

## **An analysis of venture capital investments in Small and Medium-Sized enterprises**

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### **ABSTRACT**

*First, I am going to summarise institutional framework of private equity financing, because changes have taken place in this structure of financing SMEs recently. Out of state private equity funds, the company Small Business Development Co. Ltd. (KVFP Zrt.) provides sources of investment of significant values and sums to SMEs, so I am going to analyse its investments realised up to 6 September 2007 and comment on the findings. Although the report on KvFP Zrt's current capital investment programme evidently justifies that the company's capital investment activities are needed with respect to the sound development of both SMEs and the domestic capital market, it would still be necessary to boost private equity investments.*

(Keywords: venture capital, institutional structure, small and medium-sized enterprises, analysis, investments)

### **A kis- és középvállalkozásokat finanszírozó kockázati tőkebefektetések analízise**

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### **ÖSSZEFOGLALÁS**

*A tanulmányban először áttekintésre kerül a kockázati tőkefinanszírozás állami intézményi kerete, ugyanis az utóbbi időben változások következtek be a kis- és középvállalkozásokat finanszírozó intézményi struktúrában. Az állami kockázati tőketársaságok közül a Kisvállalkozás-fejlesztő Pénzügyi Zrt-nél történt meghatározó számban és nagyságrendben kkv-kba történő befektetés, így ezt követően ezen társaság 2007. szeptember 6-ig megvalósult befektetési portfóliójának vizsgálatával foglalkozom és fogalmazom meg megállapításaimat. Bár a KvFP Zrt. jelenlegi tőkebefektetési programjának notifikációja egyértelműen alátámasztja azt, hogy a Társaság tőkebefektetési tevékenységére szükség van mind a kkv-k mind a hazai tőkepiac egészséges fejlődése szempontjából, továbbra is szükséges a kockázati tőkebefektetések ösztönzése.*

(Kulcsszavak: kockázati tőke, intézményi struktúra, kis- és középvállalkozások, analízis, befektetések)

### **INTRODUCTION**

Private equity financing is little known. A general problem is that enterprises do not know either private equity financing or the financing institutions, so this form of

financing should get wider publicity. The most important role of private equity financing from the point of view of enterprises is to make a contribution to their equity with the help of capital reconstruction and to ensure in this way that companies may finance growth, development and expansion (investments, job creation etc.). Private equity could participate more efficiently in achieving investments of higher volumes, in creating more added value and additional benefits if own resources increased by the capital injection could be combined with material credit facilities.

## **MATERIALS AND METHODS**

This study is based primarily on primary research. Qualitative and quantitative personal interviews have been used to collect primary information, and besides the Small Business Development Co. Ltd. made available its documents. Among the factors that describe mostly the investments; I analysed the followings: the number of clients' inquires and applications, the sectoral distribution of investments, the development of specific indicators, the relationship between types of enterprises and the amount of capital requested, exits and the position of other investments. The background of the secondary data processing or desk research was factual knowledge of material of the internet and of the scientific conferences.

## **RESULTS AND DISCUSSION**

### **The state institutional framework of private equity financing**

The Hungarian Development Bank was forced to set up cooperation with the institutions set forth in an Order<sup>1</sup> until 31 December 2006 regarding the issue of awarding more financing to SMEs as loans and in other forms of financing from domestic and EU funds. In accordance with this Order, *MAG – Hungarian Economic Development Centre* – was established through the integration of four state-controlled institutions<sup>2</sup> that participated in the implementation of Economic Competitiveness Operational Programme and National Development Plan 1. This institution deals with the mediation of all financial instruments paid out from state funds to develop enterprises and is consequently involved in the developing and financing SMEs. It participates in the Economic Development Operational Programme, manages the tasks of the Central Hungary Operational Programme and carries on the obligations having resulted from Economic Competitiveness Operational Programme. MAG is not primarily motivated to generate a profit, but market-oriented considerations are also considerable (An economic development centre has been established (*MTI*, 2007; *MAG*, 2007)).

*MFB Invest Zrt.* was established in November 2006 through the integration of several institutions<sup>3</sup> too and it is in MFB's ownership in 100%. In the short run, the

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<sup>1</sup> The government adopted a resolution on establishing entrepreneurial tasks for banks and development institutions to facilitate the development of small and medium-sized enterprises (SMEs) in its Order No. 2052/2006. (III.20.).

