

Annual Report 2004



ifu

CONTENTS

Legal mandate	3
Statement by the Management on the annual report	4
Auditors' report	5
Highlights	8
Management's review	10
Accounting policies	19
Income statement for 2004	22
Balance sheet at 31 December 2004	22
Cash flow statement for 2004	24
Notes	25
Management	32
IFU evaluation	34
Danish investments in developing countries - seeking efficiency	36
Cooperation with SMEs	37
Globalisation package for SMEs	38
Statistics and accumulated accounts	39
Four examples of IFU investments	42
IFU as partner	45
IFU's adviser network	46
European Financing Partners' co-financing facility	48
Investment portfolio as at 31 December 2004	49
Organisation and staff	59



THE INDUSTRIALISATION FUND FOR DEVELOPING COUNTRIES

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CVR No. 23598612

Legal mandate

“For the purpose of promoting economic activity in developing countries, IFU has been created to promote investments in these countries in collaboration with Danish trade and industry.”

The Act on International Development Cooperation,
The Danish Parliament, 7 June 1967.

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 Budolfson

Lars Kolte

Kjeld Ranum

Michael Rasmussen

Carsten Staur

Karen Wermuth



Danish Steel Cluster, India

Auditors' report

To the Supervisory Board of IFU

We have audited the annual report of IFU for the financial year ended 31 December 2004, pages 4-33, 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 4-33, 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

IFU's legal mandate is to promote economic activity in developing countries by promoting investments in these countries in cooperation with Danish enterprises. IFU is part of a range of official Danish activities with the overall purpose of promoting economic and social progress in developing countries.

IFU 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.

IFU provides advisory services, share capital participation, loans and guarantees on commercial terms for investments in production or service companies in developing countries with a per capita income below USD 5,295 (2005). The Fund's revenues consist of interest, dividends and profits from sale of shares.

By collaborating with IFU, the partners, in addition to financing, gain access to IFU's knowledge from 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		30.5	4.1
Total equity capital at 31.12.2004		1,404.4	188.8
Investments during 2004	44	443.9	59.7
Investments in new projects since establishment (1967-2004)	528	4,079.2	548.4
Disbursements including further financing (1967-2004)		4,465.9	600.4
Number of countries in which IFU has invested (1967-2004)	72		

*) Exchange rate: EUR 100 = DKK 743.81

Also in 2004 IFU experienced a high level of investment activities resulting in total investments of DKK 443.9m in 44 projects, of which DKK 320.5m was in 30 new projects.

After the capital extraction of DKK 750m in 2004, the Fund's equity capital was reduced to DKK 1,404.4m at the end of 2004.



NEG Micon, India

Highlights

Financial highlights

	2004 DKKkm	2003 DKKkm	2002 DKKkm	2001 DKKkm	2000 DKKkm
<u>INCOME STATEMENT</u>					
Gross contribution from projects	47	95	(19)	5	(11)
Operating income (loss)	10	59	(54)	(29)	(43)
Net income for the year	31	97	19	20	15
<u>BALANCE SHEET 31 DECEMBER</u>					
Share capital investment in projects at cost	1,149	1,097	1,159	1,055	1,008
Project loans at cost	<u>810</u>	<u>779</u>	<u>622</u>	<u>704</u>	<u>759</u>
Total investment in projects at cost	1,959	1,875	1,782	1,759	1,767
Accumulated value adjustments	<u>(930)</u>	<u>(919)</u>	<u>(861)</u>	<u>(734)</u>	<u>(754)</u>
Investments in projects, net ¹	1,029	956	921	1,025	1,013
Cash and bonds	297	1,079	1,096	970	832
Repaid capital/paid in capital during the year	(750)	0	0	0	150
Total equity capital	1,404	2,124	2,027	2,008	1,861
Total balance	1,436	2,193	2,066	2,056	1,878
<u>ADDITIONAL DATA</u>					
New projects contracted (no.)	30	24	25	25	22
Portfolio of projects (no.)	216	208	212	212	207
Investments contracted	444	527	359	352	521
Investments disbursed	378	420	245	161	479
<u>KEY RATIOS</u>					
Gross contribution from projects/Investment in projects at cost	2.42%	5.05%	(1.08%)	0.27%	(0.64%)
Operating income/Average total equity capital	0.56%	2.84%	(2.65%)	(1.49%)	(2.45%)
Net income for the year/Average total equity capital	1.73%	4.67%	0.94%	1.05%	0.84%
Total equity capital/Total assets	97.82%	96.85%	98.09%	97.68%	99.06%
Accumulated value adjustments/Investment in projects at cost	(47.47%)	(49.01%)	(48.31%)	(41.72%)	(42.65%)
Average number of full-time employees	75	80	81	78	80

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%)	74%	67%	77%	N.a.	N.a.
Development impact	76%	73%	79%	N.a.	N.a.
Partner mobilisation	56%	54%	62%	N.a.	N.a.
Sustainability and profitability of projects	86%	76%	87%	N.a.	N.a.
Fund's operational targets	79%	64%	79%	N.a.	N.a.
Environmental Investment Ratio (Range: 0 - 100%)	19%	45%	29%	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 IFU'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 Africa the overall growth rate is expected to reach 5.4% in 2005, while in China and India the growth in 2005 is expected to be 7.5% and 6.7%, respectively. IFU expects a continuation of the trend where Danish companies direct a substantial part of their investments towards developing countries 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 relative 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 GNP growth rate of 2.6% 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, notably China and India.

Capital extraction

In 2004 IFU transferred DKK 750m 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, IFU'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 IFU'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.

New success criteria – ex ante

Based on IFU's Mission, Vision & Strategy, IFU'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 measuring IFU'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 IFU 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 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.

In connection with the implementation of the new success criteria, it has been decided to update the method to quantify the Environmental Investment Ratio of IFU's financial contribution in the projects.



Verino Farms, Zambia

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

Evaluation of IFU

In August 2004 an independent evaluation of IFU was published at the request of the Ministry of Foreign Affairs. IFU received praise and criticism in the evaluation which was carried out by Nordic Consulting Group, which made a number of recommendations related to IFU's mode of operation. The report concludes that IFU has developed unique expertise regarding investments, and furthermore emphasises that the Fund shall continue as an autonomous institution.

According to the report IFU's investment projects are successful in promoting economic activity in the developing countries. The evaluation also underlines the fact that with its investments IFU has to a high degree helped Danish companies to become successful in their internationalisation.

At the same time IFU is criticized in the report for not having invested enough in the poorest of the developing countries, and the evaluation team also recommends that "increased attention should be given to small and medium-sized companies (SMEs) in terms of number of projects and invested capital...".

Based on the evaluation IFU's Supervisory Board decided to implement a number of the recommendations, and the results were presented and discussed at a confer-

ence about the subject. Furthermore, the Fund has prepared a so-called "Globalisation package" for SMEs in order to facilitate the cooperation between SMEs and IFU.

Quick Check of the Human Rights Compliance Assessment

IFU 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 developing 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 IFU'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 IFU and IØ initiated a formalised collaboration 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.



ScanCom, Vietnam

Investments in 2004

In 2004 IFU experienced a continued high level of investment activity with investments in 30 new projects of a total amount of DKK 320.5m. Additional financing in 14 ongoing projects amounted to DKK 123.4m. The investments in new projects went to 12 countries. IFU's average invest-

ment in the new projects amounted to DKK 10.7m.

78% 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 IFU's Supervisory Board on 18 December 2003.

Number of investments in new projects	30		
Number of additional financing of existing projects	14		
NEW PROJECTS			
IFU's investments	DKK 320.5m	EUR	43.1m
Total investments	DKK 1,642.6m	EUR	220.8m
Investments in new and existing projects	DKK 443.9m	EUR	59.7m
Disbursement of share capital and loans	DKK 378.0m	EUR	50.8m
Paid-in from projects	DKK 281.5m	EUR	37.9m
Estimated Danish export generated from the investments	DKK 34.3m	EUR	4.6m
Estimated employment effect in Denmark of this export	70 man-years		
Estimated job creation in host countries	11,947 jobs		

Investments contracted in 2004

New projects

Project name	Country	IFU's investments in DKKm			Expected employment (persons)
		Shares*	Loans**	Total	
1 Check Point Latin America	Bolivia		0.6	0.6	12
2 ScanCom do Brasil	Brazil		9.1	9.1	60
3 AVK Sealing Technology	China		2.9	2.9	60
4 Anqing White Cement	China	16.4		16.4	180
5 Carlsberg Qinghai	China	5.9		5.9	400
6 ECCO (Xiamen) Co.	China	41.9		41.9	1,500
7 ECCO Shoefactory	China	6.7		6.7	100
8 ECCO Tannery (Xiamen) Co	China	39.1		39.1	1,400
9 Flexa Suzhou Furniture	China		5.3	5.3	120
10 Lanzhou Huanghe Jianiang	China	39.7		39.7	1,372
11 Tibet Lhasa Brewery	China	48.6		48.6	243
12 Ulveco China	China	1.5		1.5	48
13 Danish Steel Cluster	India	3.4	2.0	5.4	30
14 Group 4 Cash	India		5.6	5.6	1,000
15 Group 4 Falck India	India		4.2	4.2	25
16 Group 4 Guarding	India		4.2	4.2	4,000
17 Nyati Mozambique	Mozambique		3.8	3.8	75
18 Emperion West Africa	Nigeria		7.2	7.2	50
19 Danish Thatching Company	South Africa		0.6	0.6	6
20 Euromatic	South Africa		2.0	2.0	5
21 Nyati South Africa	South Africa		0.6	0.6	70
22 Virogates	South Africa		2.0	2.0	5
23 Energy Maintenance Serv.	Thailand		0.3	0.3	13
24 Flux International	Thailand	1.9	2.0	3.9	130
25 GPV Asia (Thailand) Co.	Thailand	16.6		16.6	480
26 Tricon Thai Automation	Thailand		1.0	1.0	22
27 Lomé Terminal Services	Togo		12.6	12.6	60
28 Radisson SAS Ortaköy	Turkey		28.2	28.2	250
29 Bioven	Venezuela		3.3	3.3	81
30 Topas Eco Lodge	Vietnam		1.4	1.4	150
Total***		221.6	98.9	320.5	11,947
Further financing of on-going projects					
31 KAFCO (Plant)	Bangladesh	6.5	9.1	15.7	
32 Danica Termointustrial	Brazil		1.4	1.4	
33 Codan Ling Yun	China		17.8	17.8	
34 GPV (Suzhou) Co.	China		8.6	8.6	
35 Ghana Emulsion	Ghana	0.0		0.0	
36 Larsen Ghana	Ghana		0.3	0.3	
37 Global Wool Alliance	India	6.0		6.0	
38 Fibertex Nonwovens	Malaysia	54.0		54.0	
39 Roxul Asia	Malaysia	2.0		2.0	
40 Camden Holding	Pakistan	1.1		1.1	
41 Danper Trujillo	Peru		8.9	8.9	
42 Morsø SA (Pty)	South Africa	1.5#	2.6	4.1	
43 Caretex	Thailand		0.6	0.6	
44 Orana Vietnam	Vietnam		3.0	3.0	
Total***		71.1	52.3	123.4	
Grand total***		292.7	151.2	443.9	

*) incl. overrun commitments

**) incl. guarantees

***) Totals may not add up due to rounding up

#) conversion from loans to shares

23 projects were exited in 2004

Knowledge and human resources

Knowledge is one of IFU's major assets. Emphasis has therefore been placed on maintaining and developing this resource. IFU'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 IFU participation.

Since the beginning of the 1990s, a dozen trainees engaged abroad by IFU or its sister funds (IØ and IFV) have

completed an MBA Degree at the Scandinavian International Management Institute (SIMI) in Copenhagen.

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.

Also in 2004, a seminar was organised by IFU Beijing on board work and Corporate Governance for board members and managers in IFU's projects in China. A total of 17 people participated.

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.

IFU has offices in Beijing, China, New Delhi, India and Johannesburg, South Africa. During 2004 the IT staff at the office in India has been strengthened. This has made it possible for a significant part of the IT development to

take place there. In Johannesburg IFU has started a cooperation with Norfund, IFU's Norwegian sister organisation, in sharing local staff.

In addition to the offices above, three adviser offices in Lomé, Togo, Cape Town, South Africa and São Paulo, Brazil, contribute to the administration of projects in Africa and Latin America, respectively. The new adviser office in Cape Town became operational in late 2004.

At year-end 2004, 36 advisers in 18 countries were attached to IFU.

Facts about the staff

IFU is the fund manager for its sister funds, IØ and IFV, which operate in Central and Eastern Europe and the emerging markets, respectively. 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 IFU and its Danish partners invest, there are other rules and standards for the protection, 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.

IFU 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 IFU 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. IFU'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.
- IFU'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.
- IFU 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 IFU 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 IFU 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 IFU's Code of Conduct, and many turn out to keep higher standards in some areas than what is customary in the country of operation.



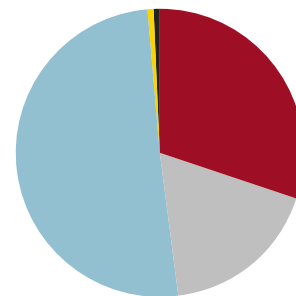
Huhhot Hua Ou Starch, China

Mostly “acceptable” performance – Code of Conduct

As in previous years, 2004 showed that most projects live up to IFU’s Code of Conduct, although there is still ample space for improvements. In IFU’s annual assessment of the projects in relation to the Code of Conduct, 70 out of 146 projects assessed were classified as “good” or “excellent”. 74 of the projects were classified as “fair”. Two of the projects were classified as “critical” or “poor”, and even though this is only a few, IFU finds it unacceptable and will try to identify the problems, in order to make an effort to remedy the problems.

Code of Conduct

- Excellent
- Good
- Fair
- Poor
- Critical



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

IFU 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 IFU that the project meets the standards of the Danish environmental and occupational health and safety rules. Any deviations must be described and approved by IFU, 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.

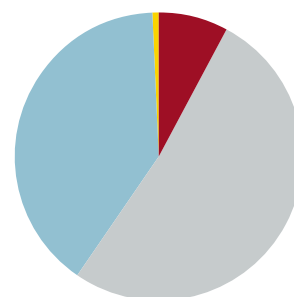
Project companies initiated after the approval of IFU’s environmental policy in 1996 must prepare an Annual Environmental Status Report (AESR) for the board of the company, in order for the board to identify possible needs for improvement. This report becomes part of IFU’s ongoing monitoring of the projects. Together with the in-depth knowledge of the project, which IFU’s representative possesses, the AESR forms the basis for an internal environmental classification of all IFU projects including an assessment of the status for occupational health and safety (OHS) conditions. Once a year the projects are given marks from “critical” over “poor”, “fair”, and “good” to “excellent”. Regarding external environment, 140 projects out of

141 projects assessed were classified as “fair” or better in 2004. Only one project was classified as poor.

Regarding OHS, 140 projects out of 141 projects assessed were classified as “fair” or better. Only one project was classified as “poor”, which is the same project with “poor” environmental performance. This project is experiencing severe financial problems, which make the possibilities for addressing the problems difficult.

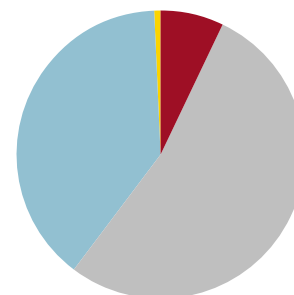
External Environment

- Excellent
- Good
- Fair
- Poor
- Critical



OHS

- Excellent
- Good
- Fair
- Poor
- Critical



Financial review 2004

IFU's result for 2004 was a profit of DKK 30.5m, which is below the profit of DKK 96.9m in 2003, but still better than expected a year ago. This is mainly due to a better than expected financial income, as the capital extraction of DKK 750m, which was decided by the Danish government in 2003, took place at a later time of the year than anticipated. The net financial income for 2004 was DKK 20.6m.

Total contribution from IFU's primary project-related activities was DKK 47.5m in 2004 compared to DKK 94.8m in 2003. The figure for 2003 was positively impacted by DKK 21.0m due to a change in accounting estimates for value adjustments in that year.

Total contribution from share capital investments was DKK 30.6m compared to DKK 137.9m in 2003. The reason for this development is primarily that the net contribution from realised transactions, dividends and divested share capital investments fell to DKK 74.6m in 2004 from DKK 144.4m in 2003. 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. Contributing to the very good result for 2003 was that IFU effected a number of share sales in that year with a far better result than had previously been expected. Compared to 2003, a much higher proportion of the positive contribution from dividends and divestments had been foreseen for 2004, and had thus been booked as income, i.e. positive value adjustments, in previous years.

The much higher amount of dividends in 2004, DKK 59.6m as compared to DKK 20.3m in 2003, is for a large part attributable to a divestment where IFU received the major part of the proceeds as dividend income.

Value adjustments made through the year on the portfolio of share capital investments at year-end contributed DKK (44.0)m compared to DKK (6.5)m in 2003.

Total contribution from project loans and outstanding guarantees improved considerably in 2004 to DKK 17.0m in 2004 from DKK (41.0)m in 2003. Interest income and fees for 2004 at DKK 38.7m was at par with the figure for 2003, DKK 37.8m, but the contribution from value adjustments was much better, albeit still negative, DKK (31.8)m versus DKK (80.2)m in 2003. Value adjustments on the portfolio of project loans and guarantees consist of provisions for future losses and exchange rate adjustments on loans in foreign currencies.

Exchange rate adjustments on primarily USD denominated loans, net of the effect of hedging arrangements, were DKK (23.6)m in 2004 versus DKK (43.2)m in 2003. The improvement is largely due to the, at least temporarily, deceleration in the fall of the USD versus DKK in 2004 when compared to 2003. IFU's hedging policy is described under Risk management below, and includes information on IFU's current USD exposure.

