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UNDERSECRETARIAT OF TREASURY**

**INTERNATIONAL
DIRECT INVESTMENT
INFORMATION BULLETIN**

**January 2007
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INTERNATIONAL DIRECT INVESTMENT INFORMATION BULLETIN

1) International Direct Investment Inflow¹

Developments in November 2006

According to the balance of payment statistics of the Central Bank of Turkey, the net inflow has been \$ 2.321 million in November 2006 (Table-1).

Table 1- Components of International Direct Investment Inflow, January-November 2006

	January	February	March	April	May	June	July	August	September	October	November	Jan.-Nov.
International Direct Investment Total (Net)	402	299	343	501	6.765	572	270	3.407	309	2.946	2.321	18.135
International Direct Investment	80	88	80	250	6.491	276	83	3.123	68	2.696	2.071	15.306
<i>Equity Investment (Net)</i>	63	74	115	244	6.530	357	78	3.122	-53	2.696	2.070	15.296
<i>Inflows</i>	63	99	118	276	6.531	357	79	3.122	447	2.700	2.075	15.867
<i>Liquidation Outflows</i>	0	-25	-3	-32	-1	--	-1	--	-500	-4	-5	-571
Intra Company Loans*	17	14	-35	6	-39	-81	5	1	121	--	1	10
Real Estate (Net)	322	211	263	251	274	296	187	284	241	250	250	2.829

*Loans which companies with foreign capital take from foreign partners

As of November 2006, Provisional Data

Source: Central Bank of the Republic of Turkey

The equity investment inflow, which represents the equity share transfers of international investors for their new or existing companies in Turkey, and for their participation into the existing domestic companies, has been \$ 2.075 million. The majority of this has been into financial intermediation, manufacturing and wholesale and retail trade sectors (Table-2).

¹International direct investment inflow includes the net amount of transfers classified as “capital” and “other capital” in the balance of payment statistics of the Central Bank of Turkey, from abroad by the firms operating according to the “Foreign Direct Investment Law No.4875 and transfers for the real estate purchases of foreigners in Turkey.

Table 2- International Direct Investment Inflow, by Sector, January-November 2006

(Million \$)

Sectors	January	February	March	April	May	June	July	August	September	October	November	Jan.-Nov.
Agriculture, hunting, fishing and forestry	--	--	--	--	--	--	--	--	--	2	1	3
Mining and quarrying	6	6	7	6	14	18	4	2	6	8	8	85
Manufacturing	27	44	36	116	59	190	25	142	130	103	289	1.161
<i>Manufacture of food products and beverages</i>	6	16	14	97	28	50	1	1	3	16	6	238
<i>Manufacture of textiles</i>	--	3	2	--	1	--	4	5	--	--	9	23
<i>Manufacture of chemicals and chemical products</i>	--	--	11	7	7	115	1	108	55	--	248	552
<i>Manufacture of machinery and equipment n.e.c.</i>	5	1	--	2	1	3	--	8	1	1	1	23
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	7	13	5	3	6	5	4	19	4	4	13	83
<i>Other Manufacturing</i>	9	11	4	7	16	17	16	1	67	82	12	242
Electricity, gas and water supply	3	1	--	--	--	2	2	52	--	--	--	60
Construction	13	4	46	63	64	1	28	86	26	43	29	403
Wholesale and retail trade	1	2	2	1	1.391	3	2	14	13	6	3	1.438
Hotels and restaurants	1	1	1	2	1	1	2	1	5	--	--	15
Transport, storage and communications	--	4	9	1	4.690	1	--	12	1	50	1.503	6.271
Financial intermediation	7	31	7	6	275	36	14	2.799	239	2.479	222	6.115
Real estate, renting and business activities	--	--	--	13	3	--	--	8	1	5	5	35
Other community, social and personal service activities	5	6	10	68	34	105	2	6	26	4	15	281
Total	63	99	118	276	6.531	357	79	3.122	447	2.700	2.075	15.867

Provisional Data

Source: Central Bank of the Republic of Turkey

\$367 million of the \$2.075 million equity investment has been exported by the EU countries (Table-3).