<sup>2</sup> Hungarian Development Bank Nonprofit Directorate, Hungarian Nonprofit Organisation for Enterprise Promotion, IT Information Society Nonprofit Organisation and partly Office for Research and Development, Tendering and Research Utilisation, (The Annual Report of the Hungarian Development Bank (as of 2006) [online])

<sup>3</sup> State Property Development and Investment plc. and the organisation of MFB dealt with development capital and private equity financing

developmental and private equity financing activities of the MFB banking group is going to be merged, which practically means that they deal with the portfolio management (asset management) companies taken over from the Corvinus Group and invest money directly from their own resources for 3-5 years. Besides these, they also step up the use of other forms of financial resources and rendering professional (financial, strategic and management) services. Besides these, this institution does not finance the SME sector since it is striving to provide funding for medium-sized and large enterprises as its investment targets, which is higher than the one required by SMEs (*MFB Invest Zrt.*, 2007).

Thus, MFB Invest Zrt. is leaving SME financing and it was undertaken by Venture Financing Hungary Co. Ltd. with a different approach as of 6 July 2007. It is in MFB ownership in 100% and represented by the directors of state institutions dealing with SME financing (MAG Zrt., Corvinus Zrt.). This is a financial company dealing with granting repayable financial instruments to SMEs as determined in Economic Development Operational Programme and managing domestic and EU funds, the holding fund of the JEREMIE-Programme<sup>4</sup> available from 2007 to 2013 facilitating SMEs' access to external financing. Guaranteeing loans is its main scope of activities, but it is also involved in not for profit micro credit and private equity financing programmes acting as an intermediary for National Development Agency.

Four *further state-owned private equity funds* deal with private equity financing:

- IT Venture Capital Fund Management Co. Ltd.
- Supplier Investment Co. Ltd.
- Corvinus Venture Capital Fund Management Co. Ltd., Corvinus International Investment Co. Ltd.
- Small Business Development Co. Ltd.

### **Portfolio analysis at a state private equity fund**

Of the state private equity funds mentioned in the first part of this study, *Small Business Development Co. Ltd.* (henceforth abbreviated as KvfP) provides sources of investment of significant values and sums to SMEs, so now I am going to analyse its investments realised up to 6 September 2007. (As per interviews given by *Katalin Viczainé Papp* (2007), the tax and investment expert of a company dealing with advising investors and SMEs and documents made available by KvfP Zrt.) The rising number of applications submitted to the Company for private equity capital suggests that KvfP is increasingly known as a private equity fund among SMEs. Besides, the growing proportion of presented and positively considered applications may imply that SMEs look for resources with a more thorough preparation.

KvfP gets about 150-200 applications for capital a year, which also includes clients' inquires (inquiry by phone, participation in discussions, etc.). Of these, about 60-80 applications are documented in the company's system, while the other enterprises retire. For example, KvfP sent 67 information letters (including refused and accepted

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<sup>4</sup> Joint European Resources for Micro to Medium Enterprises. JEREMIE is a joint initiative of the European Commission, the European Investment Bank and the European Investment Fund (EIF) to improve SMEs' access to financing from the Structural Funds of the EU. The aim of EIF is to encourage micro, small and medium-sized enterprises to use repayable rather than non-repayable sources of financing in the forms of loans, equity, venture capital and guarantees (European Investment Fund, JEREMIE, [online]).

applications) to enterprises based on the pre-qualification forms received in 2006 while in 2007, up to the above-mentioned date there were already 69. Of last year's 67 applications, 15 transactions were realised (22.4%) and consequently, 52 were not (77.6%). About half of the latter was immediately rejected (in general the project objective or the enterprise did not fit in with the regulations) and the other contracts were not concluded due to the claimants' default (e.g. inadequate capital structure, lack of collateral, etc.) These enterprises could not perform the obligations undertaken thereby - in their data sheets or contracts, etc. - and their capital was not increased.

### **The sectoral distribution of investments**

Kvfp. had financed 44 enterprises in the amount of HUF 2734.86 m up to 6 September 2007 (together with already realised exits). The capital was provided to enterprises in various sectors (*Table 1*). Most of it was invested in tourism and catering, but a significant part was given for the development of engineering, the food industry and producing packaging materials. Considering the number of enterprises financed by private equity, we get the same sectoral order<sup>5</sup>. The calculated specific indicator (invested capital in any enterprise) leads to a somewhat different sectoral order, which is mostly due to the realisation of one, or two projects realised in the given sectors (see also *Annex 4*).

