



EFSI Operation Scoreboard¹

PROJECT PRESENTATION	
<u>Project name</u>	MID EUROPA CEE GROWTH FUND V
<u>Promoter or financial intermediary</u>	MID EUROPA PARTNERS LLP
<u>Country of implementation</u>	Poland, Regional - EU countries, Czech Republic, Romania, Croatia, Slovakia
<u>Summary project description</u>	<p>The proposal is for the Bank to invest in MID EUROPA CEE GROWTH FUND V (the “Fund” or “Mid Europa V”) providing capital to mid-market companies mainly in infrastructure sectors (primarily healthcare and to a lesser extent transportation/ logistics), but also in consumer and service sectors (retail, business services, media) in Central and Eastern Europe (“CEE”), the Balkans and the Baltic states (the “Region”). Most of these companies are expected to carry out EIB eligible capital expenditure programs. The Fund commitments will translate into supporting the economic growth and employment in the Region.</p> <p>By supporting the Fund, the Bank will accelerate the deployment of infrastructure-related investments (primarily in healthcare sector) and contribute to the development of the private equity industry in the Region, which will help address the need for equity capital, currently not sufficiently provided by the local capital markets. EIB support is therefore essential for this operation to provide equity capital to a fund addressing the higher risk equity financing gap in CEE.</p> <p>EIB’s investment at the Fund’s first close will send a very strong signal to other investors that are currently assessing the Fund and will also further mobilise private sector investors, which are critical for the Fund to reach its target size. Notwithstanding the strong track record of the team, EIB’s signalling effect is very valuable, given that this is the first fund raised by the team after retirement of the senior founding partner of the Fund Manager. An investment from EIB will provide a stamp of approval of the Fund’s investment strategy that targets the CEE region in which EIB’s expertise and thorough due diligence are highly valued by other market participants.</p>

¹ This Scoreboard of indicators reflects the information presented to the EFSI Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision. Parts of this document that fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under the articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank’s internal decision-making process), have been replaced by the symbol [...].

PROJECT PILLAR ASSESSMENT

Pillar 1

Contribution to EU policy	High
Cross-cutting objectives	
EIB Cohesion Priority Regions / Economic and Social Cohesion	100.00%
EFSI	
Contribution to EFSI	100.00%
EFSI: Financial support through the EIF and the EIB to entities having up to 3 000 employees	100.00%
Provision of working capital and investment	40.00%
Provision of risk financing from seed to expansion stages for SMEs, start ups, small mid cap companies and mid cap companies, to ensure technological leadership in innovative and sustainable sectors	40.00%
Other financial support through the EIF and the EIB to entities having up to 3 000 employees	20.00%

Pillar 2

Quality and soundness of the project	Excellent
1. Growth	[...]
2. Promoter capabilities	[...]
3. Sustainability	[...]
4. Employment	[...]

This pillar evaluates the quality and soundness of the operation. This pillar is composed of four indicators which include:

- (i) "Growth" i.e. for example and where relevant the economic rate of return ('ERR'), which considers the project's socioeconomic costs and benefits, including its spillover effects;*
- (ii) "Promoter capabilities" i.e. the capacity of the promoter/intermediary to implement the project and create the expected impact at the [final] beneficiary level;*
- (iii) "Sustainability" i.e. environmental and social sustainability²;*
- (iv) "Employment" i.e. the project's direct employment effect.*

Pillar 3

EIB Technical and financial contribution to the project	Moderate
1. Financial contribution	[...]
2. Financial facilitation	[...]
3. Advice	[...]

This pillar measures the EIB's particular contribution to the project and its financing scheme in the form of financial and non-financial benefits which go beyond what commercial players would normally be able to offer. This dimension of value added is assessed through three indicators:

- (i) "Financial Contribution" i.e. improving the counterpart's funding terms compared to market sources of finance (interest rate reduction and/or longer lending tenor),*
- (ii) "Financial Facilitation" i.e. helping to attract private financiers (for example through positive signaling effects), promoting synergies in co-financing with other public sources of funds including National Promotional Banks or EU financial instruments,*
- (iii) "Technical Contribution and Advice" i.e. providing advice with a view to optimizing the financing package (financial structuring), or technical advisory services in the form of expert input / knowledge transfer – provided in-house by the EIB or in the form of assignments to external consultants – to facilitate the preparation or implementation of a project.*

² For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website.