Table 3- International Direct Investment Inflow, by Country, January-November 2006

(Million \$)

Countries	January	February	March	April	May	June	July	August	September	October	November	Jan.-Nov.
European Union (25)	37	69	86	199	6.086	272	63	3.006	410	2.613	367	13.208
<i>Germany</i>	4	5	9	4	4	142	37	56	47	11	10	329
<i>The Netherlands</i>	16	6	53	41	4.710	14	2	41	20	103	32	5.038
<i>United Kingdom</i>	1	1	1	104	19	84	1	113	69	14	38	445
<i>Other European Countries</i>	11	54	21	43	1.343	21	19	2.792	274	2.485	287	7.350
Other European Countries (Excluding EU)	1	3	--	2	43	1	3	9	--	1	5	68
Africa	1	1	1	1	1	12	4	1	7	1	1	31
America	15	18	17	70	350	60	5	10	7	73	96	721
North America	15	12	17	70	348	56	5	9	7	64	96	699
<i>U.S.A.</i>	9	6	12	4	334	38	4	9	7	59	96	578
<i>Canada</i>	6	6	5	66	14	18	1	--	--	5	--	121
<i>Central-South America And Caribbean</i>	--	6	--	--	2	4	--	1	--	9	--	22
Asian	9	8	7	4	51	12	4	96	5	12	1.606	1.814
<i>Gulf Arabian Countries</i>	2	3	4	3	49	3	3	84	4	5	1.508	1.668
<i>Near And Middle Eastern Countries</i>	5	4	--	--	--	3	--	10	--	3	95	120
<i>Other Asian Countries</i>	2	1	3	1	2	6	1	2	1	4	3	26
Other Countries	--	--	7	--	--	--	--	--	18	--	--	25
Toplam	63	99	118	276	6.531	357	79	3.122	447	2.700	2.075	15.867

Provisional Data

Source: Central Bank of the Republic of Turkey

Developments in the 2006 January-November Period

According to the balance of payment statistics, the net total international direct investment inflow has been \$ 18.135 million in the first eleven months of 2006 (Table-4).

Equity investment inflow component of the international direct investment inflows reached up to \$ 15.867 million in the January-November period in 2006, representing a two-fold increase with respect to the same period in 2005, which was \$6.423 million (Table-4).

Table 4- Components of International Direct Investment Inflow, (2005-2006)

(Million \$)

	2005	January-November		
		2005	2006	% Change
International Direct Investment Total (Net)	9.786	7.421	18.135	144,4
International Direct Investment Capital	7.945	5.855	15.306	161,4
<i>Equity Investment (Net)</i>	8.183	6.087	15.296	151,3
<i>Inflows</i>	8.519	6.423	15.867	147,0
<i>Liquidation Outflows</i>	-336	-336	-571	69,9
<i>Intra Company Loans*</i>	-238	-232	10	104,3
<i>Real Estate (Net)</i>	1.841	1.566	2.829	80,7

Provisional Data

Source: Central Bank of the Republic of Turkey

The majority of the total \$ 15.867 million of the equity investment is mainly in the wholesale and retail trade sectors while manufacturing, real estate renting and other business activities (Table-5).

Table 5- International Direct Investment Inflow, by sector, (2005-2006)

(Million \$)

Sectors	2005	January-November	
		2005	2006
Agriculture, hunting, fishing and forestry	5	5	3
Mining and quarrying	40	32	85
Manufacturing	788	685	1.161
<i>Manufacture of food products and beverages</i>	68	41	238
<i>Manufacture of textiles</i>	183	178	23
<i>Manufacture of chemicals and chemical products</i>	174	166	552
<i>Manufacture of machinery and equipment n.e.c.</i>	13	11	23
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	106	98	83
<i>Other Manufacturing</i>	244	191	242
Electricity, gas and water supply	4	3	60
Construction	100	32	403
Wholesale and retail trade	68	62	1.438
Hotels and restaurants	42	39	15
Transport, storage and communications	3.250	3.248	6.271
Financial intermediation	4.016	2.161	6.115
Real estate, renting and business activities	29	14	35
Other community, social and personal service activities	177	142	281
Total	8.519	6.423	15.867

Provisional Data

Source: Central Bank of the Republic of Turkey

During the January and November period in 2006, 83,3 % of the equity investment is from the EU countries, corresponding to 46,1 % for the same period in 2005 (Table-6).

