

**T.C.
PRIME MINISTRY
UNDERSECRETARIAT OF TREASURY**

**INTERNATIONAL
DIRECT INVESTMENT
INFORMATION BULLETIN**

**July 2008
GENERAL DIRECTORATE OF FOREIGN INVESTMENT**

CONTENTS

	Page
List of Tables	i
1) International Direct Investment Inflow	1
- <i>Developments in May 2008</i>	1
- <i>Developments in the 2008 January-May Period</i>	3
2) Number of Companies with International Capital	6
- <i>Developments in May 2008</i>	6
- <i>Developments in the 2008 January-May Period</i>	6
- <i>Companies with international capital in Turkey</i>	8
3) Investment Projects	13
4) Attached Tables	14

TABLES

		Page
Table-1:	Components of International Direct Investment Inflow –2008/May	1
Table-2:	International Direct Investment Inflow, by sector - 2008/ May	2
Table-3:	International Direct Investment Inflow by sector, (2007-2008/ May)	2
Table-4:	International Direct Investment Inflow by Country- 2008/ May	3
Table-5:	International Direct Investment Inflow by Country, (2007-2008/ May)	4
Table-6:	Components of International Direct Investment Inflow, (2007-2008 Monthly)	4
Table-7:	Breakdown of Companies with International Capital by Mode of Establishment (2007-2008/ May)	5
Table-8:	Breakdown of Companies with International Capital by Mode of Establishment (2007-2008/ May)	5
Table-9:	Breakdown of Companies with International Capital by Sector according to size of Equity Capital (2007-2008/ May)	6
Table-10:	Breakdown of Companies with International Capital by Country according to size of Equity Capital (2007-2008/ May)	6
Table-11:	Number of Companies with International Capital by Year according to Mode of Establishment	7
Table-12:	Breakdown of Companies with International Capital by Sector, (2007-2008/ May)	8
Table-13:	Breakdown of Companies with International Capital by Country, (2007-2008/ May)	9
Table-14:	Breakdown of Companies with International Capital by Investment Location	10
Table-15:	Breakdown of Companies With International Capital by sector according to the Investment Location (1954-2008/ May)	10
Table-16:	International Direct Investment Projects, (2007-2008/ May)	11
Table-Annex 1:	International Direct Investment (Inflows)	13
Table- Annex 2:	International Direct Investment Inflow by Sector	14
Table- Annex 3:	International Direct Investment Inflow by Country	15
Table- Annex 4:	Breakdown of Companies with International Capital by Sector according to Mode of Establishment -(2007-2008/ May)	16
Table- Annex 5:	Breakdown of Companies with International Capital by Sector	17
Table- Annex 6:	Breakdown of Companies with International Capital by Country	18
Table- Annex 7:	Investment Incentive Certificates Issued for Companies with International Capital, (2002-2008/ May)	19

INTERNATIONAL DIRECT INVESTMENT INFORMATION BULLETIN

1) International Direct Investment Inflow¹

Developments in May 2008

The net international direct investment inflow has been \$ 649 million in May 2008 (Table-1).

Table 1- Components of International Direct Investment Inflow, 2008/May

	(Million \$)				
	January	February	March	April	May
International Direct Investment Total (Net)	1.247	718	2.599	840	649
International Direct Investment	968	479	2.297	744	542
<i>Equity Investment (Net)</i>	924	398	2.337	778	563
<i>Inflows</i>	930	399	2.338	778	563
<i>Liquidation Outflows</i>	-6	-1	-1	--	--
Intra Company Loans*	44	81	-40	-34	-21
Real Estate (Net)	279	239	302	96	107

*Loans which companies with foreign capital take from foreign partners

Provisional Data, Source: Central Bank of the Republic of Turkey

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.

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 \$ 563 million. \$ 205 million of this has been into financial intermediation sector (Table-2).