Pillar 4 – Complementary indicators

Additionality

In line with the EFSI objectives of supporting human capital, culture and health, as well as other industries and services in less developed and transition regions, this operation shall provide long-term equity financing to SMEs and small Mid-Caps in Central and Eastern Europe (CEE). The project thus contributes to employment creation in and enhanced competitiveness of the CEE region. At the same time, as most of the investments shall be located in regions eligible under the EU Cohesion Policy, the operation also contributes to the Union priorities on convergence and social cohesion.

Thanks to EFSI, under this operation, EIB continues its support to the fund managed by Mid Europa, an established counterpart with solid regional expertise and extensive local network for reaching the underserved smaller companies. With this fifth fund, Mid Europa will continue deploying its strategic investments in the region, which in addition to a strong infrastructure focus will also target SMEs and small Mid-Caps. Taking into account this newly expanded strategy, for project acceleration, the EIB will be present at the Group level, building upon the complementarity of the two institutions, especially in terms of sector knowledge, notably healthcare and transport for EIB, and SMEs & Mid-Caps for EIF.

Through this operation, the EIB Group, thanks to EFSI, will support Mid Europa in addressing clear market failures and sub-optimal investment situations due to the limited availability of long-term equity capital in the CEE region, hindering the expansion and implementation of investment plans of smaller companies. By supporting the fund, the EIB Group will accelerate the deployment of infrastructure investments, primarily in healthcare sector, and contribute to the development of the private equity industry in the CEE region, which will help address the need for equity capital, currently not sufficiently provided by local capital markets. The fund's strategy thus encourages economic growth by promoting the expansion of smaller companies, supporting competitiveness and improving the business environment.

The operation falls under the Special Activity category, and EFSI support is essential to provide equity capital to a fund addressing the higher risks associated with smaller companies and equity financing in the CEE region. The European Bank for Reconstruction and Development (EBRD) is also expected to co-invest alongside the EIB Group. EIB Group support is thus crucial for the fund to reach its target size and financial close. Subsequently, the investments by the fund in the equity capital of smaller companies will have a strong signalling effect and crowd in other investors at the level of the investees. This will increase their capacity to raise additional private equity and debt capital to finance their investment plans.

Set of indicators related to the macroeconomic environment

Croatia - Economic environment

Economic Performance

	HR	EU	US	HR
	2016	2016	2016	2001-2007
GDP per capita (EUR, PPS)	17,238	29,440	42,615	16,017
GDP growth (%)	2.9	1.9	1.6	4.6
Potential GDP growth (%)	1.1	1.3	2.1	3.4
Output gap (% of potential GDP)	-1.3	-0.75	-0.03	1.1
Unemployment Rate (%)	12.1	8.2	4.7	12.9
Unemployment Rate (%) - Y/Y change (% points)	-3.0	-0.8	-0.3	-1
Bank-Interest rates to non-financial corporations (%)	3.5	1.4	1.8	-
Bank-Interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.27	-0.21	-1.4	-
Investment rate (GFCF as % of GDP) - Total	19.7	19.7	19.6	24.7
Investment rate (GFCF as % of GDP) - Public	3.2	2.7	3.4	6.0
Investment rate (GFCF as % of GDP) - Private	16.5	17.0	16.2	18.7

General Sector Indicators

	2013	2014	2015	2016	EU (latest available)
Value added in Human health activities (% of total)	-	-	-	-	-
Value added in Land transport and transport via pipelines (% of total)	-	-	-	-	-
Value added in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	-	-	-	-	-
Value added in Wholesale trade, except of motor vehicles and motorcycles (% of total)	-	-	-	-	-
Employment in Human health activities (% of total)	-	-	-	-	-
Employment in Land transport and transport via pipelines (% of total)	-	-	-	-	-
Employment in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	-	-	-	-	-
Employment in Wholesale trade, except of motor vehicles and motorcycles (% of total)	-	-	-	-	-