Table 6- International Direct Investment Inflow, by Country, (2005-2006)

(Million \$)

Countries	2005	January-November	
		2005	2006
European Union (25)	4.974	2.960	13.208
<i>Germany</i>	391	362	329
<i>The Netherlands</i>	2.105	296	5.038
<i>United Kingdom</i>	249	223	445
<i>Other European Countries</i>	2.229	2.079	7.350
Other European Countries (Excluding EU)	1.662	1.651	68
Africa	3	2	31
America	122	102	721
North America	114	95	699
<i>U.S.A.</i>	88	74	578
<i>Canada</i>	26	21	121
<i>Central-South America And Caribbean</i>	8	7	22
Asian	1.756	1.706	1.814
<i>Gulf Arabian Countries</i>	1.675	1.666	1.668
<i>Near And Middle Eastern Countries</i>	3	3	120
<i>Other Asian Countries</i>	78	37	26
Other Countries	2	2	25
Toplam	8.519	6.423	15.867

Provisional Data

Source: Central Bank of the Republic of Turkey

2) Number of Companies with International Capital

Developments in November 2006

236 companies and branch offices with international capital have been established and 47 foreign capital participations to the existing domestic companies incurred in November 2006 (Table-7).

Table 7- Breakdown of Companies with International Capital by Mode of Establishment, (2005-2006 Monthly)

(Number of Companies)

	2005				2006*				% Change
	Company Establishment	Participation	Branch Office	Total	Company Establishment	Participation	Branch Office	Total	
January	147	31	2	180	176	30	2	208	15,6
February	157	46	6	209	179	47	5	231	10,5
March	176	45	3	224	242	72	7	321	43,3
April	182	33	9	223	234	58	3	295	32,3
May	203	51	5	258	241	57	7	305	18,2
June	218	47	3	267	247	72	6	325	21,7
July	225	34	6	265	221	47	4	272	2,6
August	181	27	6	213	217	51	10	278	30,5
September	223	39	3	264	241	46	4	291	10,2
October	207	47	6	260	208	64	6	278	6,9
November	178	48	2	226	230	47	6	283	25,2
December	219	57	7	281	--	--	--	--	--
Total	2.316	505	58	2.879	2.436	591	60	3.087	--

*: As of November 2006, Provisional Data

Source: Undersecretariat of Treasury

Developments in the 2006 January-November Period

In the first eleven month of 2006, 2.496 companies and branch offices with international capital have been established and 591 international capital participations to the existing domestic companies incurred (Table-8).

Table 8- Breakdown of Companies with International Capital by Mode of Establishment, (2005-2006)

(Number of Companies)

	January-November			General Total (1954-2006*)
	2005*	2006*	% Change	
Company Establishment	2.078	2.436	17,2	11.748
Participation	449	591	31,6	2.606
Branch Office	51	60	17,6	428
Total	2.578	3.087	19,7	14.782

*: As of November 2006, Provisional Data

Source: Undersecretariat of Treasury

In the January-November period in 2006, majority of the total 3.087 companies with international capital is in the wholesale and retail trade sectors while real estate renting, other business activities and manufacturing sectors follow (Table-9). Textile goods production leads the manufacturing sector investments followed by machinery-equipment, chemicals and chemical products.

Of these total 3.087, 183 have capital values higher than \$500.000. Among these, 50 companies operate in manufacturing, 30 companies operate in wholesale and retail trade sectors and 27 companies operate in construction sector. Number of companies with international capital, capital value of which is greater than \$500.000, was 110 in the same period in 2005 (Table-9).