IFU's part of the overall operating expenses for 2004 for the three funds managed by IFU, which besides IFU are the Investment Fund for Central and Eastern Europe (IØ) and the Investment Fund for Emerging Markets (IFV), was DKK 37.6m compared to DKK 35.8m in 2003. The increase reflects that in 2004 IFU was allotted a higher proportion of the total expenses as these 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.

As mentioned above, Financial income, net of financial expenses was DKK 20.6m compared to DKK 37.9m 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

IFU invests in projects located in developing countries, some of which are experiencing turbulent political and economic conditions from time to time, and further, the commercial risk in the projects is often high.

To minimise the overall risk in IFU'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 IFU'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 (to-

tal 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 IFU, 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

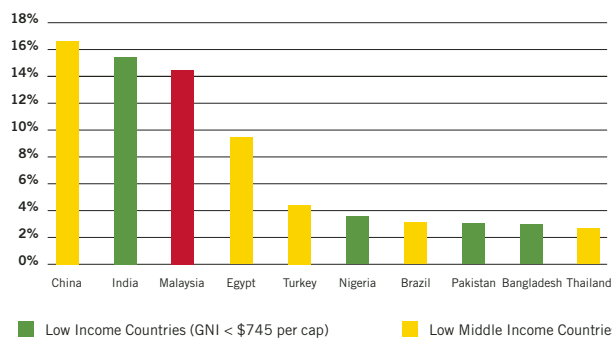
51% of the exchange rate adjusted outstanding loan portfolio at year-end was denominated in USD, and IFU's financial result is therefore to a large extent dependent on fluctuations in the USD/DKK exchange rate. A hedging policy is implemented in order to reduce this exposure. The policy for hedging states that the exposure in USD must not exceed 15% of the Fund's equity plus value adjustments,

and that the hedged portion of the total USD outstanding should normally not exceed 75%. IFU only hedges project loan principals with an estimated low risk of default. At the end of 2004 approximately 23% of the USD exposure was hedged. IFU's exposure to currencies other than USD, DKK and EUR at the end of 2004 was very low at 1% of the exchange rate adjusted outstanding loan portfolio.

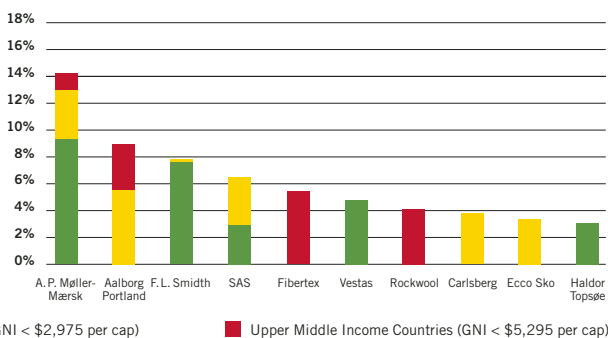
41% of IFU's total outstanding investment at cost at year-end was placed in project loans, of which 89% is based on IFU's standard interest terms, CIBOR/LIBOR, plus a risk premium dependent on the Fund's assessment of project, partner and political risk. An increase in the CIBOR/LIBOR interest rates will therefore have a positive effect on IFU's result.

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

Total engagement at 31/12/2004 divided on countries relative to the Fund's equity plus value adjustments (after capital extraction of DKK 750m)



Total engagement at 31/12/2004 divided on partner group relative to the Fund's equity plus value adjustments (after capital extraction of DKK 750m)



Events after the balance sheet date

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

Outlook for 2005

For IFU, 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 750m from IFU 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.

In spite of the capital extraction there is still reason to be optimistic about the level of activity in 2005 and the years to come. Danish companies continue to show strong and

increasing interest in investing in developing countries. Therefore, the number of new projects in 2005 is expected to be on the same level as in 2004. In 2005 a slightly negative net result is budgeted. It should be noted, however, that the budgeted net result is subject to substantial uncertainty, primarily because the development in the fair value of the investments made by IFU, 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

IFU'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 IFU'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 the financial position of IFU and to further increase the information value of IFU'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 IFU 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 IFU'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 20.6m and DKKm 21.6m, respectively.

Information about syndicated capital is now included in notes 7 and 8.

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 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 IFU'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 settled 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

IFU 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.

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

IFU manages the administration and accounting of altogether three funds. At present this includes IFU, The Investment Fund for Central and Eastern Europe (IØ) and The Investment Fund for Emerging Markets (IFV). The total operating expenses incurred by IFU, 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 IFU'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.

Fixed assets and leasehold improvements

Fixed assets and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Straight-line depreciation is made on the basis of an estimated useful life of the fixed asset varying from 3 to 5 years. Depreciation is recognised in the income statement under operating expenses, net.

Fixed assets and leasehold improvements costing less than DKK 50,000 per unit are recognised as costs in the income statement at the time of acquisition.

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".

Lease commitments

Lease commitments relating to assets held under finance leases are capitalised and recognised in the balance sheet under long term debt or current liabilities and are measured at amortised cost, which in most cases corresponds to nominal value.

Long-term debt

Long-term debt is measured at amortised cost, which in most cases corresponds to nominal value.

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 IFU's cash flow from operating, investing and financing activities as well as IFU's cash position at the beginning and end of the year.

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



MTN Publicom, Uganda

INCOME STATEMENT

	2004	2003
	<u>DKK 1,000</u>	<u>DKK 1,000</u>
NOTE		
Contribution from share capital investments		
Dividends from projects	59,574	20,326
Income from sale of shares (relative to cost)	42,931	122,861
Reversed plus values (divested share capital investments)	(43,786)	(21,686)
Share capital written off (relative to cost)	(40,868)	(26,551)
Reversed provision for losses (divested share capital investments)	56,727	49,418
1/ Value adjustments, portfolio and dividend receivables	<u>(43,990)</u>	<u>(6,458)</u>
Total contribution from share capital investments	30,588	137,910
Contribution from project loans and guarantees		
2/ Interest income and fees related to project loans and guarantees	38,732	37,819
Project loans written off	(22,737)	6,363
Reversed provision for losses (loans written off)	32,774	7,765
3/ Value adjustments, portfolio and receivables	<u>(31,762)</u>	<u>(80,177)</u>
Total contribution from project loans and guarantees	17,007	(40,956)
4/ Other value adjustments, income and expenses related to projects, net	<u>(138)</u>	<u>(2,191)</u>
GROSS CONTRIBUTION FROM PROJECTS	47,457	94,763
5/ Operating expenses, net	<u>(37,579)</u>	<u>(35,813)</u>
OPERATING INCOME (LOSS)	9,878	58,950
6/ Financial income	23,620	41,859
6/ Financial expenses	<u>(2,994)</u>	<u>(3,945)</u>
NET INCOME FOR THE YEAR	30,504	96,864

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	<u>2004</u>	<u>2003</u>
Share capital investment in projects at cost	1,148,715	1,096,729
Value adjustments	<u>(616,987)</u>	<u>(585,938)</u>
7/ Share capital investment in projects, net	531,728	510,791
Project loans at cost	810,031	778,752
Value adjustments	<u>(312,852)</u>	<u>(333,158)</u>
8/ Project loans, net	497,179	445,594
9/ Fixed assets and leasehold improvements	<u>852</u>	<u>1,642</u>
Total fixed assets	1,029,759	958,027
CURRENT ASSETS		
10/ Interest receivable related to projects	18,683	22,571
11/ Other receivables	90,640	133,044
12/ Bonds	134,072	651,997
Cash	<u>162,511</u>	<u>427,333</u>
Total current assets	405,906	1,234,945
TOTAL ASSETS	1,435,665	2,192,972

BALANCE SHEET 31 DECEMBER

LIABILITIES AND EQUITY CAPITAL

	2004	2003
	DKK 1,000	DKK 1,000
NOTE		
EQUITY CAPITAL		
Paid-in capital	300,936	1,050,936
Accumulated reserves	<u>1,103,449</u>	<u>1,072,945</u>
13/ Total equity capital	<u>1,404,385</u>	<u>2,123,881</u>
PROVISION FOR LOSSES		
Guarantees	926	666
14/ LONG-TERM DEBT	<u>9,948</u>	<u>11,210</u>
Total provisions and long-term debt	<u>10,874</u>	<u>11,876</u>
15/ CURRENT LIABILITIES	<u>20,406</u>	<u>57,215</u>
Total liabilities	<u>20,406</u>	<u>57,215</u>
TOTAL EQUITY CAPITAL, PROVISION FOR LOSSES AND LIABILITIES	<u>1,435,665</u>	<u>2,192,972</u>
16/ FUNDS COMMITTED TO PROJECTS		
17/ AVAILABLE EQUITY CAPITAL AND CLEARANCES IN PRINCIPLE		
18/ CONTINGENT LIABILITIES		
19/ PLEDGED ASSETS		
20/ RELATED PARTY DISCLOSURES		



Chulumenda, Zambia

CASH FLOW STATEMENT

	2004	2003
	<u>DKK 1,000</u>	<u>DKK 1,000</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Dividends from projects received	59,538	20,660
Interest from projects received	39,700	20,428
Other project related payments	10,770	3,908
Operating expenses, net	(42,647)	(33,042)
Net payments related to financial income and expenses	<u>23,801</u>	<u>88,415</u>
Net cash from operating activities	<u>91,162</u>	<u>100,369</u>
CASH FLOW FROM (TO) INVESTING ACTIVITIES		
Received from sale of shares	189,645	198,149
Received from project loans	91,936	119,462
Paid-in share capital in projects	(202,196)	(123,354)
Disbursement of project loans	(175,777)	(296,678)
Received from (invested in) bonds	<u>518,592</u>	<u>216,110</u>
Net cash from (to) investing activities	<u>422,200</u>	<u>113,689</u>
CASH FLOW FROM (TO) FINANCING ACTIVITIES		
Repaid to EIB (ECFI III Facility)	(1,221)	0
Other proceeds from financing activities	(26,963)	28,951
Repaid capital during the year	<u>(750,000)</u>	<u>0</u>
Net cash from (to) financing activities	<u>(778,184)</u>	<u>28,951</u>
NET CHANGE IN CASH	(264,822)	243,009
CASH BEGINNING OF YEAR	<u>427,333</u>	<u>184,324</u>
CASH END OF YEAR	<u><u>162,511</u></u>	<u><u>427,333</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	(4,368)	13,974
Changes in provision for losses portfolio	(39,622)	(20,434)
Value adjustments receivables	<u>0</u>	<u>2</u>
Value adjustments, portfolio and dividend receivables (Share capital investments)	<u>(43,990)</u>	<u>(6,458)</u>
2 <u>Interest income and fees related to project loans and guarantees</u>		
Interest from project loans	36,400	33,987
Front-end fees	2,332	3,614
Guarantee commission	<u>0</u>	<u>218</u>
Interest income and fees related to project loans and guarantees	<u>38,732</u>	<u>37,819</u>
3 <u>Value adjustments, portfolio and receivables (project loans and guarantees)</u>		
Exchange rate adjustments, realised (project loans)	(21,478)	(14,418)
Exchange rate adjustments, unrealised (project loans)	(7,586)	(47,121)
Exchange rate adjustments (derivatives)	5,444	18,301
Changes in provision for losses (project loans)	(4,882)	(40,272)
Value adjustments guarantees	(262)	14,383
Value adjustments interest receivables	<u>(2,998)</u>	<u>(11,050)</u>
Value adjustments, portfolio and receivables (project loans and guarantees)	<u>(31,762)</u>	<u>(80,177)</u>
4 <u>Other value adjustments, income and expenses related to projects, net</u>		
Exchange rate adjustments (receivables)	(3,871)	2,009
Exchange rate adjustments (derivatives)	1,604	(3,919)
Other value adjustments (receivables)	(217)	(360)
Interest from receivables	2,372	189
Other fees	0	184
Grants to projects	(44)	0
Various expenses	<u>18</u>	<u>(294)</u>
Other value adjustments, income and expenses related to projects, net	<u>(138)</u>	<u>(2,191)</u>

	2004 DKK 1,000	2003 DKK 1,000
5 <u>Operating expenses, net</u>		
<u>Expenses</u>		
Salaries, Head office	29,784	32,046
Rental expenses	3,632	3,295
Travelling expenses	3,794	4,288
Regional office expenses	9,758	11,679
Fees for Supervisory Board	1,312	1,288
Fees for external assistance	9,445	8,765
IT expenses	3,893	3,949
Office expenses	1,783	1,715
Depreciation of fixed assets and leasehold improvements (note 9)	549	503
Various expenses	3,631	3,658
Total expenses	<u>67,581</u>	<u>71,186</u>
<u>Income</u>		
Management fees	(281)	(557)
Board member fees, net of tax	(431)	(821)
Various income	(141)	(253)
Total income	<u>(853)</u>	<u>(1,631)</u>
Total operating expenses, net	<u>66,728</u>	<u>69,555</u>
Operating expenses, net charged to IØ	(28,374)	(32,372)
Operating expenses, net charged to IFV	(775)	(1,370)
IFU's part of operating expenses, net	<u>37,579</u>	<u>35,813</u>
Fee to the auditor of the funds included in "Fees for external assistance" and "Various expenses":	<u>1,238</u>	<u>807</u>
- Hereof audit fees	591	529
- Hereof non-audit fees	647	278
<u>Specification of personnel expenses (salaries etc.)</u>		
Salaries, remunerations etc,	34,037	36,713
Pension contributions	2,882	3,246
Other expenses for social security	128	127
Personnel expenses in total	<u>37,047</u>	<u>40,086</u>
Total remuneration to the Supervisory Board	1,312	1,288
Total remuneration to the Executive Board	2,408	2,631
Total remuneration to the Supervisory Board and Executive Board	<u>3,720</u>	<u>3,919</u>
Average number of employees, Head office	56	61
Average number of employees, Regional offices	19	19
	<u>75</u>	<u>80</u>
6 <u>Financial income and expenses</u>		
<u>Financial income</u>		
Interest income, cash and bonds	24,176	35,346
Gain on bonds, net	(556)	6,513
Financial income	<u>23,620</u>	<u>41,859</u>
<u>Financial expenses</u>		
Interest expenses, bank charges and exchange rate adjustments	(2,994)	(3,945)
Financial expenses	<u>(2,994)</u>	<u>(3,945)</u>
Financial income and expenses	<u>20,626</u>	<u>37,914</u>

	2004 DKK 1,000	2003 DKK 1,000
7		
<u>Share capital investment in projects, net</u>		
Share capital investment in projects beginning of year at cost	1,096,729	1,159,454
Paid-in share capital in projects during the year	202,196	123,354
Cost of shares sold during the year	(109,342)	(159,528)
Write-offs during the year at cost	(40,868)	(26,551)
	<u>1,148,715</u>	<u>1,096,729</u>
Accumulated value adjustments beginning of year	(585,938)	(607,210)
Value adjustments during the year	(31,049)	21,272
	<u>(616,987)</u>	<u>(585,938)</u>
Share capital investment in projects end of year at cost	<u>531,728</u>	<u>510,791</u>
Accumulated value adjustments end of year are comprised of:		
Plus values	36,272	84,426
Value adjustments excl, plus values	(653,259)	(670,364)
	<u>(616,987)</u>	<u>(585,938)</u>

Share capital investments acquired by IFU by means of syndicated capital are not included in the above figures and amount to DKK 18.7m (DKK 18.7m 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		
<u>Project loans, net</u>		
Project loans beginning of year at cost	778,752	622,318
Disbursements during the year	175,777	296,678
Repayments during the year	(91,936)	(119,462)
Exchange rate adjustments during the year relative to cost	(21,477)	(14,419)
Project loans transferred to other receivables during the year	(8,348)	0
Write-offs during the year	(22,737)	(6,363)
	<u>810,031</u>	<u>778,752</u>
Project loans end of year at cost *		
Accumulated value adjustments beginning of year	(333,158)	(253,530)
Value adjustments during the year	20,306	(79,628)
	<u>(312,852)</u>	<u>(333,158)</u>
Project loans, net end of year	<u>497,179</u>	<u>445,594</u>
Accumulated value adjustments end of year are comprised of:		
Exchange rate adjustments relative to cost	(93,997)	(86,411)
Value adjustments excl, exchange rate adjustment	(218,855)	(246,747)
	<u>(312,852)</u>	<u>(333,158)</u>
*) Project loans end of year at cost are comprised of:		
Senior project loans	548,428	443,791
Subordinated loans	245,032	316,185
Equity loans	16,571	18,776
	<u>810,031</u>	<u>778,752</u>

			2004 DKK 1,000	2003 DKK 1,000
*) Project loans end of year at cost in DKK distributed according to currency denomination:				
	<u>2004</u>	<u>2003</u>		
	Currency	Currency		
DKK			109,968	60,634
USD ¹⁾	50,587	52,965	368,364	400,358
EUR	43,521	41,106	324,088	305,560
Other currencies			<u>7,611</u>	<u>12,200</u>
			<u>810,031</u>	<u>778,752</u>
¹⁾ USD 11.8m is hedged against DKK (USD 13.5m in 2003)				
Project loans provided by IFU by means of syndicated capital are not included in the above figures and amount to DKK 1.9m (DKK 2.9m in 2003), measured at fair value.				
9	<u>Fixed assets and leasehold improvements</u>			
			2,600	2,008
Cost beginning of year			0	592
Additions during the year			<u>(479)</u>	<u>0</u>
Disposals during the year				
Cost end of year			<u>2,121</u>	<u>2,600</u>
			958	455
Depreciation beginning of year			549	503
Depreciation for the year (note 5)			<u>(238)</u>	<u>0</u>
Depreciation for disposal of the year				
Depreciation end of year			<u>1,269</u>	<u>958</u>
			<u>852</u>	<u>1,642</u>
Book value end of year				
The carrying amount end of year includes:				
			<u>337</u>	<u>495</u>
Recognised leased assets				
10	<u>Interest receivable related to projects</u>			
			39,201	42,890
Interest receivable related to projects before value adjustments			<u>(20,518)</u>	<u>(20,319)</u>
Value adjustments				
Interest receivable related to projects			<u>18,683</u>	<u>22,571</u>
11	<u>Other receivables</u>			
			552	780
Dividend receivables			52,593	101,389
Receivables from sale of shares			0	1,641
Receivables from sale of loan			984	1,573
Receivable front-end fees			<u>89</u>	<u>(501)</u>
Other project-related receivables			54,218	104,882
Value adjustments			<u>(1,322)</u>	<u>(2,765)</u>
			52,896	102,117
Derivatives*			21,885	22,860
Administrative receivables			10,309	7,186
Accrued interest receivables from bonds			4,967	263
Rental deposits			<u>583</u>	<u>618</u>
			<u>90,640</u>	<u>133,044</u>

*) Stated amount for 2004 concerns a hedged amount of USD 11.8m with term from 2005 to 2010.