Health

	2013	2014	2015	2016	EU (latest available)
Life expectancy (years)	77.8	77.9	77.5	-	80.6
Healthy life years at birth (Males)	57.6	58.6	-	-	61.4
Healthy life years at birth (Females)	60.4	60.0	-	-	61.8
Old age dependency ratio (65+ / 15-64 years)	27.1	27.6	28.3	29.0	29.3
Perinatal mortality per 1,000 live births	3.5	4.2	-	-	-
Hospital beds per 100,000 inhabitants	586.0	591.0	-	-	521.2

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms

- EU value for "Bank-Interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007

- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

Czech Republic - Economic environment

Economic Performance

	CZ	EU	US	CZ
	2018	2018	2018	2001-2007
GDP per capita (EUR, PPS)	25,747	29,440	42,615	22,344
GDP growth (%)	2.4	1.9	1.6	4.6
Potential GDP growth (%)	2.2	1.3	2.1	3.7
Output gap (% of potential GDP)	0.22	-0.75	-0.03	2.0
Unemployment Rate (%)	3.5	8.2	4.7	7.2
Unemployment Rate (%) - Y/Y change (% points)	-1	-0.8	-0.3	-0.49
Bank-interest rates to non-financial corporations (%)	1.7	1.4	1.8	3.8
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.02	-0.21	-1.4	0.47
Investment rate (GFCF as % of GDP) - Total	24.6	19.7	19.6	29.0
Investment rate (GFCF as % of GDP) - Public	3.4	2.7	3.4	4.8
Investment rate (GFCF as % of GDP) - Private	21.2	17.0	16.2	24.1

General Sector Indicators

	2013	2014	2016	2018	EU (latest available)
Value added in Human health activities (% of total)	--	--	--	--	5.3
Value added in Land transport and transport via pipelines (% of total)	--	--	--	--	--
Value added in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	--	--	--	--	--
Value added in Wholesale trade, except of motor vehicles and motorcycles (% of total)	--	--	--	--	--
Employment in Human health activities (% of total)	--	--	--	--	--
Employment in Land transport and transport via pipelines (% of total)	--	--	--	--	--
Employment in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	--	--	--	--	--
Employment in Wholesale trade, except of motor vehicles and motorcycles (% of total)	--	--	--	--	--

Health

	2013	2014	2016	2018	EU (latest available)
Life expectancy (years)	78.3	78.9	78.7	--	80.6
Healthy life years at birth (Males)	62.5	63.4	--	--	61.4
Healthy life years at birth (Females)	64.2	65.0	--	--	61.8
Old age dependency ratio (65+/ 15-64 years)	24.6	25.7	26.6	27.6	29.3
Perinatal mortality per 1,000 live births	2.9	3.1	--	--	--
Hospital beds per 100,000 inhabitants	645.7	645.5	--	--	521.2

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms
- EU value for "Bank-interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007
- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

Poland - Economic environment
Economic Performance

	PL	EU	US	PL
	2018	2018	2018	2001-2007
GDP per capita (EUR, PPS)	20,365	29,440	42,615	14,639
GDP growth (%)	2.7	1.9	1.6	4.1
Potential GDP growth (%)	2.7	1.3	2.1	3.8
Output gap (% of potential GDP)	-0.29	-0.75	-0.03	-1.9
Unemployment Rate (%)	5.5	8.2	4.7	16.4
Unemployment Rate (%) - Y/Y change (% points)	-1.4	-0.8	-0.3	-1.2
Bank-interest rates to non-financial corporations (%)	3.7	1.4	1.8	6.3
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.05	-0.21	-1.4	0.47
Investment rate (GFCF as % of GDP) - Total	18.1	19.7	19.6	19.6
Investment rate (GFCF as % of GDP) - Public	3.3	2.7	3.4	3.3
Investment rate (GFCF as % of GDP) - Private	14.7	17.0	16.2	16.3

General Sector Indicators

	2013	2014	2016	2018	EU (latest available)
Value added in Human health activities (% of total)	-	-	-	-	5.2
Value added in Land transport and transport via pipelines (% of total)	-	-	-	-	2.3
Value added in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	-	-	-	-	0.6
Value added in Wholesale trade, except of motor vehicles and motorcycles (% of total)	-	-	-	-	6.2
Employment in Human health activities (% of total)	-	-	-	-	5.7
Employment in Land transport and transport via pipelines (% of total)	-	-	-	-	2.7
Employment in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	-	-	-	-	0.4
Employment in Wholesale trade, except of motor vehicles and motorcycles (% of total)	-	-	-	-	4.6