Table 9- Breakdown of Companies with International Capital by Sector according to Size of Equity Capital, (2005-2006)

(Number of Companies)

Sectors	2005					2006*				
	<50.000\$	50.000\$ - 200.000\$	200.000\$ - 500.000\$	>500.000\$	Total	<50.000\$	50.000\$ - 200.000\$	200.000\$ - 500.000\$	>500.000\$	Total
Agriculture, hunting, fishing and forestry	24	6	7	3	40	17	11	3	4	35
Mining and quarrying	31	7	7	4	49	18	13	2	5	38
Manufacturing	259	132	36	29	456	235	107	30	50	422
<i>Manufacture of food products and beverages</i>	20	13	6	4	43	20	7	2	8	37
<i>Manufacture of textiles</i>	43	25	3	8	79	33	12	5	2	52
<i>Manufacture of chemicals and chemical products</i>	24	9	5	3	41	19	10	4	8	41
<i>Manufacture of machinery and equipment n.e.c.</i>	18	10	2	1	31	26	12	3	1	42
<i>Manufacture of motor vehicles, trailers, semi-trailers</i>	11	6	1	2	20	6	4	1	3	14
<i>Other Manufacturing</i>	143	69	19	11	242	131	62	15	28	236
Electricity, gas and water supply	4	7		1	12	24	7	4	5	40
Construction	200	105	28	15	348	219	111	40	27	397
Wholesale and retail trade	531	213	37	28	809	488	217	48	30	783
Hotels and restaurants	117	47	11	9	184	126	63	11	8	208
Transport, storage and communications	180	63	14	5	262	157	80	26	8	271
Real estate, renting and business activities	374	122	17	12	525	467	152	33	20	672
Other community, social and personal service activities	142	31	5	16	194	140	43	12	26	221
Total	1.862	733	162	122	2.879	1.891	804	209	183	3.087

*: As of November 2006, Provisional Data
Source: Undersecretariat of Treasury

When the country of origin of the companies with international capital are analyzed, it is seen that 1.928 of the total 3.087 companies are of EU origin, followed by Near and Middle Eastern Countries (403 firms) and other EU countries (355). 127 of the 183 companies with international capital having above \$ 500.000 capital value in EU originated firms operated (Table-10).

Table 10- Breakdown of Companies with International Capital by Country according to Size of Equity Capital (2005-2006)

Countries	(Number of Companies)									
	2005					2006*				
	<50.000\$	50.000\$ - 200.000\$	200.000\$- 500.000\$	>500.000\$	Total	<50.000\$	50.000\$ - 200.000\$	200.000\$- 500.000\$	>500.000\$	Total
European Union (25)	1.120	418	84	77	1.699	1.197	483	121	127	1.928
<i>Germany</i>	342	128	33	22	525	338	143	40	26	547
<i>The Netherlands</i>	141	54	9	10	214	163	51	18	22	254
<i>United Kingdom</i>	243	72	13	9	337	305	127	10	19	461
<i>Other European Countries</i>	394	164	29	36	623	133	35	13	21	202
Other European Countries (Excluding EU)	237	80	27	14	358	223	90	25	17	355
North Africa	28	12	2	--	42	17	5	1	--	23
Other African Countries	14	6	--	--	20	12	5	1	--	18
North America	78	30	9	6	123	86	25	9	8	128
<i>U.S.A.</i>	71	24	8	5	108	70	21	7	6	104
<i>Canada</i>	7	6	1	1	15	16	4	2	2	24
<i>Central-South America And Caribbean</i>	10	1	2	3	16	4	3	--	3	10
Near And Middle Eastern Countries	249	131	27	10	417	213	141	31	18	403
<i>Azerbaijan</i>	42	22	1	--	65	39	34	3	4	80
<i>Iraq</i>	32	24	5	2	63	32	32	4	4	72
<i>Iran</i>	73	46	7	3	129	64	36	5	--	105
<i>Other</i>	102	39	14	5	160	78	39	19	10	146
Other Asian Countries	113	48	8	9	178	101	43	17	8	169
Other Countries	13	7	3	3	26	38	9	4	2	53
Total	1.862	733	162	122	2.879	1.891	804	209	183	3.087

*: As of November 2006, Provisional Data
Source: Undersecretariat of Treasury

Companies with international capital in Turkey

In the first eleven month 2006, 12.176 companies and branch offices with international capital have been established and 2.6 foreign capital participations to the existing companies incurred. Currently, a total of 14.782 companies with international capital are operating in Turkey (Table-11).