	2004 DKK 1,000	2003 DKK 1,000
12 <u>Bonds</u>		
Listed bonds	134,072	651,997
Bonds end of year	<u>134,072</u>	<u>651,997</u>
13 <u>Total equity capital</u>		
Paid-in capital beginning of year	1,050,936	1,050,936
Repaid capital during the year	(750,000)	0
Paid-in capital end of year	<u>300,936</u>	<u>1,050,936</u>
Accumulated reserves beginning of year	1,072,945	976,081
Net income for the year	30,504	96,864
Accumulated reserves end of year	<u>1,103,449</u>	<u>1,072,945</u>
Total equity capital end of year	<u>1,404,385</u>	<u>2,123,881</u>
14 <u>Long-term debt</u>		
EIB (ECFI III facility)*	9,948	11,210
	<u>9,948</u>	<u>11,210</u>
*) hereof payable after five years: DKK 4,515		
15 <u>Current liabilities</u>		
EIB (ECFI III facility)	1,253	1,222
Other project related debt	3,734	37,946
	4,987	39,168
Administrative debt	12,611	15,186
Current accounts	2,622	2,853
Deferred income	186	8
	<u>20,406</u>	<u>57,215</u>
16 <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	310,359	382,565
Guarantees, net*	1,745	9,647
Binding commitments	184,108	124,637
Funds committed to projects	<u>496,212</u>	<u>516,849</u>
*) Gross outstanding guarantees amount to DKK 2,255 (DKK 9,925 in 2003)		
17 <u>Available equity capital and clearances in principle</u>		
The available equity capital is reached as follows:		
Total equity capital	1,404,385	2,123,881
Reserves against losses	926	666
Project participation	(1,543,802)	(1,495,805)
Available equity capital	<u>(138,491)</u>	<u>628,742</u>
Clearances in principle for new projects amount to	<u>347,296</u>	<u>451,479</u>

18 Contingent liabilities

The total lease and rental commitments amount to DKK 4.8m (DKK 3.4m in 2003)
– hereof due within the following year DKK 3.2m (DKK 2.8m in 2003).

19 Pledged assets

IFU has at 31 December 2004 pledged bonds and cash amounting to DKK 13.9m as security for long-term debt to EIB.

In one project, IFU – as all other shareholders – has pledged its shares (at an estimated fair value of DKK 12.5m)
as security for senior loans granted to the project.

20 Related party disclosures

IFU project investments - shares and loans

IFU'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 IFU employees are
board members.

Supervisory and Executive Boards

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

During the year there were no transactions other than the salaries and fees paid to
the Supervisory and Executive Board members.



Fan Milk, Nigeria

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 IFU'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: IØ**, 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.Smidth 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: IØ*, 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: IØ, 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: IØ, IFV, Pedregal S. de RL., BWSC A/S, BWSC Guam Inc., BWSC Mindanau 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: IØ, 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: IØ, IFV, Nordic Investment Bank, IPSIS (London).



Kjeld Ranum (1938), member since 1994.

MSc (Engineering). Director. Other board memberships: IØ, IFV, Svejsefabrikken Migatronic 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: IØ, 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: IØ, 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: IØ, 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

” IFU’s activities fit extremely well with the Government’s strategy for development assistance in the period 2005-2009, which has just been published. ”

Bertel Haarder, Minister for Development Cooperation
(until 18 February 2005)



Minister for Development Cooperation, Bertel Haarder and Director General, the Confederation of Danish Industries, Hans Skov Christensen at the conference on the evaluation of IFU.

IFU evaluation

For more than 35 years IFU has fulfilled its legally defined objective to promote economic activity in developing countries by promoting investments in these countries in collaboration with Danish trade and industry.

With more than 500 projects to its credit and more than 90,000 jobs created in developing countries around the world, IFU can look back on a large number of positive results. That was concluded in an evaluation of IFU, published in August 2004, which had been prepared by Nordic Consulting Group at the request of IFU’s Supervisory Board and the Danish Ministry of Foreign Affairs.

The report emphasises the unique expertise developed by IFU through the years, and it recommends that the Fund, with minor changes, continues as a self-governing institution.

According to the evaluation report, IFU’s investments have promoted economic development in the developing countries, and most of the projects show positive developmental effects in the host countries in question. The evaluation also underlines the fact that IFU’s investment projects have created positive results for the Danish companies and enhanced their internationalisation.

But IFU does not only gain praise. Among other things

the evaluation report criticises IFU for not investing enough in the poorest countries, and it is also stated that “increased attention should be given to small and medium-sized companies in terms of number of projects and invested capital...”. At the same time the report recommends that IFU should find ways to further strengthening its contribution to improving the enabling environment for business sector development. The evaluation report can be found on www.ifu.dk.

Conference about the evaluation

On 10 September 2004 IFU hosted a conference on the evaluation. Presentations were made by Bertel Haarder, Minister for Development Cooperation, Hans Skov Christensen, Director General, the Confederation of Danish Industries, Nils S. Andersen, President, Chief Executive Officer of Carlsberg, J. J. Kollerup, Managing Director of Fan Milk International, Per K. Hansen, Director, Nordic Consulting Group and the Chairman of IFU’s Supervisory Board, direc-

” It can no longer come as a surprise to anyone that the foundation for sustainable development is a well-functioning private sector. It is therefore crucial that the political objectives for development assistance include elements which promote development of the private sector. (...) There is definitely a need for IFU. ”

Hans Skov Christensen, Director General, Confederation of Danish Industries

” It is of great importance to us that we can create good official contacts through the Funds, and that we can benefit from the local knowledge held by IFU and IØ. ”

Nils Smedegaard Andersen, President, Chief Executive Officer, Carlsberg

tor Johannes Poulsen. All speakers emphasised IFU’s dual contribution to development and globalisation: Firstly, as promoter of private sector development in the world’s poorest countries, and secondly as a partner to Danish companies when they take the leap into distant, risky markets.

“IFU’s activities fit extremely well with the Government’s strategy for development assistance in the period 2005-2009, which has just been published”, underlined the Minister for Development Cooperation, who also made it clear that an active contribution by Danish companies is necessary for a satisfactory development. He therefore found it gratifying that so many large companies work with IFU, but he would also like to see more small and medium-sized enterprises benefiting from IFU’s expertise. At the same time the Minister expressed his wish for increased investment activities in the poorest countries. The Minister did, however, underline that ultimately IFU’s activities are demand driven.

Consequences of the evaluation

IFU is essentially satisfied with the evaluation and is pleased with the fact that the positive effects of the Fund’s work carry such great weight. In addition to this, the Fund has already acted upon many of the recommendations.

More than half of all IFU projects in the last ten years

have been established with small and medium-sized Danish partners with less than 300 employees, and the tendency is that this ratio is increasing. However, the evaluation recommends that IFU attempts to work even more with an increasing number of small and medium-sized enterprises. As a result the Fund has taken the initiative to develop a “globalisation package” to facilitate the cooperation between those enterprises and IFU.

The evaluation also recommends closer cooperation between IFU and Danida’s business sector instruments. Thus, a closer and more dynamic cooperation was established in the autumn between Danida, the Export Credit Fund, the Danish Trade Council and IFU.

The cooperation includes the creation of a shared Internet portal. In accordance with the report’s recommendation for larger poverty orientation, IFU focuses even more on the poorest countries and regions. In this connection the Fund makes a constant effort to extend its adviser network in the poorest countries and regions. Finally, it should be noted that approximately half of the very poorest people in the world live in China and India, where IFU is very active.

The suggestions in the report that the tie to Danish co-investors should be abandoned, and that IFU should get involved in improving the enabling environment for business sector development have not resounded, neither with IFU’s Supervisory Board, nor with Danida.

” I have noticed that criticism has been voiced on IFU’s efforts in Africa. All I can say is that some companies must have been very unlucky – we are very satisfied with IFU’s efforts in our companies. ”

J. J. Kollerup, Managing Director, Fan Milk International

Danish investments in developing 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

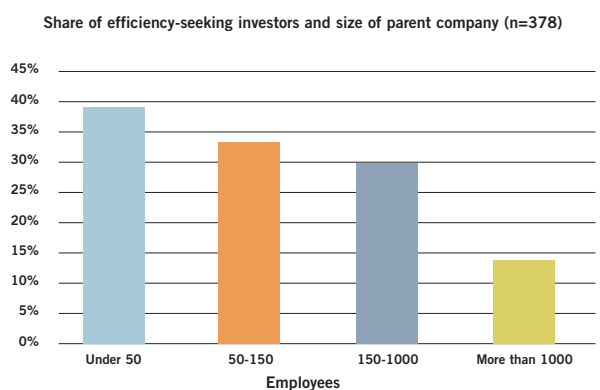
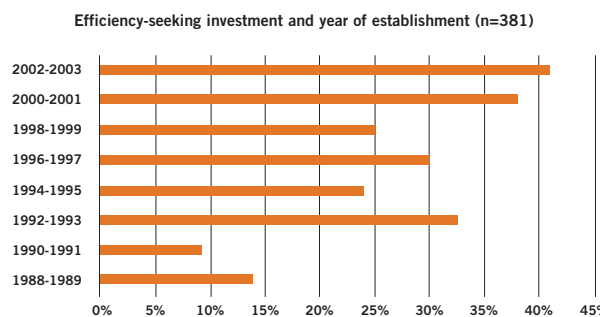
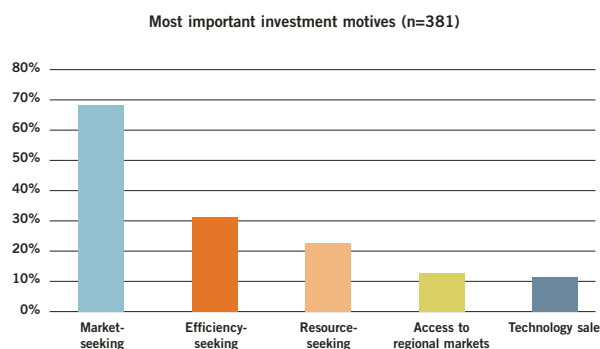
Danish equity involvement in transition economies and developing countries rose from approximately 10% of total Danish outward FDI stock in 1998 to approximately 20% in 2002. The study of IFU's and IØ's portfolios provided a unique opportunity to understand the motives behind this development.

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?

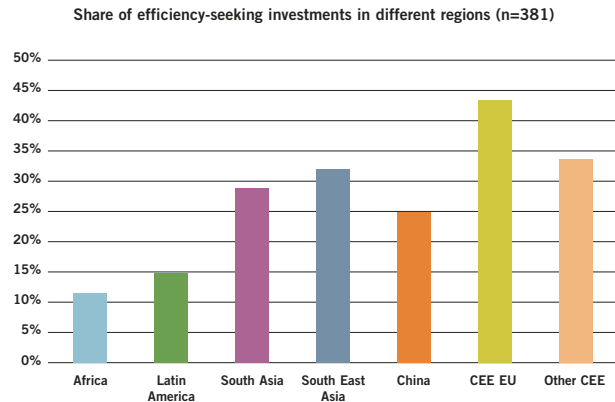
Where efficiency-seeking investments were previously driven mainly by firms in the textile and furniture industries, they are now increasingly driven by firms engaged in metal and machinery production, agricultural production, and software and engineering services. Moreover, efficiency-seeking investments 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 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 a global scale is becoming a core competency for a growing number of Danish firms.

Cooperation with SMEs

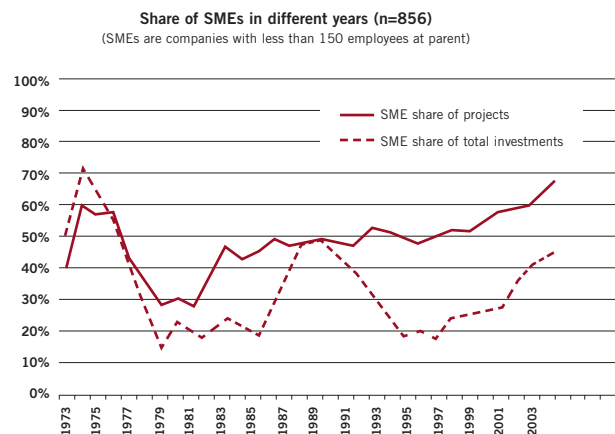
A 2004 study of the development in IFU's and IØ's portfolios revealed that SMEs, in the study defined as companies with less than 150 employees, play a growing role, both in terms of number of projects and in terms of investments. This notable change is partly a result of IFU's active targeting of SMEs, e.g. its close collaboration with the PS Programme. Recently, IFU 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

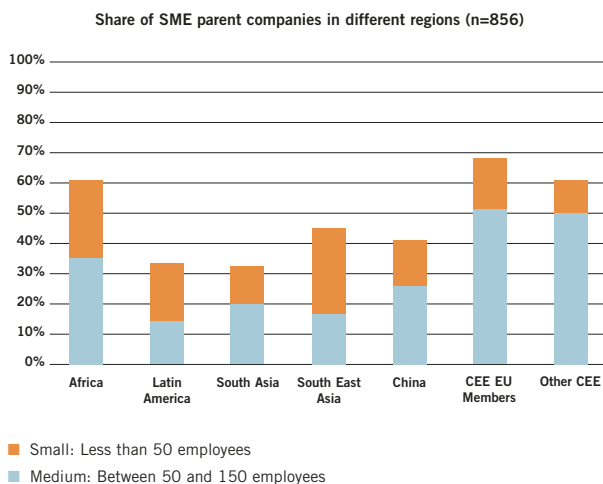
some of the disadvantages of 'smallness'. In this connection, IFU plays a pivotal role, partly by facilitating access to a huge network of public and private partners, partly by providing access to generic as well as country specific information and advice on foreign establishment.

SME investments are particularly widespread in Eastern Europe where the psychological and physical distances are manageable. Another group of SME investments are in rel-



actively 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 IFU. IFU investment and advice probably create maximum additionality in the case of SMEs, as they are typically relatively dependent on IFU's services. However, from a Fund sustainability perspective, 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

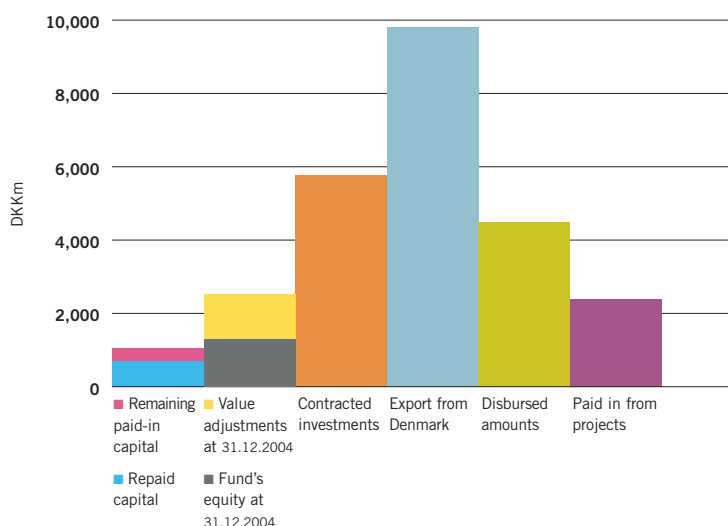
An increasing number of small and medium-sized enterprises (SMEs) are showing an interest in investing abroad. More than 60% of all IFU projects established in 2004 were in cooperation with enterprises with less than 300 employees and 40% of the projects in cooperation with enterprises with less than 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. In the evaluation of IFU, which was carried out in 2004, it was also recommended that IFU should focus more on cooperation with SMEs in the future.

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 potential 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 IFU 1968-2004



Statistics and accumulated accounts

The total number of IFU projects reached 528 at the end of 2004. Out of those IFU exited from 315 projects. Success and profitability of IFU projects can only be evaluated in a long-term perspective and – from IFU’s perspective – best after IFU’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 IFU projects is presented.