Health

	2013	2014	2016	2018	EU (latest available)
Life expectancy (years)	77.1	77.8	77.5	-	80.6
Healthy life years at birth (Males)	59.2	59.8	-	-	61.4
Healthy life years at birth (Females)	62.7	62.7	-	-	61.8
Old age dependency ratio (65+ / 15-64 years)	20.4	21.2	22.2	23.1	29.3
Perinatal mortality per 1,000 live births	3.7	3.5	-	-	-
Hospital beds per 100,000 inhabitants	660.8	662.7	-	-	521.2

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms

- EU value for "Bank-interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007

- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

Regional - EU countries - Economic environment
Economic Performance

	EU	EU	US	EU
	2018	2018	2018	2001-2007
GDP per capita (EUR, PPS)	29,440	29,440	42,615	28,710
GDP growth (%)	1.9	1.9	1.6	2.3
Potential GDP growth (%)	1.3	1.3	2.1	2.1
Output gap (% of potential GDP)	-0.75	-0.75	-0.03	1.0
Unemployment Rate (%)	8.2	8.2	4.7	8.5
Unemployment Rate (%) - Y/Y change (% points)	-0.8	-0.8	-0.3	-0.26
Bank-interest rates to non-financial corporations (%)	1.4	1.4	1.8	3.9
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.21	-0.21	-1.4	-0.02
Investment rate (GFCF as % of GDP) - Total	19.7	19.7	19.6	21.4
Investment rate (GFCF as % of GDP) - Public	2.7	2.7	3.4	3.1
Investment rate (GFCF as % of GDP) - Private	17.0	17.0	16.2	18.3

General Sector Indicators

	2013	2014	2016	2018	EU (latest available)
Value added in Human health activities (% of total)	--	--	--	--	5.3
Value added in Land transport and transport via pipelines (% of total)	--	--	--	--	2.3
Value added in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	--	--	--	--	0.6
Value added in Wholesale trade, except of motor vehicles and motorcycles (% of total)	--	--	--	--	6.3
Employment in Human health activities (% of total)	--	--	--	--	5.7
Employment in Land transport and transport via pipelines (% of total)	--	--	--	--	2.7
Employment in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	--	--	--	--	0.4
Employment in Wholesale trade, except of motor vehicles and motorcycles (% of total)	--	--	--	--	4.6

Health

	2013	2014	2016	2018	EU (latest available)
Life expectancy (years)	80.5	80.9	80.6	--	80.6
Healthy life years at birth (Males)	61.4	61.4	--	--	61.4
Healthy life years at birth (Females)	61.5	61.8	--	--	61.8
Old age dependency ratio (65+/ 15-64 years)	27.5	28.2	28.8	29.3	29.3
Perinatal mortality per 1,000 live births	--	--	--	--	--
Hospital beds per 100,000 inhabitants	523.7	521.2	--	--	521.2

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms
- EU value for "Bank-interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007
- The EU value is displayed as the value in the year that corresponds to the latest value of the Indicator in a particular country

Romania - Economic environment
Economic Performance

	RO	EU	US	RO
	2018	2018	2018	2001-2007
GDP per capita (EUR, PPS)	17,404	29,440	42,615	13,787
GDP growth (%)	4.8	1.9	1.6	6.3
Potential GDP growth (%)	3.5	1.3	2.1	4.6
Output gap (% of potential GDP)	-0.08	-0.75	-0.03	2.9
Unemployment Rate (%)	5.5	8.2	4.7	7.3
Unemployment Rate (%) - Y/Y change (% points)	-1.1	-0.8	-0.3	-0.26
Bank-interest rates to non-financial corporations (%)	3.4	1.4	1.8	10.3
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.64	-0.21	-1.4	--
Investment rate (GFCF as % of GDP) - Total	22.7	19.7	19.6	24.9
Investment rate (GFCF as % of GDP) - Public	3.6	2.7	3.4	3.8
Investment rate (GFCF as % of GDP) - Private	19.1	17.0	16.2	21.1