Table 11- Number of Companies with International Capital by Year

Year	Number Of Companies
1954-1999 (Cumulative)	4.159
2000	447
2001	484
2002	498
2003	1.108
2004*	2.120
2005*	2.879
2006*	3.087
Total	14.782

*: As of November 2006, Provisional Data

Source: Undersecretariat of Treasury

Majority of the total 14.782 companies with international capital is in the wholesale and retail trade sectors while manufacturing, real estate renting and other business activities follow. Textile goods production leads the manufacturing sector investments followed by chemicals and food beverage products (Table-12).

Table 12- Breakdown of Companies with International Capital by Sector, (2005-2006)

Sectors	2005	(Number of Companies)		
		January-November		1954-2006*
		2005	2006	General Total
Agriculture, hunting, fishing and forestry	40	32	35	225
Mining and quarrying	49	45	38	232
Manufacturing	456	420	422	2.947
<i>Manufacture of food products and beverages</i>	43	40	37	301
<i>Manufacture of textiles</i>	79	73	52	398
<i>Manufacture of chemicals and chemical products</i>	41	36	41	332
<i>Manufacture of machinery and equipment n.e.c.</i>	31	27	42	227
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	20	19	14	200
<i>Other Manufacturing</i>	242	225	236	1.489
Electricity, gas and water supply	12	12	40	142
Construction	348	306	397	1.110
Wholesale and retail trade	809	719	783	4.926
Hotels and restaurants	184	158	208	1.137
Transport, storage and communications	262	249	271	1.268
Real estate, renting and business activities	525	465	672	1.900
Other community, social and personal service activities	194	172	221	895
Total	2.879	2.578	3.087	14.782

*: As of November 2006, Provisional Data

Source: Undersecretariat of Treasury

When the distribution of the companies with international capital according to their country of origin is concerned, it is seen that 8.084 of the total 14.782 companies with foreign capital are of EU origin, in which Germany leads with 2.588 firms followed by United Kingdom (1.390 firms) and the Netherlands (1.160 firms) (Table-13).

Table 13- Breakdown of Companies with International Capital by Country, (2005-2006)

Countries	2005	January-November		(Number of Companies)
				1954-2006*
		2005	2006	Total
European Union (25)	1.699	1.522	1.928	8.084
<i>Germany</i>	525	458	547	2.588
<i>The Netherlands</i>	214	194	254	1.175
<i>United Kingdom</i>	337	306	461	1.390
<i>Other European Countries</i>	623	564	202	2.467
Other European Countries (Excluding EU)	358	320	355	1.790
African Countries	62	52	41	268
North America	123	103	128	815
<i>U.S.A.</i>	108	90	104	729
<i>Canada</i>	15	13	24	86
Central-South America And Caribbean	16	14	10	89
Near And Middle Eastern Countries	417	380	403	2.575
<i>Azerbaijan</i>	65	55	80	340
<i>Iraq</i>	63	62	72	404
<i>Iran</i>	129	115	105	809
<i>Other</i>	160	148	146	1.022
Other Asian Countries	178	160	169	971
<i>China</i>	33	26	24	264
<i>South Korea</i>	18	18	13	116
<i>Other</i>	127	116	132	591
Other Countries	26	27	53	190
Total	2.879	2.578	3.087	14.782

*: As of November 2006, Provisional Data
Source: Undersecretariat of Treasury

When the investment location distribution of the 14.782 international capital companies are considered, it is seen that 8.210 of the total 14.782 are in Istanbul, which is followed by Antalya (1.736 firms), Ankara (1.029 firms) and Izmir (907 firms) (Table-14).

Table 14- Breakdown of Companies with International Capital by Investment Location

İl	Number of Companies (1954-2006*)
İstanbul	8.210
Antalya	1.736
Ankara	1.029
İzmir	907
Muğla	847
Bursa	303
Mersin	280
Aydın	220
Kocaeli	182
Adana	114
Other City	954
Total	14.782

*: As of November 2006, Provisional Data
Source: Undersecretariat of Treasury

In Istanbul, the majority of the 8.210 companies with international capital is in the wholesale and retail trade sectors (3.171 firms) while they also operate in manufacturing (1.772 firms), real estate renting and other business activities (951 firms) (Table-15).