When we analyse the relationship between sectoral specification and the amount of invested capital by variance analysis<sup>6</sup>, we can state that belonging to a given sector of the economy explains the deviation, variedness of the invested capital in 25.4 per cent ( $H^2$ ) while other factors do so in 74.6 per cent. The relationship between the two criteria is stochastic ( $0 < H^2 < 1$ ) and the correlation between the two ( $H = 0.50395$ ) is average ( $0.4 < H < 0.7$ ).

Based on a survey of Kvfp's Annual Reports, we can establish that the total sum of positive investment and risk taking decisions on requested capital taken by the company may significantly be higher than amount stated in the company's balance sheet that is the capital disbursed (*Annex 1*). The reason for this is the amount of time required for documenting the investment process and for legal and proprietary procedures and activities related to registration by court. Since the increase of capital (that is the disbursement) can only happen after the requirements under the contract are satisfied by the company (e.g. executing of contracts on collateral, submitting the requested company documents). For example, in 2007, until 6 September undertakings of HUF 397.5 m had been assumed related to four enterprises. Two of which are active in the engineering sector, one in trade and one in the food industry. The above-referenced sectoral emphases are still valid, however, (*Annex 2*) while only a slight realignment can be noticed in the order of the percentages of enterprises requesting capital<sup>7</sup>.

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<sup>5</sup> tourism, catering and engineering – 15.9%, food and packaging industry – 11.4%

<sup>6</sup>  $H^2 = \frac{\sigma^2_K}{\sigma^2}$ ;  $\sigma^2_K = \frac{(\bar{x}_j - \bar{X})^2}{N}$ ;  $\sigma^2 = \frac{(x_{ij} - \bar{X})^2}{N}$

<sup>7</sup> The order of the important sectors of the economy is: tourism and catering, food industry, engineering, packaging. The order of the percentages based on the number of the enterprises requesting capital: engineering (18.8%), tourism and catering (14.6%), food industry (12.5%), packaging (10.4%).

**Table 1****The distribution of KvfP's investments paid until 6 September 2007 as per sectors of the economy (exits included)**

Sectors of the economy (1)	The distribution ratio of invested capital (%) (2)
Data-handlings (3)	3.6
Packiging (4)	11.4
Foods (5)	12.2
Machining (6)	14.1
Tourism, food and beverage services (7)	21.1
Computers and communications (8)	4.8
Ceramics (9)	2.9
Trade (10)	4.9
Environment (11)	5.1
Education (12)	1.7
Wood products (13)	5.8
Medical instruments (14)	4.8
Chemicals (15)	0.9
Other (16)	3.7
Transportation (17)	1.8
Medical products (18)	1.3
Total (19)	100.0

Source (*Forrás*): Based on KvfP documents (*KvfP. nyilvántartásai*)

*1. táblázat: A KvfP. pénzügyileg kihelyezésre került befektetési portfóliójának ágazati megoszlása 2007. szeptember 6-áig (exitekkel együtt)*