Internal rate of return (IRR) on exited projects

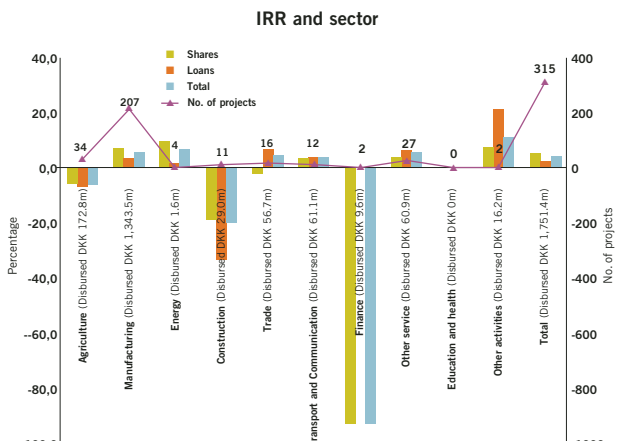
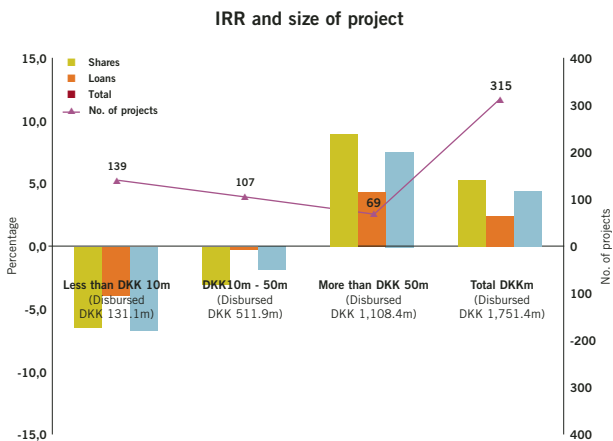
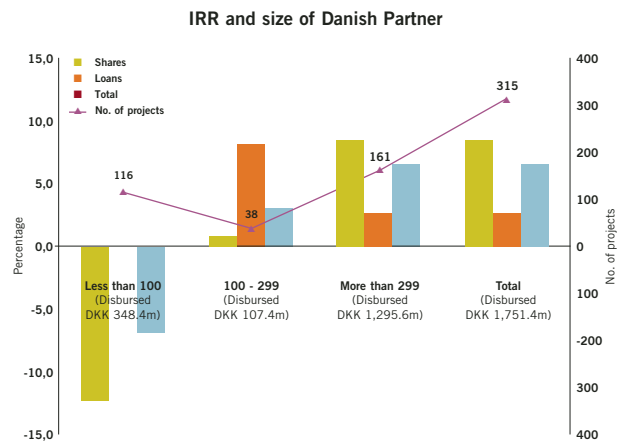
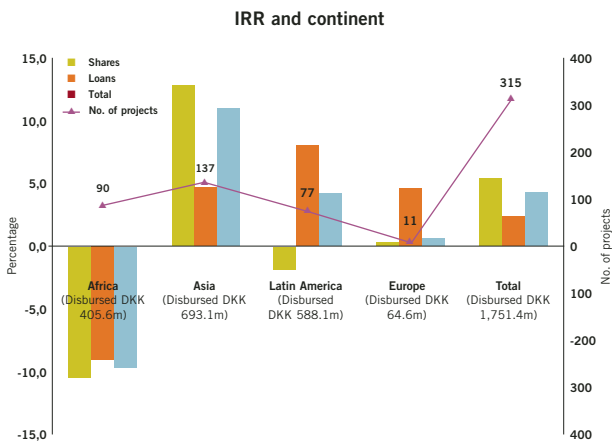
Total IRR on the 315 projects from which IFU has exited is 4.32%. The IRR on projects in Africa amounts to -9.58% against 11.05% in Asia and 4.25% in Latin America. For projects in Europe (Turkey and Malta) the IRR is 0.65%. The latter figure, however, is based on a rather limited number of projects.

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 49% 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 -92.50% to as much as 11.52%.



Accumulated accounts

The calculated contribution from the 315 projects exited from since 1967 shows that IFU received a total gross contribution from projects of DKK 489.9m, DKK 402.7m of this amount originates from share capital investments, while DKK 85.5m 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 560.3m while investing activities generated a net cash flow of DKK -70.4m.

Contribution from projects exited 1967-2004

	DKKm
Contribution from share capital investments	
Dividends from projects	316.4
Income from sale of shares (relative to cost)	493.2
Share capital written off (relative to cost)	(392.0)
Write-offs and realised exchange rate adjustments, dividend receivables	<u>(14.9)</u>
Total contribution from share capital investments	402.7
Contribution from project loans and guarantees	
Interest income and fees related to project loans and guarantees	396.2
Write-offs and realised exchange rate adjustments, project loans	(167.7)
Write-offs and realised exchange rate adjustment, interest and fee receivables	<u>(143.0)</u>
Total contribution from project loans and guarantees	85.5
Other project income, net	<u>1.7</u>
GROSS CONTRIBUTION FROM PROJECTS	<u>489.9</u>

Cash flow from projects exited 1967-2004

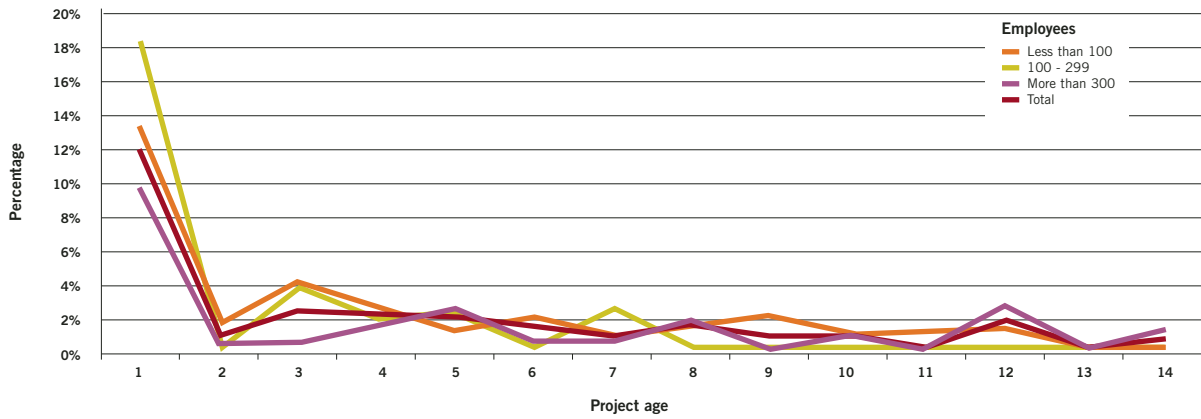
	DKKm
Cash flow from operating activities	
Dividends from projects received	301.5
Interest and fees from projects received	<u>258.8</u>
Net cash from operating activities	560.3
Cash flow from (to) investing activities	
Received from sale of shares	999.3
Received from project loans	681.7
Paid-in share capital in projects	(896.1)
Disbursement of project loans	<u>(855.3)</u>
Net cash from (to) investing activities	(70.4)
NET CHANGE IN CASH	<u>489.9</u>

Project mortality

A survey of the “mortality” rate for projects as a function of project age shows that about 80% of the projects are in operation 14 years after their start-up. The mortality rate for projects with relatively small Danish partners is generally 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 20% of the IFU projects stop their activities within the period from start-up to a project age of about 14 years. After that period no operational stops have been registered. This means that 80% of the IFU projects survive and thus contribute to the fulfilment of IFU’s purpose.

Mortality of IFU projects



ScanCom, Vietnam

Four examples of IFU investments



Danish Steel Cluster, India

Outsourcing for survival

Danish companies with no production experience in developing countries can benefit from cooperating with IFU in many ways. For the Danish partners behind the company Danish Steel Cluster in Bangalore, India, the cooperation with IFU is significant both when it comes to counselling and financial assistance.

“None of us has previous experience with production abroad, and IFU has been very helpful in setting up local contacts. We have benefited a lot from the support of IFU and of the Danish Trade Commission in India”, says Lars Jensen, chairman of the project company. He is also managing director of Brdr. Jensens Maskinfabrik in Vejle, one of three small machine works behind the steel factory in India, which among other things will be producing components for both wind mill blades and office furniture. The two other machine works are Rool Maskinfabrik in Kolding and EC Maskinfabrik in Egtved.

They have all experienced how several of their customers plan to start production in low-wage countries in order to produce sub-components at a lower cost than presently.

Therefore, the three companies believe that outsourcing is necessary in order for them to survive. But at the same time they expect that moving the heavy production to India will create new – and maybe even more – jobs in Denmark. They plan to make specialised production in Denmark and out-source the rest to India. At first, the project company will only focus on exports to Western Europe, but later the board hopes that the company will develop a local market in India. The newly built steel factory will not be inaugurated until February 2005, but the company has already entered into customer agreements larger than any agreements made by the three factories before. The reason is that the company expects to be able to keep the price of steel components produced in India at 30-50% below the price of similar components produced in Denmark.

In addition to providing local contacts to authorities, IFU has co-financed the project with 47% of the share capital, corresponding to DKK 3.3m, and a loan of DKK 2.0m. IFU is also represented on the board of directors of the project company.

Low-cost fight against AIDS in South Africa

One of the new projects in which IFU participated in 2004 is the production and introduction of a new product, which can monitor the development of HIV in a patient. IFU participates in the project through ViroGates South Africa Ltd., which is a subsidiary of the Danish biotech company ViroGates ApS.

Even though the project is just getting started, both IFU and the Danish scientists behind ViroGates have high expectations, as the project has the potential to make a revolutionary impact on the fight against AIDS.

People infected with HIV may carry the virus in their bodies for up to 15 years before it turns into AIDS.

If antiretroviral treatment of these patients is started too early, the virus may become resistant to the medicine. On the other hand, if treatment is applied too late, the patient's immune system may have deteriorated to a level where the medicine may not be effective enough to restore health.

Although there is another method of measurement currently available, it remains far more expensive and difficult to use in many developing countries, for reasons such as the requirement for staff with special training, highly specialized and costly equipment, and the fact that collected blood samples must be kept cold prior to testing. ViroGates' product (suPARnostic™), however, can be brought to rural areas in a Land Rover and can be used for measurement on-site without special expertise.

ViroGates has chosen South Africa as the first country in which to produce and market suPARnostic™, as many people here are infected with HIV. At the same time the infrastructure is highly developed, which makes it easier to run the project. Within a short period of time ViroGates hopes



ViroGates, South Africa

to be selling its product all over Africa, and the company also plans to expand to developing countries in other parts of the world in the years to come. "In that connection, working with IFU is a great advantage – not least because of the Fund's years-long experience and unique expertise in developing countries", says managing director of ViroGates, Ian Laquian.

"More than mere financing, we look upon IFU's investment as a first step in supporting our possible expansion into those other countries hardest hit by HIV, where we feel strongly that IFU could play a further significant role."

IFU has co-financed ViroGates South Africa Ltd. with a loan of DKK 2m.

Great demand for communication in West Africa

The Danish company Emperion only started its activities in 2002, but is already experiencing a great demand for its IP based communications services. There is an obvious lack of data connections, e-mail services and IP-telephony in most developing countries, and Emperion has build the infrastructure and leased satellite capacity in order to cover West Africa and a part of the Middle East with those services.

In spite of the fact that Emperion's subsidiary in Nigeria, Emperion West Africa Ltd. (EWA), has only been selling its services for three years, the company is already the largest Internet supplier in the country. EWA has been successful in offering fast and reliable data connections at reasonable

prices. Their customers are very different; they range from the owner of a small local Internet café to national universities, large emergency relief organisations, oil companies and banks. There are only approximately 750,000 land lines in Nigeria for the 140 million inhabitants, and due to the great demand in general, the company is expecting a growth rate of 50% in 2004. As of today 50 local people are employed with the company.

The reason why Emperion started its activities in Nigeria was that the company came into contact with a local operator, United Telesys Ltd. (UTL), and started cooperating with them. To strengthen UTL's technical and managerial

competencies, it was agreed in 2004 that Emperion should take over all of UTL's activities. In return UTL received 40% of the shares in the Danish company.

At the same time in 2004, Emperion initiated cooperation with IFU that granted a loan to the local company of DKK 7.6m. The money is earmarked for the expansion of the company, and Steen Eckardt, who is chief financial officer of Emperion and board member in EWA, is pleased with the cooperation.

"We expect to gain large advantages from the coopera-

tion. IFU is well known in Nigeria, and they provide goodwill. We hope to be taken more seriously by the authorities, and to be protected from corruption. IFU is a partner that in a way is seen as an official representative for Denmark," says Steen Eckardt.

The chief financial officer also hopes to benefit from the cooperation with IFU when the company is expanding to other parts of Africa in the near future. Emperion has already signed up for a third satellite subscription that covers the entire African continent.



ScanCom, Vietnam

Global success with garden furniture

Based in Korsør, some 150 km southwest of Copenhagen, ScanCom International A/S is one of Denmark's most international companies. In few years, the company has grown rapidly and become the world's largest manufacturer of garden furniture with tropical wood, certified by the Forest Stewardship Council.

Initially, the company only traded with a few sub-contractors in Vietnam, but today the company has developed into a large international group, which provides employment to approximately 25,000 people in some of the world's poorest countries – mainly Vietnam. ScanCom has in many ways been capable of taking advantage of the possibilities offered by globalisation: In Brazil approximately 500 people are now directly or indirectly employed with the sawmilling, drying and transport of certified tropical wood that is shipped in containers to ScanCom's sub-contractors in Vietnam, where approximately 20,000 people produce wood furniture to the group.

IFU participates in three projects with ScanCom. In 2003 IFU co-financed an expansion of ScanCom's factory in Vietnam with a combination of loans and share capital for a total of DKK 40.8m. Today the factory employs 2,500 people directly.

"The size of the investment meant that we would not

have been able to implement the expansion without the participation of IFU", says managing director of ScanCom International, Poul Erik Brønsholm.

Subsequently, in 2004, IFU granted a DKK 9.1m loan to ScanCom's subsidiary in Brazil, ScanCom do Brasil. The company purchases and processes wood from sustainably managed eucalyptus forests, and IFU's loan helped finance the installation of new kiln drying equipment. Subsequently, increasing demand for ScanCom's furniture in Europe led the Group to work on the establishment of yet another sawmill and kiln drying operation in Brazil. This time IFU intends to participate with an investment of DKK 6.0m.

Although initially based on the financial and economic advantages that ScanCom has obtained from its cooperation with IFU, the relationship today goes well beyond a mere financial partnership. For example in Vietnam, where IFU facilitated contacts between ScanCom and Danida, which have led to Danida's Private Sector Programme supporting ScanCom Vietnam Ltd.

"Due to IFU's extended local knowledge we have made many new contacts, which have affected our choice of partners. In fact, we are so pleased with the cooperation with IFU that we have also invited the Fund to join the board of the parent company", says Poul Erik Brønsholm.

IFU as partner

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

Through partnership with IFU, Danish companies will

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

Investors in developing countries 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 developing countries 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.

IFU's financing is also important

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

With IFU's money comes advice

- With investments in more than 70 countries, IFU has accumulated specific country experience from all over the world.
- In the same way IFU has gathered general experience from a variety of business sectors.
- IFU has unique knowledge when it comes to partner relations. Through the years IFU has gained considerable insight into the strengths of partnerships, and also their pitfalls.
- IFU normally takes a seat on the board of the project companies. In this way IFU's experience is shared with the other project partners and the management to the benefit of the project companies.

Co-financing through IFU

- Thanks to its extensive experience IFU is capable of putting together total financing solutions for projects. IFU cooperates with a number of international, European and Nordic sources of financing, including the International Financing Corporation (IFC), the European Investment Bank (EIB), the Nordic Investment Bank (NIB) and the 12 other members of the association of European Development Finance Institutions (EDFI). See page 48.
- Based on IFU's knowledge of local financing conditions, IFU can increasingly help identify local sources for long and short term financing in the host countries.
- For projects in Africa, IFU can assist in obtaining support for carrying out studies and training from Centre for Development of Enterprise (CDE) and from the African Project Development Facility (APDF).

IFU's part of the project financing

- IFU may subscribe for share capital, provide mezzanine financing, grant loans and issue guarantees for loans from other financial institutions.
- IFU can normally co-finance up to 30% of the total project investment, including working capital. For small projects IFU's co-financing may go up to 50% of the total investment.
- Since the 2004 capital reduction, the maximum amount IFU may invest in a single project is DKK 50m.
- IFU'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 greenfield projects, expansion of existing projects or privatisation of state-run businesses.

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

Host countries of investments must be on the OECD-DAC list of development aid recipients, and per capita income may not exceed USD 5,295 (2005).

How IFU works

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

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

When preparations are drawing to a close, IFU 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 IFU and the partners marks the conclusion of the project preparations. IFU 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 project company is consolidated – usually after 6-8 years – IFU

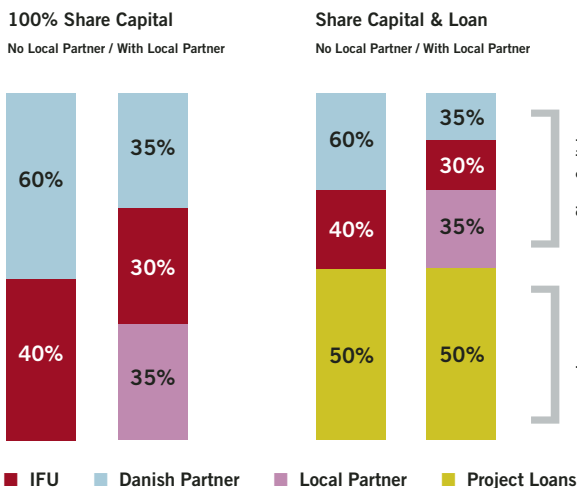
withdraws. IFU's shares are sold at market terms or in some cases on conditions agreed by the partners at the beginning of the project. The revenue thus earned by IFU can then be used for new investments.

IFU's sister funds and international cooperation

IFU administers two sister funds, IØ and IFV. IØ operates in Central and Eastern Europe, while IFV stopped making new investments in 2004.

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 developing common interests and a strong cooperation platform in relation to the European Commission and its institutions, including the European Investment Bank (EIB).



IFU's adviser network

IFU's special expertise and local knowledge

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

At the end of 2004 IFU had 36 advisers in 18 countries around the world.

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 local company. They have in-depth knowledge of local business culture, investment authorities, local financing institutions, accountants, lawyers, etc. The advisers can be contacted through IFU.



Sridhar Sampath

India: Awareness of cultural differences

India is a large market. However, success in the Indian market comes only to those investors who understand the Indian culture and society. Having worked with both local companies and with IFU, IFU's Indian adviser in Madras, Sridhar Sampath, is aware of the deep cultural differences between the largely family-run, feudal Indian businesses and the 'professional and rational' Scandinavian style of conducting business.

Sridhar Sampath obtained a degree in Chemical Engineering from Indian Institute of Technology in New Delhi in 1985 and Diploma in Management from Indian

Institute of Management, Bangalore, India in 1989. He worked nine years with ICICI Bank, the second largest bank in India, financing large and small projects in southern India. Subsequently, he worked for three years as an

Investment Officer at IFU's office in Chennai before becoming an independent consultant.

IFU's contribution to a project goes far beyond money, he says: "IFU brings in its vast experience, ethical business practices, fair treatment of all stakeholders, concern for the external environment, good working environment and most importantly a professional management style that is invaluable in a country like India."