Table 15- Breakdown of Companies with International Capital by Sector according to the Investment Location

Sectors	(Number of Companies)				
	Istanbul	Antalya	Ankara	Izmir	Muğla
Agriculture, hunting, fishing and forestry	58	49	17	25	14
Mining and quarrying	77	10	44	27	3
Manufacturing	1.772	104	159	264	17
<i>Manufacture of food products and beverages</i>	135	24	16	36	3
<i>Manufacture of textiles</i>	268	5	10	22	2
<i>Manufacture of chemicals and chemical products</i>	227	9	9	24	--
<i>Manufacture of machinery and equipment n.e.c.</i>	141	--	13	21	1
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	74	--	9	15	--
<i>Other Manufacturing</i>	897	65	100	142	10
Electricity, gas and water supply	67	10	39	8	1
Construction	340	329	111	51	139
Wholesale and retail trade	3.171	281	325	306	86
Hotels and restaurants	367	343	63	61	204
Transport, storage and communications	800	155	49	51	112
Real estate, renting and business activities	951	369	138	72	238
Other community, social and personal service activities	607	86	84	42	33
Total	8.210	1.736	1.029	907	847

*: As of November 2006, Provisional Data
Source: Undersecretariat of Treasury

3) Investment Projects²

In the first eleven months of 2006, the number of certificated investment projects reached up to 135, while their capital value reached to \$ 1,72 billion (Table-17). 35,8 % of this capital will be covered by the international partners (Table-16).

Table 16- International Direct Investment Projects -(2005-2006)

	2005	January-November	
		2005	2006*
Number of Investment Projects for which Incentive Certificates Issued (Number)	206	173	135
Total Cost of Investment Projects for which Incentive Certificates Issued (Billion \$)	3,48	2,82	1,72

*: As of November 2006, Provisional Data
Source: Undersecretariat of Treasury

Out of the total 135 investment incentive certificates, 106 were issued for manufacturing, 3 for agriculture hunting and forestry, 4 for mining-quarrying and 22 for services sector.

² Investment projects of international investors, certified within the framework of foreign direct investment legislation and the incentives regime.

ANNEXED TABLES

Table annex-1: International Direct Investment (Inflows) *

(Million \$)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	January-November	
												2005	2006
International Direct Investment Total (Net)	885	722	805	940	783	982	3.352	1.137	1.752	2.883	9.786	7.421	18.135
International Direct Investment	885	722	805	940	783	982	3.352	1.137	754	1.540	7.945	5.855	15.306
<i>Equity Investment (Net)</i>	885	722	805	940	783	982	3.352	617	737	1.191	8.183	6.087	15.296
<i>Inflows</i>	934	914	852	953	813	1.707	3.374	622	745	1.291	8.519	6.423	15.867
<i>Liquidation Outflows</i>	-49	-192	-47	-13	-30	-725	-22	-5	-8	-100	-336	-336	-571
Intra Company Loans*	--	--	--	--	--	--	--	520	17	349	-238	-232	10
Real Estate (Net)	--	--	--	--	--	--	--	--	998	1.343	1.841	1.566	2.829

*Loans which companies with foreign capital take from foreign partners

As of November 2006, Provisional Data

Source: Central Bank of the Republic of Turkey

Table annex-2: Foreign Direct Investment Inflow by Sector

(Million \$)

Sectors	2002	2003	2004*	2005*	January-November	
					2005	2006
Agriculture, hunting and forestry	--	1	4	5	5	2
Fishing	--	--	2	--	--	1
Mining and quarrying	2	14	75	40	32	85
Manufacturing	110	448	214	788	685	1.161
Manufacture of food products and beverages	14	249	78	68	41	238
<i>Manufacture of textiles</i>	10	8	14	183	178	23
<i>Manufacture of chemicals and chemical products</i>	9	9	39	174	166	552
<i>Manufacture of machinery and equipment n.e.c.</i>	13	17	8	13	11	23
<i>Office machinery and computers</i>	2	4	2	13	13	46
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	33	145	35	106	98	83
<i>Manufacture of furniture; manufacturing n.e.c.</i>	--	2	0	4	4	3
<i>Other Manufacturing</i>	19	14	38	227	174	193
Electricity, gas and water supply	68	86	69	4	3	60
Construction	3	8	23	100	32	403
Wholesale and retail trade	89	92	103	68	62	1.438
Hotels and restaurants	0	4	1	42	39	15
Transport, storage and communications	1	2	639	3.250	3.248	6.271
Financial intermediation	260	51	69	4.016	2.161	6.115
Real estate, renting and business activities	0	6	3	29	14	35
Public administration and defence; compulsory social security	--	--	--	--	--	--
Education	0	0	0	17	17	--
Health and social work	5	23	53	74	54	178
Other community, social and personal service activities	84	10	36	86	71	103
Private households with employed persons	--	--	--	--	--	--
Extra-territorial organizations and bodies	--	--	--	--	--	--
Total	622	745	1.291	8.519	6.423	15.867