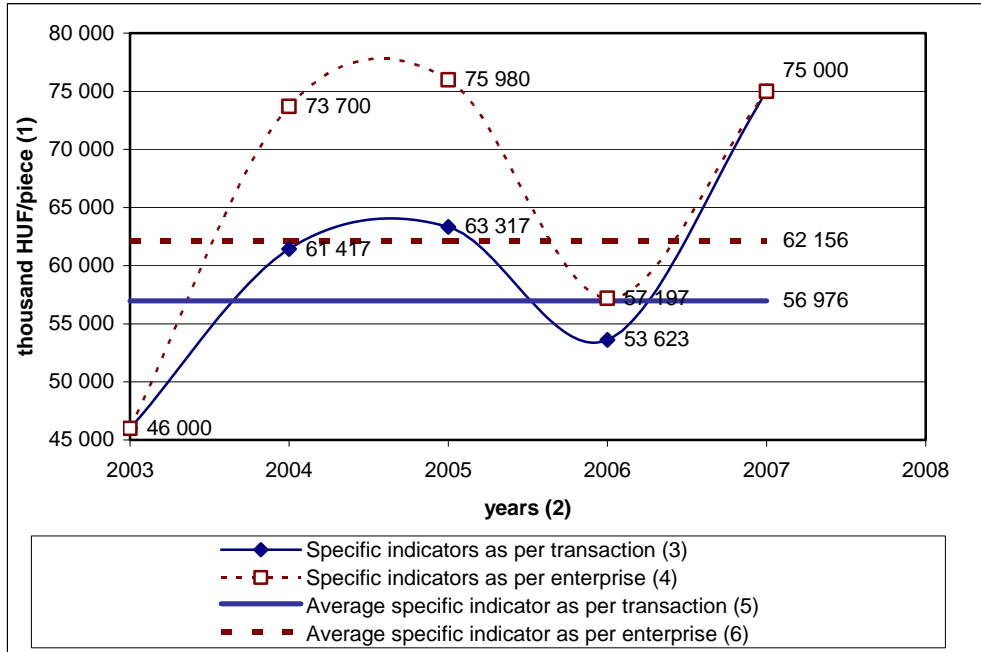
*Ágazat(1), Befektetett tőke megoszlása(2), Adatkezelés(3), Csomagolóanyaggyártás(4), Élelmiszeripar(5), Gépipar(6), Idegenforgalom, vendéglátás(7), Informatika, távközlés(8), Kerámiagyártás(9), Kereskedelem(10), Környezetvédelem(11), Oktatás(12), Faipar(13), Orvosműszergyártás(14), Vegyipar(15), Egyéb(16), Fuvarozás(17), Gyógytermékgyártás(18), Összesen 19)*

**Development of specific indicators**

In four of the investments, capital was increased in two phases to finance new projects, which asked for concluding new contracts and determining new terms for the second financing in each case (*Annex 2*). Of these, one has already reached the exit stage when the complete KvfP share was paid back in one sum despite the different maturities. Because of the subsequent claims for capital, the amount of invested capital as per enterprise in a certain year is higher than the value per transaction in several cases (*Figure 1*). So average investment size per enterprise (HUF 62 156 thousand/enterprise) calculated for the whole analysed period is higher by HUF 5 180 thousand than the figure per transaction.

Figure 1

The development of the relative ratio of intensity calculated with KvFP's capital invested and paid in a given year up to 06. 09. 2007 (thousand HUF/piece)



Source (Forrás): Based on KvFP documents (KvFP. nyilvántartásai)

I. ábra: A KvFP. adott évi pénzügyileg kihelyezett befektetéseiből számított éves intenzitási viszonyszámok alakulása 2007. szeptember 6-ig (e Ft/db)

Ezer Ft/db(1), Évek(2), Fajlagos befektetés ügyletenként(3), Fajlagos befektetés vállalkozásonként(4), Átlagos fajlagos befektetés ügyletenként(5), Átlagos fajlagos befektetés vállalkozásonként(6)

The trend of the amounts of specific indicators shows a marked increase in 2006. However, we must be aware of the fact that the highest amount was invested in that year when the four business years are considered, with the highest number of enterprises (15) and transactions (16) was financed (see also Annex 3).

The specific investment data range in a wide scale and show a significant deviation both in terms of transactions and enterprises (Table 2). This fact is determined mainly by sectoral specification and the size of the projects to be implemented. Since if we also examine the deviation indicators of investment sizes per enterprise one by one as per sectors of the economy, we can see that the individual data show a less significant deviation in the majority of economic sectors (Annex 4). The higher deviation values per transaction are due to the subsequent requests for capital submitted by the above-mentioned enterprises that are of significantly smaller amounts than average investment sizes.