Claus E. Madsen

Argentina: Wide international experience

Four years of economic crisis has resulted in high unemployment rates and increased poverty in Argentina. The political situation is also less stable than before, but the country is still moving forward and has several attractive possibilities for foreign investors.

"Since the devaluation the market conditions in Argentina have become particularly competitive", says IFU's adviser in Buenos Aires, Claus E. Madsen, who knows of which he speaks in his capacity of managing director of ISS in Argentina, Uruguay and Chile.

Since obtaining a BA at Copenhagen Business School in 1977 and an MBA at Fordham University in New York in 1987, Claus E. Madsen has acquired wide international experience within several different business sectors. Among other things he has worked as project manager within the food sector for EAC in Thailand and the USA, and as marketing director for Hydro Seafood in Denmark in addition to a number of years in Norway.

With this and more than four years of specific business experience from Argentina, Claus E. Madsen can offer Danish investors in Argentina competent advice about general as well as specific business conditions in the country.



Anders Aeroe

South Africa: Deep insight and network

Dr. Anders Aeroe can help you take advantage of the many opportunities in South Africa.

He is senior manager at the Western Cape Trade and Investment Promotion Agency (Wesgro), and he also works as an adviser for IFU. From 1 January 2005 Anders Aeroe will be in charge of IFU's Adviser Office in Cape Town.

The Danish adviser has a master's degree in International Development Studies from Roskilde University and has obtained a PhD in Industrial Economics from Copenhagen Business School.

Before he went to South Africa, he worked as export manager with the Danish Federation of Small and Medium-Sized Enterprises (1993-95) and as head of the Research

and Policy Division, Association of Danish Engineers (1995-99).

In his experience, foreign investors are sometimes sceptical towards investing in South Africa, as they reflect concerns about the situation in Africa in general onto South Africa.

"This is a pity", he says, "as South Africa with its advanced infrastructure, democratic constitution and a good investment climate provides a fine framework for foreign investments".

Anders Aeroe has lived in Cape Town and worked with Wesgro for the last five years. His Danish background combined with an extensive network and deep insight into the Western Cape business community makes him well suited to facilitate Danish investments into Cape Town and surroundings.

European Financing Partners' co-financing facility

In 2004 the European Investment Bank (EIB) and the European Development Finance Institutions (EDFI) signed an agreement, which marks the launch of a co-finance facility to support private sector investments in Africa, the Caribbean and the Pacific. The participating EDFI members and the EIB will commit a total of EUR 140m for investments within this scheme. Its funding will be provided by the Cotonou Investment Facility through the EIB (EUR 90m) and by the following EDFI members (EUR 50m): BIO (Belgium), CDC (United Kingdom), DEG (Germany), FINNFUND (Finland),

FMO (the Netherlands) and PROPARCO (France).

For IFU this means that the facility may provide three times the amount of IFU's own financing of a project eligible for financing by the facility. Initially, the scheme will be limited to providing funds for financing of projects in collaboration with EDFI members in the form of senior loans and mezzanine loans with a debt character. Early in 2005 it is expected that instruments comprising equity, quasi-equity and guarantees will also be made available to the EDFI members. 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)	IFU Participation		Total Disbursed DKKkm	Total Outstanding DKKkm	Total Investment DKKkm	Employment Persons	Period	
		Shares DKKkm	Loans DKKkm						
AFRICA									
*Africa (Regional)									
African Infrastruc. Fund	Infrastructure projects	BWSC	8.6		5.2	4.7	3,471.3	30	2000-
AMSCO	Management services	Carl Bro Gruppen/Globe	7.3		7.0	7.0	50.0	54	1989-
Mærsk Africa Facility	Transport related projects	A. P. Møller-Mærsk		50.0	0.0	0.0	100.0	500	1999-
Total 3 projects			15.9	50.0	12.2	11.7	3,621.3	584	
Algeria									
Aldaph	Pharmaceuticals	Novo Nordisk	11.4	34.1	0.0		357.2	240	2000-2002*
Altec	Engineering	Haldor Topsøe	0.6		0.6		3.0	50	1971-1977
Aviation Assistance Alger	Aviation	Burgess Aviation	6.8	8.5	0.0		28.0	65	2002-
Cosider	Construction	Christiani & Nielsen	3.3		0.8		14.0	550	1978-1981
Total 4 projects			22.1	42.6	1.4		402.2	905	
Angola									
Nova Cimangola	Cement	FLS Industries		50.5	47.9	16.1	625.6	1,000	1996-
Total 1 project				50.5	47.9	16.1	625.6	1,000	
Benin									
Cimbenin	Cement	Fibo Maskiner	8.6	6.9	13.8	6.9	105.0	170	1991-
Fan Milk	Dairy	Fan Milk International	0.4		0.3	0.0	1.0	12	1992-1996
Fan Milk	Distribution of dairy products	Fan Milk International		1.7	1.7	0.7	4.2	55	1999-
Total 3 projects			9.0	8.6	15.8	7.6	110.2	237	
Burkina Faso									
Fan Milk	Distribution of dairy products	Fan Milk International		0.7	0.7	0.7	1.8	22	1997-
Total 1 project				0.7	0.7	0.7	1.8	22	
Burundi									
Avicom	Poultry farming	DPD	1.0	1.2	2.2		4.0	40	1989-1996
Total 1 project			1.0	1.2	2.2		4.0	40	
Cameroon									
Camsavon	Chemical industry	Sønderstrup Sæbefabrik	0.0		0.0		1.0	40	1986-1988*
Camtainer	Land transport	Scancatrans	3.1	6.7	9.7		35.0	100	1984-1995*
Cocadac	Construction	E. Pihl & Søn	2.8	4.0	6.9		10.0	300	1976-1982
NOBRA	Brewery	Cerekem	17.8	25.6	40.3		412.0	15	1986-1995*
Singa Banana Plantations	Production of bananas	A. P. Møller-Mærsk		27.2	27.3	27.3	100.9	1,800	2003-
Total 5 projects			23.7	63.5	84.2	27.3	558.9	2,255	
Cape verde									
Ceris	Brewery	Bryggerigruppen	4.2	15.6	19.9		63.0	90	1985-2001
Total 1 project			4.2	15.6	19.9		63.0	90	
Central African Rep.									
SOGESCA	Sugar refinery	GEA Niro/Danisco Sugar		26.6	26.6		320.0	350	1985-1996
Total 1 project				26.6	26.6		320.0	350	
Côte d'Ivoire									
CITB	Wood products	Danish Wood Treating	0.3	1.0	0.0		4.0	15	1983-1984*
Fan Milk	Ice cream	Fan Milk International	0.7		0.0		6.9	20	1993-1995
Finamark	Dairy products	Fan Milk International	11.1		5.4	5.4	33.5	195	2002-
Sadofoss	Chemical industry	Sadolin	5.3	9.3	14.6		32.0	58	1976-1995
SAM	Furniture	E. Roth Oversøisk Hårdtræ	0.5	1.1	1.7		15.0	25	1970-1999*
Sedan	Construction	Helsingør Værft	5.0	4.8	12.4		42.0	350	1976-1982*
Sitranbois	Wood products	Nordisk Trælast	16.8	33.0	38.6	0.0	83.0	600	1977-
West Africa Growth Fund	Financial institution	No Danish partner	12.9		13.5	8.7	130.0	6	1997- #
Total 8 projects			52.6	49.1	86.2	14.2	346.4	1,269	
Democratic Rep. Congo									
Danilait	Powdered milk packing	Scancool International	1.4	0.4	1.8		6.0	25	1987-1997*
Dilaz	Dairy	Primodan Dairy Equipment	0.9				10.0	25	1987-1988*
Total 2 projects			2.3	0.4	1.8		16.0	50	
Egypt									
Al Quseir Hotel Company	Hotel operation	SAS Hotels	21.5	22.3	30.1	30.1	109.4	300	2000-
CLFF	Research and development	Proteinkemisk	2.1		1.6		3.0	40	1982-1996
Dantex	Clothing	Brandtex	4.3	8.0	12.5		35.0	200	1984-1991
Egytac	Pulp and paper products	Buhl Automation	2.3	9.2	8.9		30.0	30	1976-1986
El Rayan Danfarm	Dairy farm	Danfarm Contractors	20.5				435.0	350	1987-1988*

Activity/product	Danish Partner(s)	IFU Participation		Total Disbursed DKKkm	Total Outstanding DKKkm	Total Investment DKKkm	Employment Persons	Period	
		Shares DKKkm	Loans DKKkm						
EPL	Research and development	Danish Protein Institute		1.1		2.0	15	1980-1982*	
Hotel Marina	Hotels and restaurants	Helnan International		7.4	7.1	16.6	220	1992-2000	
Sinai Cement Co.	Cement production	Aalborg Portland	39.6		39.7	39.7	700	2000-	
Sinai White Portl. Cement	Cement plant	Aalborg Portland	52.4	31.8	72.2	72.2	400	1999-	
Suez Canal Cont. Term.	Container terminal	A. P. Møller-Mærsk	56.7		56.8	56.8	600	2003-	
Total 10 projects			199.4	79.8	229.0	198.8	3,971.9	2,855	
Ethiopia									
African Lakes Ethiopia	Car sales and maintenance	Kjaer Group	4.0			24.0	50	2002-2004*	
Muus	Feed mill	Elias B. Muus	0.5	0.9	1.0	3.0	25	1972-1975	
Total 2 projects			4.5	0.9	1.0	27.0	75		
Ghana									
Carpo Scandi Wood Ghana	Production of wood products	Scandi Wood	1.2			7.0	40	2001-	
Danafco	Pharmaceuticals	Propharma	1.9		1.6	1.6	100	1998-	
Fan Milk	Dairy	Fan Milk International	2.9	15.4	16.6	1.3	110	1989-	
Ghana Emulsion	Cold emulsion	Phønix Contractors	3.8	1.2	5.3	5.3	50	1995-	
Larsen Ghana	Waste Collection	J. Hvidtved Larsen		3.1	1.6	0.5	12.9	2001-	
Muk Air	Air transport	Muk Air	2.0		1.3	1.3	30	1997-*	
Northsax Kiln Company	Wood products	Dalhoff Larsen & Hornemann	0.6			6.0	4	1997-2003*	
Pako Bay	Fishing	Brdr. Kristensen	0.2			3.7	60	1997-1998*	
Scanbech Ghana	Production of plastic bottles	Scanbech Group	1.3	1.0	1.0	1.0	80	1998-	
Volta Arkil	Quarry	Ove Arkil	2.1	2.5	4.0	0.0	30	1991-1999*	
Total 10 projects			15.8	23.3	31.3	11.0	135.3	584	
Kenya									
Acacia Fund	Financial institution	No Danish partner	0.1	13.2	14.2	7.1	140.0	7	1997-
Aviation Lease	Operational lease of aircrafts	Burgess Aviation	32.6	23.0			186.6	90	2003-
DCK-EA	Agriculture and farming	DCK Production	0.8	0.8	3.9		22.0	1	1970-1978
DCK-Production	Agriculture and farming	DCK Production	3.9	4.0	2.1		34.0	5,000	1970-1978
Muus	Feed mill	Elias B. Muus	0.7	1.3	1.1		3.0	35	1972-1980
Vestergaard-Fransden	Textiles	Vestergaard Frandsen Group	1.3	5.0	6.5	1.8	8.2	10	1995-
Total 6 projects			39.3	47.2	27.8	8.9	393.8	5,143	
Lesotho									
Tantina Milling	Flour milling	ABC Hansen		0.3			4.9	27	1999-2000*
Total 1 project				0.3			4.9	27	
Malawi									
Scandrill	Water supply	Intertec Contracting	1.2	13.8	11.8	4.1	22.8	30	1986-
Total 1 project			1.2	13.8	11.8	4.1	22.8	30	
Mali									
Somapil	Batteries	Alkaline Batteries	1.8	4.8	6.2		34.0	260	1984-1995
Total 1 project			1.8	4.8	6.2		34.0	260	
Morocco									
Comapral	Dairy	O.G. Hoyer	8.7	25.4	32.8		95.0	30	1986-1997*
Cool Time	Trade	O.G. Hoyer	0.0				110.0	1	1990-1998
Ettamam	Feed mill	Schmidt & Jessen	1.5		0.0		19.0	50	1981-1986*
York Refrigeration Morocc	Service company	York Refrigeration	0.4		0.3		1.4	10	1993-2004
Total 4 project			10.5	25.4	33.1		225.4	91	
Mozambique									
Frigo Services	Machinery and equipment	York Refrigeration	0.4		0.3		2.0	25	1989-2001
Motorcare Mozambique	Sale and service of cars	Kjaer Group	3.7	6.7	10.0	2.8	27.7	12	1999-
Nyati Beach Lodge	Lodge	Nyati	4.0	1.0	4.0	1.0	10.0	24	2002-
Nyati Mozambique	Expansion of Beach Lodge	Nyati		3.8			31.7	75	2004-
Total 4 projects			8.0	11.5	14.2	3.8	71.4	136	
Nigeria									
Adegbemile	Flour mill	United Milling Systems	1.1	0.2	0.4		25.0	40	1985-1998
BARC	Agriculture and farming	Bryggerigruppen			0.0		440.0	950	1982-2003
DEMCO	Construction	Bryggerigruppen			0.0		52.0	57	1988-2003
Emperion West Africa	Internet related activities	Emperion		7.2	7.0	7.0	42.5	50	2004-
Fan Milk	Dairy	Fan Milk International	16.0	16.1	29.6	23.1	108.0	2,200	1999-
Fertile Acres	Agriculture and farming	Cerekem	2.5	2.9	4.1		23.0	100	1984-1996*
Grundfos Pumps	Machinery and equipment	Grundfos	1.3				20.0	60	1983-1986*
JIB	Brewery	Bryggerigruppen	55.5	0.3	6.3		416.0	1,400	1977-2003
Nwankwu & Rasch	Construction	NTR Holding	1.0		0.8		4.0	65	1976-1979
Peacock Paints	Paints	Dyrup & Co.	4.5	9.7	5.4		101.0	64	1979-1999
Pioneer Milling	Milling plant	Bryggerigruppen					52.0	90	1986-2003
Plateau Bottling	Soft drinks	Bryggerigruppen	4.2		3.3		100.0	120	1981-1999
Sunrise Bottling	Soft drinks	Cerekem	8.2		6.5		104.0	120	1983-1988
Tiger Battery	Batteries	Alkaline Batteries	4.4	38.2	8.6		144.0	150	1983-1997
W.Africa Container Term.	Container terminal	A. P. Møller-Mærsk		87.4	25.7		32.8	25	2000-
W.African Portland Cement	Production of cement	F.L.Smidth		35.4			1,980.1	550	1999-2000*
Total 16 projects			98.5	197.5	97.8	30.1	3,644.4	6,041	

