makes IFU the most experienced Danish investor in developing countries and emerging markets and a preferred financial partner for Danish companies and institutional investors.



IFU HAS UNIQUE EXPERTISE



Total investments of close to USD 2.8bn



More than 1,200 investments covering 100 countries



An average portfolio of more than 200 investments



Nine regional offices and local advisers



Profound knowledge of sustainability issues

OPERATES AS FUND MANAGER

IFU acts as fund manager for a number of investment funds based on public or public-private capital: the Danish Climate Investment Fund (DCIF), the Danish Agri-business Fund (DAF), IFU Investment Partners (IIP), the Arab Investment Fund (AIF) and the Investment Fund for Central and Eastern Europe (IØ).

STRONG LOCAL PRESENCE

IFU's head office is located in Copenhagen, Denmark, with regional offices across Asia, Africa, Latin America and Eastern Europe. Moreover, IFU has a professional network of more than 40 global and regional advisors.

CASES



LAKE TURKANA WIND POWER - KENYA

Investment year: 2013
IFU's shareholding: USD 15.7m
Expected total investment: USD 703m
Expected direct employment: 200

With a total capacity of 310 MW, Lake Turkana Wind Power is the largest wind farm in Sub-Saharan Africa, and when operational it will produce approximately 15-20 % of Kenya's current electricity consumption at a very competitive price. The Danish company Vestas has supplied the 365 wind turbines, which have been erected in one of the most remote areas of Kenya.

To complete the wind farm, major investments have been made in the local area, including projects to improve access to water, education and health as well as 200 km of roads needed to transport the wind turbines from Mombasa to the site.

The Danish Climate Investment Fund has an equity stake of 6.25 % in the project.



DANPER - PERU

Investment year: 1991
IFU's financial participation: USD 30.2m
Expected total investment: USD 59.8m
Expected direct employment: 6,000

Danper produces vegetables, grapes and avocados for export and is a joint venture between Danish and Peruvian shareholders. The company was established in 1991 and has continuously expanded its business. Today it is among the largest agricultural companies in Peru with an annual turnover of 140 million dollars. The company employs more than 6,000 people and cooperates with 240 local farmers.

Danper has a high focus on sustainability. The company continuously educates its employees and contributes to the development of local communities with water, electricity and health programmes.

IFU first invested with Danper in 1991 and has since contributed to several expansions. The purpose of the most recent investment was to establish a processing plant at 22,000 m².