Table 2

**The deviation indicators of average investment sizes calculated with KvfP's capital invested and paid in a given year up to 06. 09. 2007 (thousand HUF/piece)**

Deviation indicators <sup>8</sup> (1)	Range of deviation - R (2)	Average margin - $\delta$ (3)	Deviation - $\sigma$ (4)	Relative deviation - V (5)
	thousand HUF (6)		%	
Per transaction (7)	82 000	22 308	25 797	45.3
Per enterprise (8)	75 600	22 516	24 817	39.9
Comments (9)	the range of deviation of the data (10)		the average margin of data as compared with the mean expressed in thousand HUF and percentage (11)	

Source (Forrás): Based on KvfP documents (KvfP. nyilvántartásai)

2. táblázat: A KvfP. 2007. szeptember 6-ig pénzügyileg megvalósult befektetéseit érintően számított átlagos fajlagos befektetési méreteire vonatkozó szóródási mérőszámok

Szóródási mérőszámok(1), Szórási terjedelem(2), Átlagos eltérés(3), Szórás(4), Relatív szórás(5), Ezer Ft(6), Ügyletenként(7), Vállalkozásonként(8), Értelmezés(9), Az adatok szóródási tartománya(10), Az adatok átlagtól vett eltérése e Ft-ban és %-ban kifejezve(11)

### The relationship between types of enterprises and the amount of capital requested

In connection with the classification enterprises as per SME (as per Act XXXIV of 2004 on Small and Medium-Sized Enterprises and aid for their development) categories, we can find 9 enterprises in the category of micro enterprises, the majority (33 peaces) in the category of small enterprises and two in the category of medium-sized enterprises when private equity was awarded to them. With the help of the invested capital two enterprises could climb to the next category with stricter criteria (one micro enterprises has become a small one and one small enterprise has entered the category of medium-sized enterprises).

When we analyse the relationship between the classification of enterprises as per SME categories and the amount of invested capital by variance analysis, that belonging to a given sector of the economy explains the deviation, variedness of the invested capital in 3.52 per cent ( $H^2$ ) while other factors do so in 96.48 per cent. The relationship may be called stochastic ( $0 < H^2 < 1$ ) and its correlation can be considered ( $H = 0.18758$ ) loose ( $0.4 < H < 0.7$ ) which after all indicates a lack of relationship. This result is also justified by that the distribution ratios of invested capital to the number of enterprises in the given categories possess almost the same value (Table 3).

<sup>8</sup>  $R = x_{\max} - x_{\min}$ ;  $\delta = \frac{|x_i - \bar{x}|}{N}$ ;  $\sigma = \sqrt{\frac{(x_i - \bar{x})^2}{N}}$ ;  $V = \frac{\sigma}{\bar{x}}$

**Table 3**

**KvfP's investments paid until 6 September 2007 as per SME classification  
(exits included)**

<b>SME classification (1)</b>	<b>Number of enterprises (piece) (2)</b>	<b>Distribution ratio of the number of enterprises (%) (3)</b>	<b>Invested capital (thousand HUF) (4)</b>	<b>Distribution ratio of the number of invested capital (%) (5)</b>
Micro enterprises (6)	9	20.5	503 000	18.6
Small enterprises (7)	33	75.0	2 041 860	74.7
Medium enterprises (8)	2	4.5	185 000	6.8
Total (9)	44	100.0	2 734 860	100.0

Source (*Forrás*): Based on KvfP documents (*KvfP. nyilvántartásai*)

*3. táblázat: A KvfP. 2007. szeptember 6-áig pénzügyileg kihelyezett befektetési portfóliójának adatai vállalkozói kategóriák szerint (exitekkel együtt)*

*Vállalkozói kategória(1), Vállalkozások száma (db)(2), Vállalkozások számának megoszlása (%) (3), Befektetett tőke (e Ft)(4), Befektetett tőke megoszlása (%) (5), Mikrovállalkozások(6), Kisvállalkozások(7), Középvállalkozások(8), Összesen(9)*

**Exits and the position of other investments**

The amount of HUF 667 m has been paid back to KvfP in full by 10 enterprises, which is 24 per cent of the capital dispersed. The majority of exits has been realised by buy backs realised by the original owners (not always by all) and in some cases by the company<sup>9</sup>. Companies were limited in applying the latter activity because repurchasing own shares (business shares) is limited because it may be realised from the capital (authorized capital) in excess of the subscribed capital (for the debit of provisions and balance sheet profit) while in the case of joint-stock companies own shares may only be purchased up to 10 per cent of the equity and both joint-stock and limited liability companies may keep their own shares in their possession for one year after purchasing them (see Paragraphs 135 and 223-230 of Act IV of 2006 on Business organisations). (The majority of the enterprises, 80 per cent that is 35 companies requesting capital operate as limited liability companies). Purchasing business shares by third parties or firms is subjected to conditions both with regard to the original owners and KvfP. The former may be realised upon the consent of KvfP and upon granting the right to sell under the same conditions and the latter may be realised in the last resort in the scope of KvfP's right to purchase.