Activity/product	Danish Partner(s)	IFU Participation		Total Disbursed DKKkm	Total Outstanding DKKkm	Total Investment DKKkm	Employment Persons	Period
		Shares DKKkm	Loans DKKkm					
Rwanda								
Sorwapiles	Batteries	Alkaline Batteries	4.0		0.1	47.0	100	1985-1989*
Total 1 project			4.0		0.1	47.0	100	
Senegal								
African Seafood	Fishing/processing	P.F. Faromar	10.5	26.5	34.3	129.0	90	1984-1999*
Ciments du Sahel	Production of cement	F.L.Smidth	8.0	29.8	37.7	739.4	200	2001-
Rutec	Service company	Atlas-DK	0.1		0.1	1.0	20	1980-1983*
Senegal Seafood	Fishing/fish processing	P.F. Faromar		2.0	2.0	30.0	250	1982-1985*
SOCA	Agriculture and farming	APV Engineering	3.4	13.0	14.9	48.0	75	1987-1996
Total 5 project			22.0	71.3	89.0	34.7	947.4	635
Sierra Leone								
Motorcare Sierra Leone	Car distribution	Kjaer Group	0.1	4.2		11.8	30	2003-
Total 1 project			0.1	4.2		11.8	30	
South Africa								
Benzak Beverages	Distribution of malt drinks	Bryggerigruppen		1.0	1.0	2.7	20	1999-2004
Credin Bakery Supplies	Food ingredients	Palsgaard Industri	0.7	2.7	2.6	9.8	70	1998-
Dan-Essence	Detergents & soap	Sønderstrup Sæbefabrik		1.2		3.8	54	1997-2001*
Danafrica Flour Mills	Food and beverages	Kongskilde	0.1			1.0	50	1997-1999*
Danførge Engineering	Machinery and equipment	Brdr. Jørgensen	0.5	0.4	0.7	0.4	25	1997-
Danish Thatching Company	Production of thatched roofs	Danish Thatching Company (DTC)		0.6		1.5	6	2004-
Danline Bathroomware	Bath tubs	Danline	0.2	2.1	2.3	2.2	31	2002-
Euromatic	Production of plastic balls	Euro-Matic		2.0		10.0	5	2004-
FCK-UPE Soccer School	Sports education	FC København / Parken		4.5	2.4	2.4	35	2003-
FLS Automation SA	Consulting engineering	F.L.Smidth		2.5	2.5	6.5	10	2003-
Kristensen Oceanfront	Restaurants	Kristensen Group	8.5	13.9	20.3	8.0	45.4	270
Morsø SA (Pty)	Production of heating products	Morsø Jernstøberi	3.8	4.9	5.8	4.3	10.3	8
New Africa Signs & Graph.	Signs and posters	Sign-Tronic	0.0	0.8	0.9	3.4	12	1996-2001
Newave Technology	Prepress print	Dokmand		1.0	1.0	7.8	12	1998-2004
Nielsen Tap	Water taps	Toni-Armatur	0.3		0.2	2.1	30	1995-1999*
Nyati South Africa	Expansion of Safari Lodge	Nyati		0.6		37.5	70	2004-
Princeton Computing	Education	Courseware Scandinavia	0.2		0.2	1.3	30	1996-1999*
Resource Dev. Consultants	Consultancy	Carl Bro Gruppen	0.8	1.0	1.9	1.0	4.5	20
Sibaya Conservation Proj.	Hotels and restaurants	Hotel Pakhuset	0.4	0.3	0.4	0.4	5.5	20
Stoneground Mills	Manufacturing of mills	ABC Hansen		0.9	0.9	0.8	2.7	15
Time Out SA	Branded sportswear	Time Out		1.0	1.0	1.0	2.9	20
Today's Signs & Graphics	Production of signs	Ladelund Skilte		0.2	0.2	1.1	7	1999-2004
Umtha Manufacturing	Production of sports articles	Time Out		0.7		3.1	80	2000-2001*
Virogates	Medicine to combat AIDS	Virogates		2.0		4.0	5	2004-
Total 24 projects			15.6	44.2	44.1	23.0	181.2	905
Sudan								
SFI	Dry yeast	Danisco Bioteknologi	5.5	8.3	10.7	35.0	60	1977-1987
SMS Milling	Flour mill	United Milling Systems	0.4	1.2	1.4	6.0	15	1981-1990
Total 2 projects			5.9	9.5	12.1	41.0	75	
Swaziland								
KGR Enterprises	Rehab. of railwagons	Giersing Rose		2.7	1.4	0.8	17.9	45
United Plantations Africa	Plantations	International Plantations	17.3		18.1	9.1	88.5	750
Total 2 projects			17.3	2.7	19.6	9.8	106.4	795
Tanzania								
DAHACO	Airport handling	SAS	1.4	8.1	9.0	33.0	400	1984-2003
Den-Tan Resources	Fishing	Pre-Consult		2.0	2.0	15.0	60	1992-1997*
Mashado Game Fish. Lodge	Hotels and restaurants	Skanska Jensen	5.9	5.1	11.0	11.0	160	1994-*
Mount Meru	Hotels and restaurants	Tanzania Hotel Investment	1.7	4.0	7.7	40.0	300	1974-1995
RSP Transport	Water transport	Danea		1.2	1.2	6.3	15	1994-
Tanruss	Hotels and restaurants	Skanska Jensen	15.4	74.4	75.1	414.2	350	1993-
Total 6 projects			24.4	94.8	105.9	11.9	577.8	1,285
Togo								
Africotière	Water transport	Mortensen & Lange	0.1			1.0	35	1989-1992*
Atlantic Produce	Agriculture and farming	Tropical Plants Agencies	2.0	3.3	4.4	0.2	11.0	100
Cerekem Exotic	Agriculture and farming	Cerekem	3.1	7.8	10.4	34.0	170	1986-1995
Fan Milk	Dairy	Fan Milk International	2.1	3.6	4.9	10.0	68	1985-1996
ITP	Rubber and plastic products	Nordisk Wavin	6.7	20.1	18.5	1.1	63.0	82
La Gazelle	Land transport	Erik Conradsen	1.3		1.4	9.3	80	1991-1993*
Lomé Terminal Services	Stevedoring	A. P. Møller-Mærsk		12.6		32.1	60	2004-
Soprolait	Dairy	APV Engineering	0.7	2.0	2.7	25.0	40	1980-1996*
Sotodas	Chemical industry	DK Kemi International	4.9	11.5	10.7	22.0	41	1985-1996*
STS	Fabricated metal products	Rambøll	1.2	3.6	4.7	14.0	250	1987-1997
Total 10 projects			22.1	64.5	57.6	1.3	221.4	926
Tunisia								
TDC	Clothing	D.T.C. Company/TDC	0.9			5.5	5	1992-1994*
Total 1 project			0.9			5.5	5	

Activity/product	Danish Partner(s)	IFU Participation		Total	Total	Total	Employment Persons	Period
		Shares DKKkm	Loans DKKkm	Disbursed DKKkm	Outstanding DKKkm	Investment DKKkm		
Uganda								
Drillcon	Drilling of bore holes	Victoria Pumps		1.3	1.3		45	1998-
K2-Informatics (U)	Management and IT consultancy	K2-Consult		1.0	1.0	0.5	40	2001-
Maersk Uganda	Operation of container depot	A. P. Møller-Mærsk		9.3	9.5		10	2000-2003
Motorcare Uganda	Sale/maintenance of vehicles	Kjaer Group	3.2	8.8	11.7	3.6	60	1998-
MTN Publicom	Pay phones	Ascom	2.6	19.4	22.0	15.1	26	1998-
Victoria Engineering	Manufacturing of pumps	Knebel Drilling		3.0			56	1998-2002*
Victoria Fresh Food	Fishing/fish processing	C.C. Brun Entreprise	4.0	3.0	7.0		60	1988-1998
Victoria Galvanization	Steel fabricat./galvanization	Victoria Pumps		3.0	3.0	2.4	85	2003-
Victoria Pumps	Mechanical engineering	Knebel Drilling	5.5	3.0	8.5	5.5	50	1988-
Total 9 projects			15.3	51.9	64.0	27.1	432	
Zambia								
Chulumenda	Farming	Springkildegaard	3.0	1.9	4.3	4.3	130	2003-
Milden Milling	Maize milling	United Milling Systems	5.0				200	1994-1995
Verino Farms	Broilers/dressed chickens	Springkildegaard		1.2	1.2	1.2	150	1998-
Total 3 projects			8.0	3.1	5.5	5.5	94.1	480
Zimbabwe								
Ballantyne Butchery	Meat processing	No Danish partner	2.0		2.0	2.0	70	2001-
Colcom	Meat processing	No Danish partner	1.2		1.2	1.2	300	2001-
Danmeats	Meat processing	Pfeiffer/Globe	0.6	3.4	4.0		50	1995-2001
Dansafe	Reflection textile	Oppenheim & Jansson	0.3	0.2	0.4		10	1995-1999*
Frese	Plumbing equipment	Frese	1.3	5.0	6.3		50	1996-2003
Imperial	Coolers and freezers	Maskinfabrikken Derby	9.4		7.5		120	1993-
Metafold Investments	Refrigerators and coolers	No Danish partner	5.5		5.5	5.5	90	2000-
Powervision	Energy production/distribution	Innovision R&D	0.3	0.1	0.3		70	1997-2003 #
Ref-Air-Engineering	Machinery and equipment	Danish Refrigeration	0.6	1.8	2.1		25	1992-2002
Scan-Lock	Plastic floor tiles	I.P.E. Danmark	0.4		0.2		20	1994-1999
Total 10 projects			21.5	10.5	29.6	8.7	163.4	805
Total AFRICA 159 projects			666.7	1,070.0	1,178.7	456.3	17,154.4	28,517
ASIA								
Bangladesh								
Dahetra Bangladesh	Dyeing and printing on textile	Dahetra		2.3			45	2002-
Dandy	Chewing gum	Dandy Holding	1.0			28.0	80	1991-1992*
KAFCO (Plant)	Fertilizers	Haldor Topsøe	41.7	52.3	61.1	58.0	800	1990-
KAFCO (Prom)	Fertilizers	Haldor Topsøe	0.6			7.0	8	1987-1990*
Wavin	PVC pipes	Nordisk Wavin	3.0			60.0	134	1986-1987*
Total 5 projects			46.3	54.5	61.1	58.0	2,608.1	1,067
Cambodia								
Dumex	Chemical industry	Dumex	1.0	2.0	3.0		100	1971-1976
Total 1 project			1.0	2.0	3.0	6.0	100	
China								
Anqing White Cement	White cement production	Aalborg Portland	16.4		12.8	12.8	180	2004-
AVK Sealing Technology	Technical rubber	AVK Gummi		2.9		9.6	60	2004-
Baihua	Publishing and printing	Heidelberg	9.0		9.1	9.1	160	1992-
BB Electronics China	Electronic components	BB Electronics		30.0	11.7	11.7	550	2003-
Beijing Sunpu El. Appl.	Production of water heaters	Metro Therm	5.0			101.4	150	2001-2004*#
Bestseller Fashion Group	Clothing	Bestseller	6.5	3.0	7.0	14.9	241	1997-2004 #
BlueStar Cool Sorption	Production of vapour recovery	Cool Sorption	1.5		0.8	0.8	10	2003-
Carlsberg Qinghai	Production and sale of beer	Carlsberg Breweries	5.9				400	2004-
Chinaust Changchun	Automobile parts	Codan Gummi				2.6	15	1993-1994
Chinaust Plastics	PVC pipes	Codan Gummi	1.3	5.5	6.8		90	1987-1994
Chinaust Shanghai	Automobile parts	Codan Gummi				6.5	25	1993-1994
Codan Ling Yun	Rubber hoses	Codan Gummi	7.5	17.8		42.2	160	1994-
Coloplast	Rubber and plastic products	Coloplast	22.4		19.1	46.7	100	1995-2002 #
Dalian Xinshiji	Publishing and printing	EAC (Hong Kong)	5.3		4.7	40.0	150	1994-2003
Danagraf China	Electrical machinery/equip.	Danagraf	0.4		0.0	1.0	10	1997-2001*#
Danfoss	Medical/precision instruments	Danfoss	28.6		27.7	172.0	60	1995-
Danhua	Consultancy	Kampsax/Vejdirektoratet	0.8		0.8	3.0	8	1993-2004*
Danisco (China)	Food ingredients	Danisco Ingredients	6.0		6.3	147.4	90	1997-2002
DISA (Changzhou) Machin.	Air pollution contr. products	DISA		10.0		15.0	150	2002-
East Lake Villas	Real estate activities	EAC (Hong Kong)	3.5	41.9	45.4	210.0	380	1987-1997
ECCO (Xiamen) Co.	Shoe production	Ecco Sko	41.9		14.2	14.2	1,500	2004- #
ECCO Shoefactory	Production of shoes	Ecco Sko	6.7			182.7	100	2004- #
ECCO Tannery (Xiamen) Co	Tannery	Ecco Sko	39.1			134.0	1,400	2004- #
Flexa Suzhou Furniture	Furniture	Flexa Holding		5.3		28.7	120	2004-
GN Resound (China)	Hearing aids	GN Resound	6.2	2.3	7.0	18.0	125	1989-1999
GPV (Suzhou) Co.	PCB production	GPV International	3.5	10.7	13.5	13.5	400	2003- #
GPV China	Machining and milling	GPV International	11.3			62.4	106	2003-
Green Environment	Consultancy	Rambøll/Cowi	0.4			1.2	3	1995-1997
Heco Mechanical Seals	Ship motor components	Heco Holding	3.3		2.6	2.6	11	2003-
Huhhot Hua Ou Starch	Starch products	Kartoffelmelcentralen	4.1		3.7	3.7	100	1996-

Activity/product	Danish Partner(s)	IFU Participation		Total	Total	Total	Employment Persons	Period		
		Shares DKKkm	Loans DKKkm	Disbursed DKKkm	Outstanding DKKkm	Investment DKKkm				
Hydra Tech	Hydraulic cylinders	Hydra Tech	2.1	2.0	3.7	3.7	7.6	20	2003-	#
Hydro-X	Chemical industry	Hydro-X	0.7		0.6		2.8	12	1995-	
Impact Furniture	Production of sofas	Eilersen	0.6		0.2		2.0	25	1999-2001	#
Innovation	Production of sofa sets	Innovation Randers	1.9		1.7		5.0	20	1998-2000	
International Nutrition	Food and beverages	EAC (Hong Kong)	41.0	6.3	43.9		115.0	180	1992-2000	#
Jacob Holm	Chemical industry	Jacob Holm & Sønner	20.8		21.6		221.0	90	1995-2002	
Lanzhou Huanghe Jianiang	Production of beer	Carlsberg Breweries	39.7		20.6	20.6	220.0	1.372	2004-	
Mærsk Container	Production of ship containers	Mærsk Container		13.9	14.7	6.8	206.1	600	1999-	
Ningbo Zhedong	PVC windows	Plastmo	1.5		1.3		13.0	60	1996-2000	#
Novozymes (China)	Pharmaceuticals	Novozymes	54.1		71.0		1,160.0	360	1995-2003	
Primo Kunming	Plastic (PVC) windows	Primo Danmark	0.6		0.7		2.5	20	1999-2004	#
Qiaohong New Materials Co	Sanitary fibre products	Dan-Webforming	18.5		15.3	15.3	157.0	56	2001-	#
Rosti China	Production of plastic parts	Rosti		21.5	17.0	11.3	68.0	300	2002-	
Schrøder Plast	Production of plastic products	Schrøder-Plast	6.3	2.0	7.5	5.5	22.0	32	2000-	#
Shanghai Dansk	Textiles	Dansk HK	12.4	8.0	17.8	7.7	40.0	30	1995-	#
Shanghai Ovo Egg Prod.	Pasteurised egg products	Ovotec International	2.2				12.5	50	2001-2003	*#
Shanghai Roulund	Rubber and plastic products	Roulunds Rubber	3.4		3.5	3.5	22.2	106	1996-	
Shanghai Trayton Trading	Sale of polstered furniture	Trayton Møbler		1.0			5.7	116	2000-2000	#
SIDIC	Consulting engineers	Dangroup International	1.1	0.2	1.3		3.0	4	1987-1999	
Silcon	Electrical machinery/equipment	Silcon	2.5		1.9		17.0	80	1995-1999	
Smekru	Consulting engineers	Krøger	0.4		0.3		5.0	6	1988-2001	*
Sonion (Suzhou)	Electronic equipment	Sonion Horsens	26.5		16.4	16.4	150.0	1,133	2001-	#
Tianjin FTZ TeamWork	Office furniture and consult.	System B8 møbler	2.8		2.2		11.7	24	2001-	*#
Tibet Lhasa Brewery	Beer production	Carlsberg Int.	48.6		47.2	47.2	286.7	243	2004-	
Ting Fung Starch	Starch products	Kartoffelmelcentralen	10.9		9.7	9.7	85.0	105	1996-	
Trayton Furniture	Production/sale of furniture	Trayton Møbler		4.0			12.0	186	2000-2000	#
Ulveco China	Toroidal transformers	Ulveco	1.5				8.0	48	2004-	
Unicon-Dalian	Ready-mix concrete	Unicon Beton	3.3		3.1		25.0	50	1995-1999	
Wenzhou Primotex	Production of buttons	Moria Industri	8.5		6.9	6.9	22.2	60	2001-	#
Wolfking Tianjin Co.	Machinery and equipment	Wolfking Danmark	2.0		0.5		9.0	35	1997-2000	
Yan-Dan	Consultancy	Dangroup International					0.8	4	1995-1999	
Zhejiang ACO	PVC windows	Plastmo	1.1		0.9		9.0	60	1996-2002	#
Zi Dan	Publishing and printing	Heidelberg	8.8		8.7	8.7	177.0	486	1996-	
Total 63 projects			560.4	188.2	540.6	231.7	4,844.2	12,827		
India										
Akay Flavours	Chemical industry	Chr. Hansen	16.7		11.1		44.2	80	1996-2004	
Arcodan	Communication equipment	Arcodan	2.4				10.0	65	1994-1998	*
Asian Can	Fabricated metal products	Rexam Holding	3.0				17.0	175	1989-1990	*
Asian Closures	Fabricated metal products	Rexam Holding	2.3				13.0	50	1989-1990	
CG Maersk Data	EDP software	Maersk Data	4.2		4.0		16.2	450	1996-	
Coduras Exports	Food and beverages	Atlas-Stord	5.7		3.1	3.1	30.0	150	1993-	*
Convoy India	Designing of ships	Logimatic Software		0.5	0.5	0.5	3.1	6	1999-	*
CRIIL	EDP software	Computer Resources Int.	5.0		4.0	4.0	14.0	60	1991-	*
D&H Secheron Migatronik	Production of welding equip.	Migatronik	1.4				8.0	31	2000-2002	*
Dane Foods	Butter cookies	KelsenBisca	0.2				0.3	5	1995-2000	*
Dania Food	Food additives	Palsgaard Industri		2.5	2.5		9.0	40	1991-2000	
Danish Steel Cluster	Production of steel items	Danish Steel Cluster	3.4	2.0	2.7	2.7	9.8	30	2004-	
DENIN Foods	Extruded snack pellets	Dan Extruder	3.6				18.9	50	2000-2001	*
Egmont Imagination India	Publication of comic books	Egmont		3.8	3.8		15.6	35	2001-	
Energy Solutions Int.	IT solutions	Energy Solutions International	1.6		1.6		4.3	30	1998-2004	
Engsko Kristone	Mill stones	Engsko	0.4		0.4		1.2	40	1995-2003	
Fibcom	Electrical machinery/equipment	Tellabs Denmark	6.2	17.7	20.4	12.3	50.4	74	1994-	
FLS Automation India	Production of control systems	F.L.Smidth		1.6	0.4	0.4	10.0	24	2003-	
Fowler Westrup (India)	Machinery and equipment	Westrup	3.1	2.6	5.3	3.7	17.4	85	1999-	
Fuller India	Design/equip. f/cement plants	Fuller		4.4			14.0	225	2000-2003	*
Garware-Utzon	Textiles	N.P. Utzon Holding	1.5				6.0	20	1995-1998	*
Global Wool Alliance	Textiles	EAC	19.7	58.9	79.5	58.3	99.3	360	1994-	
Group 4 Cash	Security systems	Group 4 Falck		5.6	2.8	2.8	12.5	1,000	2004-	
Group 4 Falck India	Security Systems	Group 4 Falck		4.2	4.2	4.2	7.8	25	2004-	
Group 4 Guarding	Security systems	Group 4 Falck		4.2			60.0	4,000	2004-	
Grundfos Pumps India	Assembly/production of pumps	Grundfos	2.1		2.2		40.5	30	1998-2002	
Gujarat Ambuja Cements	Cement	FLS Industries	8.8		6.9	6.9	843.0	300	1994-	
Gujarat Sidhee Cement	Cement	FLS Industries	13.2		13.0		175.0	400	1994-2003	
Indan Energy Pvt	Windfarm	San	0.7	0.9	1.3	1.3	4.4	2	2002-	
Indo-Dan Lampshades	Furniture	Erik Frederiksen Production		0.7	0.7		4.3	85	1997-2003	
IndoDane Textiles	Textiles	Vestergaard Frandsen Group	0.9		0.6		7.0	94	1994-2003	
Infrastr & Tech Consult.	Consultancy and management	Kampsax	0.2		0.2		6.8	80	2001-2004	
IRON Maxflow	Machinery and equipment	Maskinfabriken Iron	4.6		3.3		15.2	60	1995-2001	
Kampsax India	Mapping	Cowi	2.2	9.7	11.7	8.8	27.5	20	1994-	
KE Burgmann India	Production of expansion joints	KE-Burgmann		3.4	3.0	3.0	5.2	33	2002-	
L&T-Ramboll	Consultancy	Rambøll	2.0		1.3		6.5	25	1997-	
LEC India Software	EDP software	Lec	1.9		1.7		9.0	50	1994-2000	
LICIndia	Engineering	Energy Solutions International	0.6		0.0		1.8	20	1995-1998	*
LK India	Electrical equipment	LK	1.9	6.7	1.8	1.8	19.6	200	1998-	
LM Glasfiber	Non-metallic mineral products	LM Glasfiber	12.0		7.4		31.0	130	1993-2002	
Marinplast	Boat yard	PF Marin Plast	0.5	0.9			5.0	40	1984-1988	*
Mather Derby	Machinery and equipment	Maskinfabriken Derby	13.9				135.0	180	1991-1993	*
MD-JK India	Textiles	Julius Koch International	0.4				2.5	40	1994-1998	*
NEG Micon India	Manufacture of wind turbines	Vestas		111.4	111.4	111.4	300.0	100	2003-	
ORG Informatics	Office machinery/computers	Dansk Data Elektronik	2.6		2.6	2.6	24.6	565	1993-	

