

DANMARKS NATIONALBANK

14 MAY 2019

DIRECT INVESTMENTS, 1ST QUARTER 2019

Danish companies increase foreign direct investments abroad

Danish investors increased their outward direct investments abroad by kr. 6.3 billion in the first quarter of 2019.

Equity investments of kr. 3.3 billion have been made. In particular, companies within pension, insurance, information etc. are responsible for the increase in outward direct investments in the first quarter of 2019. The Danish pension fund ATP, together with British 3i Infrastructure, purchased the Norwegian

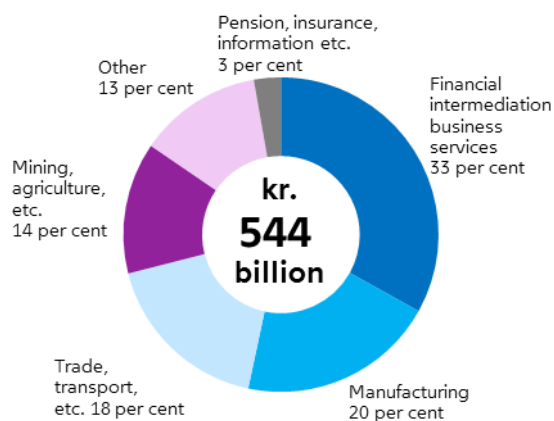
offshore telecommunications and network operator Tampnet. In addition, Danish companies increased intercompany debt to their foreign subsidiaries by kr. 3 billion.

Investments for kr. 544 billion since 2005

On the other hand, over a longer period of time, it is Danish companies within Financial intermediation etc., and mainly holding companies, which account for the majority of outward direct investments. Since 2005, they have invested kr. 180 billion in foreign branches and subsidiaries, which corresponds to 33 per cent of the Danes' total direct investments abroad during the period.

Holding companies take up a lot in the records, because large multinational companies often have a group structure in which Danish holding companies are the direct owners of foreign subsidiaries. Disregarding holding companies, it is the manufacturing industry that accounts for most direct investments abroad. Since 2005, manufacturing companies have made direct investments of kr. 110 billion abroad. Within the industry, it is mainly Danish companies within the pharmaceutical and food industry, including companies like Lundbeck, Novo Nordisk, Arla and Carlsberg that make direct investments abroad.

Danish companies have invested kr. 544 billion in direct investments abroad since 2005



Note: Outward direct investments are investments in foreign branches and subsidiaries where the investor has controlling influence. The records show accumulated direct investments excluding throughput investments and less re-invested earnings divided by which Danish industry makes the investment.

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