The average term of buying back in connection with the total exits realised less than 3 years, though individual data show a significant deviation also here.

<sup>9</sup> The method of exit indicated above resembles Management Buy Out (MBO) of the possibilities open to venture capitalists to terminate their investments, but it doesn't cover its original meaning completely, because it is sometimes carried out by the managers (rather mainly by the founders or sometimes by the companies themselves) and does not carry the original economic content (e.g. motivation), but appears with a right to buy and is backed by obligations.



The Cooperation contract contains the buyout right – purchase option - open to either the invested companies or their original owners. The average term of buyback of less than 3 years is caused by the fact that under this contract any party concerned (the company or the original owners) has the right to buy back the capital increase subscribed by KvfP at any time within the term of the purchase option which is 57 months in the case of the 5 years' term and 33 months in the case of the 3 years' term. The buyout is effected at the purchase price calculated with the formula current day's BUBOR + x% based on the partial period. The right indicated above has been exercised by enterprises in many cases of exits too.

Buying prior to the stated date (3 or 5 years) may happen for several reasons. On the one hand, the company might wish to realise further projects for which subsequent loans are required and the bank or other company providing the loan will also finance buying out KvfP's share as well. The other reason is the further sale of the invested company. There are cases when the owner or the company decides to carry out the buy out, because it has piled up profit reserves, the company policy is changing or can access cheaper funds. The listed reasons have largely contributed to realising partial buyouts in the case of various investments (in the case of 6 enterprises representing 5 sectors in the value of HUF 169.214 m in total).

The increase in the number of partial buyouts may result from the fact that apart from the option right, contracts have also set forth an obligation to buy for the past two years as well, which is to be exercised by the company typically from the third year on at the par determined yearly. Both the company and the original owner have joint and several liability to perform this purchase obligation. In the case of joint-stock companies, buying is carried out by that either the company or its original owners announce in a written form what face value they want to exercise their right to buy at and remit the money simultaneously. In the case of limited liability companies the member's meeting needs to discuss - if there are several original owners – and divide the divide KvfP's business shares beforehand into a part they wish to purchase and the remaining part (so in this way two shares are created temporarily).

Considering the total of the investment portfolio of KvfP, there have been one instance in which liquidation was started against a target company as early as in the year of making the loan available. Since the given company has no history, its former management could not be evaluated. The unfavourable trend was made even more difficult by that a loss of market has also occurred regarding the activities of the company and the market opportunities of the parent company were also lost. In cases like these just a portion of the share might be expected to return so a large part of this is expected to be written off as depreciation. KvfP exercised its right to sell in two companies. In one of these cases the company had not purchased the business share of KvfP at all and in the other case the original owner had not purchased it in full. In these latter cases, however, we can expect some return since the collaterals prove to be sufficient. The three cases make up 8% of total settled payment of capital, the amount expected to be written off as depreciation is 2.2% (credit institutions usually count with a loss of 3-4%).

### **Suggestions and future trends**

With regard to the private equity part of capital investments an EU regulation<sup>10</sup> came into force in 2006 stating that capital investments and the share of equity funds shall

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<sup>10</sup> The European Committee in 2006 revised the provisions of the Community Directive (HL 2001/C 235/03) on venture capital supports effective from 2001 and in August 2006 it announced the community directive on state subsidies meant to promote venture capital investments in small and medium-sized enterprises.

include a private equity share of 30%. KvfP Zrt. was exempted from the application of this regulation temporarily. The continuation of the capital programme is ensured through the notification of the company, which included the examination and approval of the principles and rules of operation of the programme by the European Commission's Directorate General for Competition. This derogation allows for the inspection of investment return expectations, consequently, working out more favourable investment facilities for potential private equity investors and through them, involving further private equity co-owners or co-financing<sup>11</sup>. In accordance with EU criteria the marge applied in pricing was modified – thus it is easier to indicate larger risks -, and the range of eligible economic sectors has also been limited<sup>12</sup>.

The company's further operation beyond 31 December 2013 shall require further notification.