	Activity/product	Danish Partner(s)	IFU Participation		Total	Total	Total	Employment Persons	Period
			Shares DKKkm	Loans DKKkm	Disbursed DKKkm	Outstanding DKKkm	Investment DKKkm		
Pedershaab Millars	Machinery and equipment	Pedershaab	0.6		0.7	0.7	4.7	30	1998-
Pioneer Wincon	Manufacture of wind turbines	Wincon West Wind	3.9	1.9	3.3		15.8	75	1996-2004
Prism Cement	Cement	FLS Industries	31.3		24.3		1,087.0	600	1993-
Procon	EDP software	ProCon Solution	0.6	1.8	2.3	2.3	3.0	14	1996-
Roulunds Codan Belts	Rubber and plastic products	Roulunds Rubber	4.5		4.0	4.0	17.5	275	1992-
Roulunds Codan Hoses	Production of rubber hoses	Roulunds Rubber	4.2		4.1	4.1	5.8	50	1999-
Roulunds Friction	Brake pads & linings	Roulunds Rubber	3.0		3.3		22.2	123	1996-2002
Sabroe India	Machinery and equipment	York Refrigeration	0.9		0.5		4.2	75	1992-1999*
Saurashtra Cement	Cement	FLS Industries	50.5		51.6	51.6	780.0	300	1996-
Sividan	Chemical industry	Binadan	2.0				14.2	25	1996-1998*
Taparia Exports	Food and beverages	Quality Pellets	0.6				5.9	35	1996-1998
Tellabs Software	Production of software	Tellabs Denmark		4.7	4.4		9.6	400	2001-2003
TTK Mærsk Medical	Medical/precision instruments	Unomedical	15.2		12.3		57.0	300	1996-2003
Venkateshwara Hatcheries	Food processing	Ovotec International	1.6		1.6		74.0	300	1994-2003
Total 59 projects			267.5	249.9	427.5	290.4	4,256.7	12,166	
Indonesia									
Borncharter	Fishing	J. Lauritzen/Globe	0.0				1.0	1	1990-1999*
Cowi	Computer and rel. activities	Cowi	1.8				11.0	10	1984-1987*
Danindo	Fishing	J. Lauritzen	6.7		0.3	0.3	118.0	67	1989-*
Dankaffe	Food and beverages	GEA Niro	11.5				94.9	100	1992-1993
P.T. Aalborg Industries	Fabricated metal products	Aalborg Industries	9.9	2.6	10.9	9.3	46.0	101	1994-
P.T. Wahana Derby	Coolers and freezers	Maskinfabrikken Derby	9.2	4.4	9.8		19.7	101	1992-2004*
Total 6 projects			39.2	7.0	20.9	9.6	290.6	380	
Iran									
Dyrup	Paints	Dyrup & Co.	0.6	1.2	1.8		20.0	400	1970-1977
Total 1 project			0.6	1.2	1.8		20.0	400	
Jordan									
DJDC	Dairy	Arla Foods International	2.1	25.6	15.4		86.0	110	1980-1994
Kemapco	Fertilizers	Kemira	3.3	50.0	56.3	56.3	563.2	205	2000-
Total 2 projects			5.4	75.6	71.7	56.3	649.2	315	
Malaysia									
Aalborg Resources	Lime stone quarry operation	Aalborg Portland					6.6	22	2002-#
Aalborg White Asia	Production of white cement	Aalborg Portland	87.4		83.3	83.3	250.0	143	2002-
Bredan	Fabricated metal products	Senior Flexonics Bredan	0.4		0.4		1.0	4	1991-2000
Checkerasia	Machinery and equipment	Systema & Checker	1.8		1.6		4.5	23	1991-2002
Cimbria Far East	Machinery and equipment	Cimbria Unigrain	0.4		0.4		3.6	13	1992-1996
Dan Software	Computer and rel. activities	Dan Software	0.1				0.5	1	1993-1997
Daneel	Fishing	Ole T. Kragh/Per Kragh	0.3		0.4		1.8	3	1991-*
Dankaffe	Food and beverages	GEA Niro	28.4	1.5	26.8	25.3	128.7	120	1993-*
DDE	Information technology	Dansk Data Elektronik					1.0	1	1990-1991*
DZ Security	Plastic cards	DZ Holding	2.7	4.0	6.3		7.0	42	1990-1997
Fibertex Nonwovens	Textile fibres	Fibertex	129.0		129.0	129.0	540.0	133	2002-
Goldkist	Poultry processing	Cerekem	1.5	2.6	1.1		12.0	40	1986-1996
Guthrie-DDE	EDP software	Dansk Data Elektronik	3.0		2.6		13.0	22	1991-1998*
Kualiti Alam	Sewage and refuse disposal	Kröger	0.0				1.0	4	1991-1999*
Kvik	Wood products	Kvik Kåkkenet	1.4	0.3	1.6		8.0	80	1989-1994
Medicotest	Medical/precision instruments	Medicotest	2.1		1.9		5.3	52	1995-2000
Niro Ceramic	Granite tiles	GEA Niro	15.5	22.2	15.4		100.0	308	1988-1993
Oriental Horticulture	Agriculture and farming	EAC (Malaysia)	4.9	1.3	1.7		13.0	1	1988-2002*
Pl. Masterbach	Chemical industry	Kunststof Kemi	0.6				5.0	15	1985-1987*
Pong Codan Marketing	Marketing	Codan Gummi					1.0	10	1989-1990
Pong Codan Rubber	Rubber and plastic products	Codan Gummi	0.3		0.3		3.0	30	1988-1990
RCI Marketing	Trading of constr. material	Aalborg Portland					9.0	11	2002-#
Roxul Asia	Mineral wool	Rockwool International	66.8	49.6	101.1	98.3	245.9	104	2000-#
Scan Dairy & Food	Food and beverages	GEA Niro	20.6		19.5		89.0	104	1992-2000
Scanavionics	Medical/precision instruments	Scandinavian Avionics	1.1		0.9	0.9	4.0	5	1993-
SCI Marketing	Marketing of dry mortars	Aalborg Portland					3.0	3	2002-#
Sika	Furniture	Sika		0.3	0.3		2.0	100	1974-1982
Skaarup&Jespersen	Architects	Skaarup & Jespersen	0.1		0.1		1.0	6	1990-
Skim Coat Industries	Dry mortars	Aalborg Portland					6.0	27	2002-#
STAR Fisheries	Fishing	Skagen Fish Network	0.5		0.5		3.0	10	1996-1997*
Unico Kemi	Chemical industry	DK Kemi International	6.4		6.6		57.0	90	1988-1991
Total 31 projects			375.4	81.8	401.6	336.8	1,525.9	1,527	
Maldives									
IPOH Investments	Tourist Resort	Seaplane Holding		24.7	24.6		84.0	100	1999-2001
Island Beverages Maldives	Bottled water	HOH Water Technology					9.5	15	2002-
Maldivian Air Taxi	Air transport	Air Service International		2.5	2.9		4.8	25	1992-1999
Male Water & Sewerage	Water supply	HOH Water Technology	20.0	20.3	36.3	16.0	126.3	80	1995-
Total 4 projects			20.0	47.5	63.8	16.0	224.6	220	
Nepal									
Ghorka Brewery	Brewery	Danbrew	8.1	5.0	15.1	0.1	52.0	100	1988-
Nedrill	Water supply	International Water Contractor	2.4		0.2		11.7	5	1989-
Total 2 projects			10.4	5.0	15.2	0.1	63.7	105	

Activity/product	Danish Partner(s)	IFU Participation		Total	Total	Total	Employment	Period	
		Shares	Loans	Disbursed	Outstanding	Investment	Persons		
		DKKm	DKKm	DKKm	DKKm	DKKm			
Pakistan									
Camden Holding	Rehab. of cement plant	F.L.Smidt	1.7		6.1	3.9	10.0	1	2000- #
Cattle Breeders	Agriculture and farming	APV Engineering	1.7	3.8	1.6		7.0	50	1982-2002 *
Chakwal	Cement	FLS Industries	27.1		29.8		1,360.0	500	1995-2001 *
Chemi Dansk Co.	Textiles	Dansk Transfertryk	3.8		2.9	2.9	24.5	30	1997-
Dairyland	Food and beverages	APV Engineering	3.8				45.0	140	1987-1988 *
Dane Foods	Cookies	KelsenBisca	4.5		4.5		15.0	124	1993-2002
Fauji Cement	Cement	FLS Industries	42.9		32.3	32.3	970.0	400	1993-
Fauji Fertilizer Co.	Fertilizers	Haldor Topsøe	68.7		61.0		1,600.0	1,550	1978-2003
Fauji II	Fertilizers	Haldor Topsøe					2,145.0	300	1990-2003
Maple Leaf	Cement	FLS Industries	35.1		33.0	33.0	1,125.0	390	1994-
Milkpak	Dairy	APV Engineering	1.4	3.2	4.6		66.0	225	1979-1989
Pepcem Cement	Cement	FLS Industries	32.9				1,000.0	250	1997-2001 *
Total 12 projects			223.6	7.0	176.0	72.1	8,367.5	3,960	
Papua New Guinea									
Pacific Battery	Batteries	Alkaline Batteries	4.5				54.0	90	1985-1987 *
Total 1 project			4.5				54.0	90	
Philippines									
Aalborg White (Philipp.)	Wholesale of white cement	Aalborg Portland					0.6	2	2002- #
Atlas/Hi Cement	Cement	FLS Industries	12.6		11.8		425.0	260	1984-
Davao Union	Cement	FLS Industries	23.8		23.9		750.0	300	1981-1996
Drilling Corp. of Asia	Construction	Kampsax/Krüger	3.1	4.5	4.5		17.0	10	1981-1988 *
DZ-Philippines	Plastic cards	DZ Holding					0.1	5	1992-2000
JEDE Asianbakers	Food and beverages	B. Christensen Maskinfabrik	1.5	2.4	3.6		11.4	208	1996-2001 *
Philcadan	Furniture	Philcadan	0.3	0.8	1.1		6.0	500	1975-1981
Philmap	Pulp and paper products	Brdr. Hartmann/EAC	2.3	3.4	5.7		16.0	25	1976-1988
Rotex	Friction materials	Roulunds Rubber	0.3	0.3	0.3		4.0	25	1972-1987
Summit	Air transport	Sterling European	3.4	1.3	4.1		6.0	10	1975-1982
Towi	Furniture	M. Krüger	0.5	6.1	6.6		8.0	210	1974-1987
Unidex	Clothing	Unidex	0.3	9.7	5.0		25.0	1,060	1979-1992
Vitarich	Animal feed	Cerekem	2.9	5.8			49.0	150	1980-1982
Total 13 projects			51.0	34.3	66.7		1,318.1	2,765	
Republic of Korea									
KDDC	Dairy	Arla Foods International	33.4	20.5	32.9		107.9	108	1985-2001
Kodas	Animal feed	Flemstofte Mads Amby	7.1	1.8	4.6		10.0	2	1985-1988
Novenco	Ventilation	Novenco	1.5				7.0	12	1988-1988 *
Total 3 projects			42.0	22.3	37.5		124.9	122	
Singapore									
I.B.S.	Construction	Larsen & Nielsen/EAC	1.3		1.3		20.0	300	1973-1974 *
Total 1 project			1.3		1.3		20.0	300	
Sri Lanka									
Asia Power	Energy production/distribution	BWSC	9.9		10.0	10.0	372.0	60	1997-
BWSC Lanka	Service of power plants	BWSC		2.0			3.1	50	2001-2003 *
Bünger	Machinery and equipment	Bünger Engineering					1.0	20	1982-1987 *
C.W.Mackie & Co.	Trade and distribution	Aarhus United	13.2	7.8	21.0	21.0	154.1	3,120	1998- #
Ceymac Rubber Co.	Rubber products	C.W.Mackie & Co.					33.0	321	1998- *
Ceytra Limited	Rubber products	C.W.Mackie & Co.					6.6	115	1998-
Elsteel	Fabricated metal products	Erik Løgstrup		5.0	5.0	2.9	29.3	340	1997-
Korea Ceylon Footwear	Manufacture of footwear	C.W.Mackie & Co.					72.0	1,858	1998-
Scan Products Holding Co.	Production of squashes	C.W.Mackie & Co.					13.5	65	1998-
Serendib Coconut Products	Dessicated coconuts	C.W.Mackie & Co.					14.2	530	1998- *
Silver Power	Energy	Sprout-Matador	0.5				2.0	20	1985-1987 *
Skanko Lanka	Textiles	Skandinavisk Kokosvæveri	0.8	1.5	1.4		10.0	90	1987-2004*
Total 12 projects			24.4	16.3	37.4	33.9	710.8	6,589	
Thailand									
Beer Thai	Brewery	Carlsberg Int.	19.7		19.7		863.0	600	1992-2002
Caretex	Production of container liners	Caretex		1.6	1.6	1.4	3.3	116	2002-
Carlsberg Brewery	Brewery	Carlsberg Int.	19.7		19.7		750.0	600	1992-2002
DZ	Plastic cards	DZ Holding	0.5	6.2	6.6		18.0	124	1985-1993
Energy Maintenance Serv.	Production of Control systems	Orbital		0.3	0.3	0.3	1.7	13	2004-
Flux B. Grimm	Electrical machinery/equipment	Flux Transformerteknik	0.7				7.2	36	1995-1997 *
Flux International	Prod. of electronic components	Flux Transformerteknik	1.9	2.0	3.5	3.5	8.0	130	2004-
Georg Jensen Thailand	Production of jewellery	Georg Jensen		20.0	20.0	20.0	30.0	450	2002-
GPV Asia (Thailand) Co.	Service of metal parts	GPV International	16.6		13.2	13.2	49.7	480	2004-
Nation Egmont Edutainment	Publishing house	Egmont		17.9	18.3	13.7	27.0	50	1999-
P. C. Hose	Rubber hoses	Codan Gummi	0.3	2.0	2.2		11.0	30	1985-1994
P. C. Rubber	Rubber profiles	Codan Gummi		3.6	3.8		13.0	410	1991-1994
Patra Porcelain	Porcelain Painting	Royal Scandinavia		1.0	1.0	1.0	4.0	100	2003- #
Penadansk	Textiles	Dansk Transfertryk	9.3	2.8	3.4	3.6	51.0	30	1997-
Pongpara	Rubber products	Codan Gummi	1.4	3.6	4.7		8.0	410	1980-1987
Premier Dairy Food	Dairy	Mejerigaarden Holding/Globe	1.8		1.6		8.0	15	1993-
Quick-Cool Co.	Fabricated metal products	Brødrene Gram Invest		1.0	1.0		3.4	25	1997-2003
Royal Scandinavia	Jewelry	Royal Scandinavia		3.0	3.0		11.0	30	1998-2004

	Activity/product	Danish Partner(s)	IFU Participation		Total	Total	Total	Employment	Period
			Shares	Loans	Disbursed	Outstanding	Investment	Persons	
			DKKm	DKKm	DKKm	DKKm	DKKm		
Scanthai	Furniture	M. Krüger	0.4	0.5	1.0		13.0	90	1975-1981
Tricon Thai Automation	Prod. of electronic components	Tricon Holding		1.0	1.0	1.0	3.0	22	2004-
Tropic Dane	Ceramics and furniture	Tropic Dane Trading		0.9	1.0		6.1	50	1996-2003 #
Total 21 projects			72.3	67.5	126.7	57.7	1,889.4	3,811	
Vietnam									
Bodilsen Vietnam	Wood garden furniture	Bodilsen	6.1				20.8	340	2001-2002 *
Hue Brewery	Brewery	Tuborg International	26.3	3.7	19.4		130.0	192	1994-
Int. Beverage Distrib.	Sale&market.of beer/soft drink	Carlsberg Int.	1.7		1.6		7.4	12	2003-
KMC Tapioca Starch Co.	Cultivation of root fruits	Kartoffelmelcentralen	2.1	6.4	7.7	7.7	24.0	140	2001-
MK-Rubico	Wood products	M. Krüger	2.6			0.0	40.0	120	1992-1994
Orana Vietnam	Production of fruit juice	Orana	1.0	3.0	4.1	4.1	7.1	25	2002-
S.E. Asia Brewery	Brewery	Carlsberg Int.	35.8		31.6		91.0	120	1992-
Scancom Vietnam	Production of furniture	ScanCom International	15.7	25.1	39.0	39.0	78.8	3,300	2003-
Sea Saigon Shipping Co.	Shipping company	Fabricius Rederi		7.4	6.7	6.7	22.0	52	2003-
Topas Eco Lodge	Tourist lodge	Topas		1.4	1.3	1.3	6.1	150	2004-
Watertech Vietnam	GIS services	Watertech	0.2		0.2	0.2	0.8	20	2002-
Total 11 projects			91.5	47.0	111.6	59.0	427.9	4,471	
Yemen									
Muus	Feed mill	Elias B. Muus	0.2	0.5	0.2		1.0	20	1976-1978
Total 1 project			0.2	0.5	0.2		1.0	20	
Total ASIA 249 projects			1,837.2	907.6	2,164.6	1,221.7	27,402.6	51,235	