* Provisional Data

Source: Central Bank of the Republic of Turkey

Table annex-3: Foreign Direct Investment Inflow by Country

Countries	2002	2003	2004*	2005*	(Million \$)	
					January-November	
					2005	2006
European Union (25)	455	555	1.025	4.974	2.960	13.208
<i>Germany</i>	86	142	73	391	362	329
<i>France</i>	22	120	34	2.105	296	423
<i>Netherlands</i>	72	50	568	249	223	5.038
<i>United Kingdom</i>	8	141	126	284	257	445
<i>Italy</i>	241	1	15	692	638	130
<i>Other European Countries</i>	26	101	209	1.253	1.184	6.843
Other European Countries (Excluding EU)	64	70	109	1.662	1.651	68
Africa	0	0	--	3	2	31
America	9	58	97	122	102	721
North America	9	58	97	114	95	699
<i>U.S.A.</i>	2	52	36	88	74	578
<i>Canada</i>	7	6	61	26	21	121
Central America And Caribbean	0	0	--	8	7	21
South America	0	0	--	--	--	1
Asian	70	60	60	1.756	1.706	1.814
<i>Gulf Arabian Countries</i>	5	0	--	1.675	1.666	1.668
<i>Near And Middle Eastern Countries</i>	0	1	54	3	3	120
Other Asian Countries	65	59	6	78	37	26
Australia	0	0	--	1	1	18
Unclassified	24	2	--	1	1	7
Total	622	745	1.291	8.519	6.423	15.867

* Provisional Data

Source: Central Bank of the Republic of Turkey

Table annex-4: Breakdown of Companies with International Capital by Sector According to Mode of Establishment -(2005-2006)

(Number of Companies)

Sectors	2005				2006*			
	Company Establishment	Participation	Branch Office	Total	Company Establishment	Participation	Branch Office	Total
Agriculture, hunting, fishing and forestry	25	13	2	40	25	9	1	35
Mining and quarrying	37	9	3	49	27	11	0	38
Manufacturing	351	93	12	456	300	110	11	422
<i>Manufacture of food products and beverages</i>	31	12	0	43	21	15	1	37
<i>Manufacture of textiles</i>	54	21	4	79	41	11	0	52
<i>Manufacture of chemicals and chemical products</i>	29	11	1	41	28	11	2	41
<i>Manufacture of machinery and equipment n.e.c.</i>	28	2	1	31	34	6	2	42
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	15	3	2	20	8	4	2	14
<i>Other Manufacturing</i>	194	44	4	242	168	63	4	236
Electricity, gas and water supply	6	6	0	12	31	7	2	40
Construction	295	47	6	348	339	49	9	397
Wholesale and retail trade	616	180	13	809	595	174	14	783
Hotels and restaurants	153	31	0	184	164	43	1	208
Transport, storage and communications	209	44	9	262	215	46	10	271
Real estate, renting and business activities	476	41	8	525	593	73	7	672
Other community, social and personal service activities	148	41	5	194	147	69	5	221
Total	2.316	505	58	2.879	2.436	591	60	3.087

*: As of November 2006, Provisional Data

Source: Undersecretariat of Treasury

Table annex-5: Breakdown of Companies with International Capital by Sector

(Number of Companies)