The notification of KvfP Zrt's current capital investment programme evidently justifies that the company's capital investment activities are needed both with respect to the sound development of SMEs and domestic capital market. KvfP, as a major player of domestic capital investment market, intends to participate in the life of the Hungarian economy within the field of enterprise development with undiminished energy.

In order to increase the number of investments the role of publicity and advertising would be significant should be played a greater part, that is, this form of financing should get a wider publicity because it is a general problem that enterprises do not know either private equity financing or the financing institutions. Last but not least, it would be necessary to reach an economic stability and to improve the regulatory environment, in which inflation, interest rate fluctuations, the increase of the tax burden, the complexity of legal regulations cause more and more unforeseeable circumstances for the enterprises. This year SMEs are in a rather difficult situation (due to rising utility fees, tax modifications, etc.), which is also confirmed by the recently published statistical data on dissolution and liquidation of businesses. Banks play a major role in increasing the number of investments realised because projects generally involve loans as well.

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<sup>11</sup> In the seven-member supervisory board of KvfP Zrt, the representatives of owner banks are overrepresented in proportion to their ownership shares (2 members) so the owners representing private equity already play a central role in the investment and decision-making policies of the Company.

<sup>12</sup> metal industry, coal mining, ship building

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**ANNEXES**

**Annex 1**

**KvfP's investments in the given year until 6 September 2007**

Years (1)	Number (piece) (2)	Total sum (million HUF) (3)	Number (piece) (4)	Total sum (million HUF) (5)
	of KvfP's investments in the given year (6)			
	according to the date of the concluding of the contract (7)		according to the date of the settled payment (8)	
2003	14	725	10	460
2004	8	682.5	10	737
2005	5	301.4	5	379.9
2006	14	775.96	15	857.96
2007	3	250	4	300
Total (9)	41	2734.86	44	2734.86

Source(*Forrás*): Based on KvfP documents (*KvfP. Nyilvántartásai*)

Remark: In four of the investments, capital was increased subsequently in years other than the contracting year. This subsequently increased capital is not included in the number of investments once more but they are added to the total sum of the following year. (*Megjegyzés: 4 Társaság esetében pótlólagos tőkeemelésre került sor - az eredeti szerződéskötéshez képest eltérő évben; ezeket a pótlólagos tőkeemeléseket a befektetések számánál újból nem kerültek megjelölésre, csak a következő évi összértékhez kerültek hozzáadásra.*)

*1. Melléklet: A KvfP adott évi 2007. szeptember 6-ig megvalósult befektetései*

*Évek(1), Száma (db)(2), Összértéke (millió Ft)(3), Száma (db)(4), Összértéke (millió Ft) (db), a KvfP adott évi befektetéseinek(6), A szerződéskötés időpontja alapján(7), A pénzáttalás időpontja alapján(8), Összesen(9)*

## Annex 2

**The distribution of KvfP's investments paid and undertakings until 6 September 2007 per sectors of the economy (exits included)**

<b>Sectors of the economy (1)</b>	<b>The distribution ration of invested capital and undertakings (%) (2)</b>
Data-handlings (3)	3.1
Packiging (4)	10.0
Foods (5)	13.8
Machining (6)	12.3
Tourism, food and beverage services (7)	24.8
Computers and communications (8)	4.2
Ceramics (9)	2.6
Trade (10)	7.5
Environment (11)	4.4
Education (12)	1.5
Wood products (13)	5.1
Medical instruments (14)	4.2
Chemicals (15)	0.8
Other (16)	3.2
Transportation (17)	1.6
Medical products (18)	1.1
Total (19)	100.0

Source(*Forrás*): Based on KvfP documents (*KvfP. Nyilvántartásai*)

2. Melléklet: A KvfP. pénzügyileg kihelyezésre került befektetési portfóliójának és kötelezettségvállalásainak ágazati megoszlása 2007. szeptember 6-áig (exitekkel együtt)

*Ágazat(1), Befektetett tőke és kötelezettségvállalás megoszlása(2), Adatkezelés(3), Csomagoló-anyaggyártás(4), Élelmiszeripar(5), Gépipar(6), Idegenforgalom, vendéglátás(7), Informatika, távközlés(8), Kerámiagyártás(9), Kereskedelem(10), Környezetvédelem(11), Oktatás(12), Faipar(13), Orvosműszergyártás(14), Vegyipar(15), Egyéb(16), Fuvarozás(17), Gyógytermékgyártás(18), Összesen(19)*