EUROPE

Malta									
Mellieha	Hotels and restaurants	Dansk Folkeferie	2.5	5.4	7.9		69.0	50	1975-1989
Total 1 project			2.5	5.4	7.9		69.0	50	
Turkey									
Aytac	Food and beverages	APV Engineering	10.4		8.6		466.0	750	1994-2001
DLF-Trifolium	Agriculture and farming	DLF-T	0.3				2.0	8	1994-1995
Ege-Baltica	Insurance	Tryg-Baltica	12.5		9.6		16.0	40	1990-1992
Entas	Agriculture and farming	Korn- og Foderstof Kompagniet/Globe	27.2	1.5	0.5		250.0	230	1984-2002
Golden Dolphin	Hotels and restaurants	DK Turkish Inv.	1.6		1.6		40.0	250	1973-1985
Klimasan	Coolers and freezers	Maskinfabrikken Derby	4.4		4.1		26.3	208	1992-2001
Köytür Integrated Poultry	Agriculture and farming	KFK	14.5	17.4	54.5	54.5	1,730.8	2,700	1988-
Macka Ótelcilik A.S.	Hotel management services	SAS Hotels					38.0	168	2002-
Parlar	Clothing	Minelli		8.8	6.0		26.0	90	1989-1993 *
Radisson SAS Macka Hotel	Hotel management services	SAS Hotels	19.7		1.6	1.6	34.1	1	2002-
Radisson SAS Ortaköy	Hotel with restaurant	SAS Hotels		28.2	28.6	28.6	200.0	250	2004-
Riegens	Production of light fittings	Riegens	1.4		0.8	0.8	5.0	20	1999-
S & Q Mart	Technical services	S & Q Tech	0.3		0.3		2.0	3	1990-2003
ScanBrid	Agriculture and farming	ScanBrid	1.9		1.9		17.7	30	1993-1996
Viking	Pulp and paper products	Papyrus	15.6	15.5	24.0		125.0	200	1969-1986
Total 15 projects			109.8	71.4	142.2	85.6	2,978.9	4,948	
Total EUROPE 16 projects			112.3	76.8	150.1	85.6	3,047.9	4,998	

LATIN AMERICA

*Central America (Regional)

Mærsk Centr. America Fac.	Transport related projects	A. P. Møller-Mærsk		63.0			89.4	0	2001-
Total 1 project				63.0			89.4	0	
Argentina									
Aillinco	Sewage and refuse disposal	Kommunekemi	6.0	18.0	16.2		87.5	81	1994-2000
Dan Austral	Fishing	Norfo		3.4	2.4		10.0	70	1993-1999 *
Euroamérica	Harbour terminal	J. Lauritzen	4.2	9.3	13.7		60.0	20	1992-1998
Palle Westerby	Machinery and equipment	Westconsult	0.9	1.0	1.8		5.0	15	1986-2000 *
PECORSA	Energy production/distribution	Vestas	0.6	0.8	1.3		5.0	3	1993-1999
Total 5 projects			11.6	32.5	35.4		167.5	189	
Belize									
Belize Minerals	Mining	Svend Brorsen	0.6	0.5	1.0		4.0	15	1991-2004
Total 1 project			0.6	0.5	1.0		4.0	15	
Bolivia									
Bera de Bolivia	Fabricated metal products	Paul Bergsøe/EAC	0.6	0.7	1.2		32.0	20	1976-1987
Check Point Latin America	One-Stop-Tour-Operator for LA	Check Point		0.6	0.6	0.6	1.4	12	2004-
Hielo Seco	Chemical industry	Hydrogas Danmark	2.9	1.9	4.2		16.0	25	1989-2002
Total 3 projects			3.4	3.3	6.0	0.6	49.4	57	

Activity/product	Danish Partner(s)	IFU Participation		Total	Total	Total	Employment Persons	Period	
		Shares DKKkm	Loans DKKkm	Disbursed DKKkm	Outstanding DKKkm	Investment DKKkm			
Brazil									
Aalborg Industries	Fabricated metal products	Aalborg Industries	5.8	2.7	9.2		25.0	130	1991-2003
Aalborg Pontin	Fabricated metal products	Aalborg Værft	11.3	1.7	11.3		30.7	80	1978-1984
Bio Nutrientes do Brasil	Production of Serum and Plasma	Sera-Scandia		1.9			3.5	10	2003-
Biotropical	Agriculture and farming	Chr. Hansen	8.5		8.0		13.8	65	1988-1997
Capricórnio Florestal	Nature park	WWF		0.7	0.0		3.7	12	1993-1996 *
Caribersa	Technical Service Provider	Cowi	2.9	0.2	3.2	3.2	8.4	83	2001-
Cáceres Florestal	Forestry	Dalhoff Larsen & Hornemann	10.8	8.6	19.7	15.0	138.0	350	1990-
Danfoss do Brasil	Machinery and equipment	Danfoss					10.0	30	1987-1994
Danfrio	Refrigeration equipment	C.C. Brun Enterprise	5.1	3.0	8.2		10.0	50	1972-1983
Danica Nordeste	Production of coldstore panels	Danica Latin America		1.2	1.2	1.2	0.3	24	2001-
Danica Termointustrial	Machinery and equipment	Per Barke Nevermann		3.6	2.3	1.9	21.5	245	1992-
Design 2000 do Brasil	Furniture	Danish Design Group		7.2			17.0	70	1996-1998
Euro Matic Brazil	Prod. of plastic products	Euro-Matic		2.7	2.6	2.0	11.3	31	2003-
FLS Comercio	Cement machines	FLS Industries	10.6	17.5	35.5		55.0	200	1975-1984
Frio Grande do Norte	Cold Store for Fruits	J. Lauritzen	5.4	5.1	8.9	6.9	19.3	5	2000-
Gerstenberg	Machinery and equipment	Gerstenberg	3.3	0.5	2.6		9.0	4	1989-1996
Glunz & Jensen	Electrical machinery/equip.	Glunz & Jensen International					2.0	25	1983-1983
Grindsted	Food and beverages	Danisco Ingredients	13.3	1.1	8.9		30.0	30	1986-1993
Hartm.-Mapol Montes Claro	Pulp and paper products	Hartmann-Mapol do Brasil			0.0		85.0	100	1997-
Hartmann-Mapol	Pulp and paper products	Brdr. Hartmann	39.4		34.0	34.0	344.4	500	1995-
Hempel Tintas	Paints	Hempel	0.4	0.4	1.2		16.0	50	1970-1976
Kongskilde	Machinery and equipment	Kongskilde	0.8	1.5	2.2		7.0	50	1973-1981
Mapol	Pulp and paper products	Brdr. Hartmann/EAC	11.4	4.9	17.7		57.0	400	1970-1986
Multiwing	Machinery and equipment	F.S. Andersen	2.0		2.0		15.8	10	1979-1987 *
Nordisk do Brasil	Chemical industry	Novo Nordisk	1.8		0.9		5.0	2	1984-1992 *
Nordisk Timber	Wood products	Dalhoff Larsen & Hornemann		9.4	8.8		62.5	151	1994-2001
Sabroe do Bahia	Refrigeration equipment	Sabroe do Brasil					1.0	7	1990-1993
Sabroe Export	Refrigeration equipment	Sabroe do Brasil					0.1	1	1985-1997
Sabroe Marine Service	Refrigeration equipment	Sabroe do Brasil					1.0	25	1991-1993
Sabroe Montagens	Refrigeration equipment	Sabroe do Brasil					1.0	71	1992-1997
Sabroe/York do Brasil	Refrigeration equipment	York Refrigeration	6.2	27.6	46.5		83.0	650	1981-2004
ScanCom do Brasil	Drying/processing of hard wood	ScanCom International		9.1	9.2	9.2	31.5	60	2004-
Sul Americana Refrig.	Refrigeration equipment	Sabroe do Brasil		11.6			39.0	50	1997-1999
Total 33 projects			139.2	122.3	243.9	73.4	1,157.9	3,571	
Chile									
C.A. Holding	Units f/controlled atmosphere	J. Lauritzen	6.2	11.2	17.4	6.7	20.5	20	2000-
CAC	Controlled atmosphere	J. Lauritzen (Chile)					7.4	2	2001-2003#
Copenhagen Smokehouse	Food and beverages	Vendsyssel Denmark	0.7				4.5	40	1996-1999*
Sabroe de Chile	Refrigeration equipment	Sabroe do Brasil		1.8	1.9		2.9	25	1992-1997
Segetrans	Trucking	J. Lauritzen		4.2			13.9	50	1994-1999
Segetrans Transporte	Trucking	J. Lauritzen (Chile)		9.4	10.8		24.5	6	1999-2004
Total 6 projects			6.9	26.7	30.1	6.7	73.7	143	
Colombia									
Cementos Rioclaro	Cement production	FLS Industries	10.4	18.2	13.9		1,000.0	230	1983-1995
Coldin	Fishing	Krüger	1.6				11.2	25	1987-1992*
Plumrose Madrileña	Meat processing	EAC	6.1		5.8		66.0	200	1995-1999
Sabroe de Colombia	Machinery and equipment	Sabroe do Brasil		1.2			2.3	20	1997-1999*
Total 4 projects			18.1	19.4	19.8		1,079.5	475	
Cuba									
DinaCarne	Breeding of pigs	DinaCuba	4.8				22.4	25	2000-2001*
DinaFeed	Feed mill	DinaCuba	1.3				16.0	25	1999-2001*
Rex Car Rental	Car Rental in Cuba	Biludan Gruppen		30.0	25.0	25.0	79.3	100	2003-
Total 3 projects			6.0	30.0	25.0	25.0	117.7	150	
Dominican Rep.									
Indulac	Dairy	Emidan	2.7	1.9	4.1		21.0	110	1971-1978*
Sera Scandia Domicana	Production of Plasma and Serum	Sera-Scandia		0.6	0.6	0.6	9.3	17	2003-
Total 2 projects			2.7	2.5	4.6	0.6	30.3	127	
Ecuador									
Dan Química	Chemical industry	Rustfri Staalmontage	17.1	55.3	73.2		80.0	70	1979-1998
Ecudina	Agriculture and farming	Holsted Tørrestation	5.1	17.3	21.7		26.7	20	1980-1986
PECS-DESMI	Oil pit cleaning	De Smithske		3.3	0.0		13.2	46	1996-1998
Scanform	Construction	Scan-Form	0.1				1.0	5	1980-1981*
Total 4 projects			22.3	75.9	94.8		120.9	141	
Guatemala									
Cementos Progreso	Cement	FLS Industries		29.8	33.9		855.0	700	1997-2002
Total 1 project			0.0	29.8	33.9		855.0	700	
Guyana									
Guyabreed	Agriculture and farming	Cerekem	2.4	10.7	18.0		35.0	15	1987-1995 *
Total 1 project			2.4	10.7	18.0		35.0	15	

Activity/product	Danish Partner(s)	IFU Participation		Total Disbursed	Total Outstanding	Total Investment	Employment	Period	
		Shares	Loans						
		DKKm	DKKm	DKKm	DKKm	DKKm	Persons		
Jamaica									
Golf Beach	Hotels and restaurants	H. Hansen & P. Pedersen	0.2	2.5	2.5	5.0	50	1970-1978 *	
Total 1 project			0.2	2.5	2.5	5.0	50		
Mexico									
Alta Tecnologia	Dairy	Niro de Mexico	9.9	12.5	22.5	39.2	107	1994-1999	
Biblomodel	Furniture	B.C Inventar	5.5		3.7	27.0	181	1981-2002	
Carpur	Feed lot	Niro de Mexico	2.5		1.0	25.0	70	1993-2004	
Danfoss de Mexico	Compressors	Danfoss		49.9	52.5	575.0	800	1996-2004	
Goodman Loudspeakers Mex.	Production of speakers	T.C. Electronic		13.2	6.1	30.0	81	2002-	
La Campiña	Dairy	GEA Niro	10.3		9.6	95.0	270	1988-1991	
Lacpur	Dairy	Niro de Mexico	7.8	12.7	19.5	42.9	70	1993-2004	
Monica's Food	Dairy	Niro de Mexico	10.3	5.8	16.1	27.9	108	1994-1999	
Nordisk de Mexico	Chemical industry	Novo Nordisk	1.8		1.7	5.0	15	1984-1988 *	
Palmex	Food ingredients	Palsgaard Industri	3.1		1.1	6.0	11	1996-2004	
Pescado Chiapas	Fishing/fish processing	Atlas-DK	6.5		1.3	240.0	650	1982-1984 *	
Prolac	Dairy	Niro de Mexico	4.9	6.1	11.1	19.4	73	1995-2001	
Rosti de Mexico	Plastic products	Rosti		67.9	50.2	12.4	141.5	300	1998-
Roulunds Mexico	Fabrication and sale of rubber	Codan Gummi		24.4	23.4	14.8	80.0	100	2001-
Sabroe de Mexico	Refrigeration equipment	Sabroe do Brasil		1.3	1.4	2.0	20	1991-1999	
Santa Lucía	Vegetable oil refinery	Aarhus United		24.1	25.4	239.0	300	1992-2002	
Total 16 projects			62.8	217.9	246.5	27.2	1,594.9	3,156	
Nicaragua									
ENISA	Wind mill farm	No Danish partner		0.4	0.4	0.4	0.6	5	1998-
Total 1 project				0.4	0.4	0.4	0.6	5	
Panama									
Mærsk Jupiter	Oil exploration	A. P. Møller-Mærsk		26.7		85.7	25	1994-1999	
Mærsk Mercury	Oil exploration	A. P. Møller-Mærsk		20.7		110.7	25	1994-1999	
Mærsk Sirius	Oil exploration	A. P. Møller-Mærsk		39.5	38.2	202.0	250	1997-2000	
PECS-DESMI Hold.	Oil pit cleaning	De Smithske		1.7	0.9	6.8	3	1996-1998 #	
Pedregal Power Co.	Thermal Electricity Plant	BWSC	0.1	26.7	24.6	24.6	423.6	50	2001-
Total 5 projects			0.1	115.2	63.7	24.6	828.8	353	
Paraguay									
Cesusa	Brewery	Carlsberg Int.	12.0	0.2	11.7	70.0	91	1990-1996	
Total 1 project			12.0	0.2	11.7	70.0	91		
Peru									
Agroindustria Danper	Agriculture and farming	Wiik & Co.	0.1			1.0	50	1985-1988	
Danper Trujillo	Asparagus processing	AHB Holding	2.1	22.3	24.1	17.5	86.5	300	1991-
Fima	Machinery and equipment	Atlas-Stord		8.6	8.6	6.4	266.3	500	1999-
PAMIAL	Procurement of guarantees	Alfa Laval	0.0			31.6	5	2000-2002 *	
Sabroe de Peru	Refrigeration equipment	Sabroe do Brasil				1.3	5	1995-1997	
Segetrans Peru	Trucking of fruit a.o.	J. Lauritzen	0.5	2.2	2.7	2.0	5.8	20	2000-
Total 6 projects			2.7	33.1	35.4	26.0	392.5	880	
Uruguay									
Astra	Fishing/fish processing	J. Lauritzen	14.9	26.2	29.4	10.6	280.0	1,200	1982- *
Cosmos Trawl	Production of trawls	Cosmos Trawl/Randers Reb		0.3	0.3		1.9	4	1999-2003
Gley	Cheese powder	Lactosan		5.0	4.5		20.0	10	1991-1996
Mvd Int. Container Term.	Port terminal	A. P. Møller-Mærsk		38.9			193.0	80	1998-2000 *
Oceanica	Fish processing	J. Lauritzen					10.0	600	1987-1991
Total 5 projects			14.9	70.4	34.2	10.6	504.9	1,894	
Venezuela									
AFI	Pig breeding	Plumrose Latinoamericana	15.5		17.1		39.2	42	1998-
Bioven	Production of Hemoglobin	Sera-Scandia		3.3			20.5	81	2004-
Haustrup Venezolana	Fabricated metal products	Rexam Holding	6.6	5.7	6.6		84.0	105	1980-1994
PECS-DESMI-CPVEN	Oil pit cleaning	De Smithske					0.7	5	1997-1998 #
Plumrose Latinoamericana	Processed meat products	EAC		40.1	41.3		143.3	3,000	1996-
Total 5 projects			22.1	49.2	65.0		287.7	3,233	
Total Latin America 104 projects			328.0	905.1	971.8	195.1	7,464.6	15,245	
GRAND TOTAL 528 PROJECTS			2,944.2	2,959.5	4,465.9	1,958.7	55,069.5	99,995	

IFU participation is the accumulated sum in DKK of IFU'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 IFU's participation has been terminated. Consequently, the figures for IFU'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 7 and 8 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

Danish International Investment Funds

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

- 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)
- IØ in Central and Eastern Europe and in the Asian part of the former Soviet Union
- IFV in developing countries with a per capita income above the IFU limit (IFV has stopped making new investments)

European cooperation


IFU, IØ 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 cooperation and to safeguard common interests in relation to the European Commission and its institutions, including the European Investment Bank (EIB). EDFI website: www.edfi.be





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(Leave of absence from IFU till 30 June, 2005)