Sectors	1954-1999	2000	2001	2002	2003	2004*	2005*	January-November		1954-2006*
	(Cumulative)							2005	2006	Total
Agriculture, hunting, fishing and forestry	71	6	9	4	29	31	40	32	35	225
Mining and quarrying	66	8	8	18	12	33	49	45	38	232
Manufacturing	1.165	94	91	83	268	368	456	420	422	2.947
<i>Manufacture of food products and beverages</i>	128	8	7	9	18	51	43	40	37	301
<i>Manufacture of textiles</i>	115	3	13	12	64	60	79	73	52	398
<i>Manufacture of chemicals and chemical products</i>	151	11	7	6	29	46	41	36	41	332
<i>Manufacture of machinery and equipment n.e.c.</i>	87	8	6	7	21	25	31	27	42	227
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	99	13	12	7	17	18	20	19	14	200
<i>Other Manufacturing</i>	585	51	46	42	119	168	242	225	236	1.489
Electricity, gas and water supply	48	10	5	5	7	15	12	12	40	142
Construction	144	9	25	21	29	137	348	306	397	1.110
Wholesale and retail trade	1.458	152	173	207	433	911	809	719	783	4.926
Hotels and restaurants	472	39	53	44	59	78	184	158	208	1.137
Transport, storage and communications	280	46	50	44	96	219	262	249	271	1.268
Real estate, renting and business activities	243	54	43	38	89	236	525	465	672	1.900
Other community, social and personal service activities	212	29	27	34	86	92	194	172	221	895
Total	4.159	447	484	498	1.108	2.120	2.879	2.578	3.087	14.782

*: As of November 2006, Provisional Data

Source: Undersecretariat of Treasury

Table annex-6: Breakdown of Companies with International Capital by Country

Countries	(Number of Companies)									
	1954-1999	2000	2001	2002	2003	2004*	2005*	January-November		1954-2006*
	(Cumulative)							2005	2006	Total
European Union (25)	2.165	265	252	231	466	1.078	1.699	1.522	1.928	8.084
<i>Germany</i>	772	80	66	66	155	377	525	458	547	2.588
<i>The Netherlands</i>	341	64	40	43	74	145	214	194	254	1.175
<i>United Kingdom</i>	273	30	41	36	66	146	337	306	461	1.390
<i>Other European Countries</i>	779	91	105	86	171	410	623	564	202	2.467
Other European Countries (Excluding EU)	507	40	46	50	145	289	358	320	355	1.790
African Countries	62	4	9	14	30	46	62	52	41	268
North America	278	35	37	43	62	109	123	103	128	815
<i>U.S.A.</i>	260	31	35	39	54	98	108	90	104	729
<i>Canada</i>	18	4	2	4	8	11	15	13	24	86
<i>Central-South America And Caribbean</i>	34	5	6	1	5	12	16	14	10	89
Near And Middle Eastern Countries	845	65	78	112	275	380	417	380	403	2.575
<i>Azerbaijan</i>	64	7	12	13	38	61	65	55	80	340
<i>Iraq</i>	121	11	16	26	40	55	63	62	72	404
<i>Iran</i>	271	15	20	26	111	132	129	115	105	809
<i>Other</i>	389	32	30	47	86	132	160	148	146	1.022
Other Asian Countries	232	24	46	37	113	172	178	160	169	971
<i>China</i>	62	10	17	13	46	59	33	26	24	264
<i>South Korea</i>	34	3	11	2	16	19	18	18	13	116
<i>Other</i>	136	11	18	22	51	94	127	116	132	591
Other Countries	36	9	10	10	12	34	26	27	53	190
Total	4.159	447	484	498	1.108	2.120	2.879	2.578	3.087	14.782

*: As of November 2006, Provisional Data

Source: Undersecretariat of Treasury

Table annex-7: Investment Incentive Certificates Issued for Companies with International Capital

Years	Number of Certificates	Amount of Investment (Million \$)	Equity Share of Foreign Direct Investor (%)
2000	217	11.728,2	49,4
2001	169	2.517,8	48,6
2002	208	1.408,8	51,0
2003	211	1.729,5	71,8
2004	231	3.834,2	41,7
2005	206	3.484,7	51,7
2006	135	1.718,5	35,8
January	18	147,2	34,2
February	15	190,8	71,0
March	26	231,1	62,8
April	16	90,9	33,8
May	9	653,0	7,9
June	12	94,7	52,2
July	9	87,0	36,0
August	11	107,8	44,7
September	10	44,1	61,7
October	9	71,9	61,8
November	--	--	--

Source: Undersecretariat of Treasury