### **Annex 3**

#### **The characteristics of KvfP's investments based on the year of disbursement**

<b>Years (1)</b>	<b>Settled payment of capital (thousand HUF) (2)</b>	<b>Number of transactions (piece) (3)</b>	<b>Number of enterprises (piece) (4)</b>	<b>Specific investment (thousand HUF/piece) (5)</b>	
				<b>per trans- action (6)</b>	<b>per enterprise (7)</b>
2003	460 000	10	10	46 000.0	46 000.0
2004	737 000	12	10	61 416.7	73 700.0
2005	379 900	6	5	63 316.7	75 980.0
2006	857 960	16	15	53 622.5	57 197.3
2007	300 000	4	4	75 000.0	75 000.0
Total (8)	2 734 860	48	44	56 976.3	62 155.9

Source(Forrás): Based on KvfP documents (*KvfP. nyilvántartásai*)

*3. Melléklet: A pénzáttalás időpontja alapján a KvfP. adott évi befektetéseinek jellemzői*

*Évek(1), Pénzügyileg átutalt befektetés (e Ft)(2), Ügyletek száma (db)(3), Vállalkozások száma (db)(4), Fajlagos befektetés (e Ft/db)(5), Ügyletekre vonatkozóan(6), Vállalkozásokra vonatkozóan(7), Összesen(8)*

## Annex 4

The deviation indicators of specific indicators per enterprise calculated with KvfP's capital invested and paid in a given year up to 06. 09. 2007 as per sectors of the economy (exits included)

Sectors of the economy (1)	Investments (2)	Specific indicators (3)	Deviation indicators <sup>13</sup> (4)			
			Range of deviation (R) (5)	Average margin ( $\delta$ ) (6)	Deviation ( $\sigma$ ) (7)	Relative deviation (V) (8)
			Piece (9)	thousand HUF/enterprise (10)		
Data management (11)	1	98 000	0	0	0	0.0
Packaging (12)	5	62 400	60 000	24 880	25 866	41.5
Food industry (13)	5	67 000	45 000	16 400	17 776	26.5
Engineering (14)	7	55 194	75 600	17 032	22 115	40.1
Tourism and catering (15)	7	82 429	55 000	19 959	22 225	27.0
Computers and telecommunications (16)	2	65 000	50 000	25 000	25 000	38.5
Ceramics (17)	1	80 000	0	0	0	0.0
Trade (18)	3	44 667	15 000	6 444	6 848	15.3
Environment (19)	2	69 500	41 000	20 500	20 500	29.5
Education (20)	1	46 000	0	0	0	0.0
Wood products (21)	4	39 625	30 000	10 375	12 265	31.0
Medical instruments (22)	2	65 000	30 000	15 000	15 000	23.1
Chemicals (23)	1	25 000	0	0	0	0.0
Other (24)	1	100 000	0	0	0	0.0
Transportation (25)	1	49 000	0	0	0	0.0
Medical products (26)	1	35 000	0	0	0	0.0
Total (27)	44	62 156	75 000	16 992	20 832	33.5

Source(Forrás): Based on KvfP documents (KvfP. Nyilvántartásai)

4. Melléklet: A KvfP. 2007. szeptember 6-i állapot szerinti pénzügyileg kihelyezésre került befektetési portfóliója alapján a vállalkozások számára vetített fajlagos befektetési adatok szóródási mérőszámai ágazatonként (exitekkel együtt)

Ágazat(1), Befektetések(2), Fajlagos befektetés(3), Szóródási mérőszámok(4), Szórás terjedelme(5), Átlagos eltérés(6), Szórás(7), Relatív szórás(8), Darab(9), Ezer Ft/vállalkozás(10), Adatkezelés(11), Csomagolóanyaggyártás(12), Élelmiszeripar(13), Gépipar(14), Idegenforgalom, vendéglátás(15), Informatika, távközlés(16), Kerámiagyártás(17), Kereskedelem(18), Környezetvédelem(19), Oktatás(20), Faipar(21), Orvosműszergyártás(22), Vegyipar(23), Egyéb(24), Fuvarozás(25), Gyógytermékgyártás(26), Összesen(27)

<sup>13</sup> Zero deviation indicators result from the one investment performed in the sector