General Sector Indicators

	2013	2014	2016	2018	EU (latest available)
Value added in Human health activities (% of total)	--	--	--	--	5.3
Value added in Land transport and transport via pipelines (% of total)	--	--	--	--	--
Value added in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	--	--	--	--	--
Value added in Wholesale trade, except of motor vehicles and motorcycles (% of total)	--	--	--	--	--
Employment in Human health activities (% of total)	--	--	--	--	5.7
Employment in Land transport and transport via pipelines (% of total)	--	--	--	--	2.7
Employment in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	--	--	--	--	0.4
Employment in Wholesale trade, except of motor vehicles and motorcycles (% of total)	--	--	--	--	4.6

Health

	2013	2014	2016	2018	EU (latest available)
Life expectancy (years)	75.1	75.0	75.0	--	80.6
Healthy life years at birth (Males)	58.6	59.0	--	--	61.4
Healthy life years at birth (Females)	57.9	59.0	--	--	61.8
Old age dependency ratio (65+ / 15-64 years)	23.9	24.3	25.2	25.9	29.3
Perinatal mortality per 1,000 live births	6.5	6.6	--	--	--
Hospital beds per 100,000 inhabitants	667.3	671.1	--	--	521.2

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms
- EU value for "Bank-interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007
- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

Slovakia - Economic environment

Economic Performance

	SK	EU	US	SK
	2018	2018	2018	2001-2007
GDP per capita (EUR, PPS)	22,932	29,440	42,615	17,318
GDP growth (%)	3.3	1.9	1.6	6.4
Potential GDP growth (%)	2.4	1.3	2.1	4.8
Output gap (% of potential GDP)	-0.35	-0.75	-0.03	-0.07
Unemployment Rate (%)	8.9	8.2	4.7	16.0
Unemployment Rate (%) - Y/Y change (% points)	-1.8	-0.8	-0.3	-1.2
Bank-interest rates to non-financial corporations (%)	1.7	1.4	1.8	--
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.82	-0.21	-1.4	--
Investment rate (GFCF as % of GDP) - Total	20.2	19.7	19.6	27.3
Investment rate (GFCF as % of GDP) - Public	3.2	2.7	3.4	3.5
Investment rate (GFCF as % of GDP) - Private	17.0	17.0	16.2	23.8

General Sector Indicators

	2013	2014	2016	2018	EU (latest available)
Value added in Human health activities (% of total)	--	--	--	--	5.3
Value added in Land transport and transport via pipelines (% of total)	--	--	--	--	--
Value added in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	--	--	--	--	--
Value added in Wholesale trade, except of motor vehicles and motorcycles (% of total)	--	--	--	--	--
Employment in Human health activities (% of total)	--	--	--	--	--
Employment in Land transport and transport via pipelines (% of total)	--	--	--	--	--
Employment in Motion picture, video, television programme production; programming and broadcasting activities (% of total)	--	--	--	--	--
Employment in Wholesale trade, except of motor vehicles and motorcycles (% of total)	--	--	--	--	--

Health

	2013	2014	2016	2018	EU (latest available)
Life expectancy (years)	76.6	77.0	76.7	--	80.6
Healthy life years at birth (Males)	54.5	55.5	--	--	61.4
Healthy life years at birth (Females)	54.3	54.6	--	--	61.8
Old age dependency ratio (65+ / 15-64 years)	18.4	19.0	19.7	20.6	29.3
Perinatal mortality per 1,000 live births	4.2	4.6	--	--	--
Hospital beds per 100,000 inhabitants	580.3	578.5	--	--	521.2

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms

- EU value for "Bank-interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007

- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

Other indicators³

Key project characteristics

	Expected at PCR
Start of works	30.09.2018
End of works	30.09.2023
Project investment cost	800.00 MEUR
EIB/EFSI eligible investment mobilised	1,094.40 MEUR
External EFSI multiplier	18.24
External EIB (non-EFSI) multiplier	0.00
Amount of private financing	600.00 MEUR
Quick start (% of expenditure during 2015-2018)	10.00 %
Co-financing with national promotional banks	0.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc)	0.00 MEUR
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	
Employment during construction - temporary jobs	0 person years
Employment during operation - new permanent jobs	4,600 FTE

³ For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website. The abbreviation PCR stands for Project Completion Report.