Table 2- International Direct Investment Inflow, by Sector, 2008/May

(Million \$)

Sectors	January	February	March	April	May
Agriculture, hunting, fishing and forestry	--	1	13	16	--
Mining and quarrying	1	7	2	73	3
Manufacturing	294	136	63	308	137
<i>Manufacture of food products and beverages</i>	133	14	4	5	45
<i>Manufacture of textiles</i>	2	8	1	8	61
<i>Manufacture of chemicals and chemical products</i>	11	22	2	5	--
<i>Manufacture of machinery and equipment n.e.c.</i>	--	--	4	5	19
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	--	2	3	5	6
<i>Other Manufacturing</i>	148	90	49	280	6
Electricity, gas and water supply	4	20	76	57	9
Construction	1	48	83	102	138
Wholesale and retail trade	4	25	14	5	5
Hotels and restaurants	3	--	--	1	--
Transport, storage and communications	2	38	12	8	1
Financial intermediation	425	68	1.983	154	205
Real estate, renting and business activities	194	54	91	54	41
Other community, social and personal service activities	2	2	1	--	24
Total	930	399	2.338	778	563

Provisional Data, Source: Central Bank of the Republic of Turkey

\$ 412 million of the \$ 563 million equity investment has been exported by the EU countries (Table-3).

Table 3- International Direct Investment Inflow, by Country, 2008/May

(Million \$)

Countries	January	February	March	April	May
European Union (25)	555	268	1.122	461	412
<i>Germany</i>	1	116	39	74	17
<i>The Netherlands</i>	463	52	34	228	215
<i>United Kingdom</i>	43	6	14	35	8
<i>Other European Countries</i>	48	94	1.035	124	172
Other European Countries (Excluding EU)	2	7	55	--	11
Africa	8	--	--	71	3
<i>U.S.A.</i>	141	53	9	16	3
<i>Canada</i>	--	5	--	--	2
<i>Central-South America And Caribbean</i>	--	1	1	1	--
Asian	224	65	1.151	229	132
<i>Gulf Arabian Countries</i>	188	5	1.115	128	131
<i>Near And Middle Eastern Countries</i>	26	52	3	78	1
<i>Other Asian Countries</i>	10	8	33	23	--
Other Countries	--	--	--	--	--
Toplam	930	399	2.338	778	563

Provisional Data, Source: Central Bank of the Republic of Turkey

Developments in 2008 January-May Period

The net international direct investment inflow has been \$ 6.053 million in 2008 (Table-4).

Equity investment inflow component of the international direct investment inflows reached up to \$ 5.008 million January and May period in 2008 (Table-4).

Table 4- Components of International Direct Investment Inflow, (2007-2008/May)

(Million \$)

	January-May		% Change
	2007	2008	
International Direct Investment Total (Net)	11.107	6.053	-45,5
International Direct Investment Capital	9.897	5.030	-49,2
<i>Equity Investment (Net)</i>	9.604	5.000	-47,9
<i>Inflows</i>	9.611	5.008	-47,9
<i>Liquidation Outflows</i>	-7	-8	14,3
<i>Intra Company Loans*</i>	293	30	-89,8
<i>Real Estate (Net)</i>	1.210	1.023	-15,5

*Loans which companies with foreign capital take from foreign partners Provisional Data,
Source: Central Bank of the Republic of Turkey

\$ 2.835 million of the total \$ 5.008 million of the equity capital entry has been into financial intermediation sector (Table-5).

Table 5- International Direct Investment Inflow, by sector, (2007-2008/May)

(Million \$)

Sectors	January-May	
	2007	2008
Agriculture, hunting, fishing and forestry	2	30
Mining and quarrying	18	86
Manufacturing	1.802	938
<i>Manufacture of food products and beverages</i>	219	201
<i>Manufacture of textiles</i>	17	80
<i>Manufacture of chemicals and chemical products</i>	212	40
<i>Manufacture of machinery and equipment n.e.c.</i>	14	28
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	42	16
<i>Other Manufacturing</i>	1.298	573
Electricity, gas and water supply	417	166
Construction	178	372
Wholesale and retail trade	56	53
Hotels and restaurants	14	4
Transport, storage and communications	519	61
Financial intermediation	6.381	2.835
Real estate, renting and business activities	208	434
Other community, social and personal service activities	16	29
Total	9.611	5.008

Provisional Data, Source: Central Bank of the Republic of Turkey

During the January and May period in 2008, %56,3 of the equity capital entry is from EU (Table-6).

Table 6- International Direct Investment Inflow, by Country, (2007-2008/May)

(Million \$)

Countries	January-May	
	2007	2008
European Union (25)	5.053	2.818
<i>Germany</i>	116	247
<i>The Netherlands</i>	675	992
<i>United Kingdom</i>	286	106
<i>Other European Countries</i>	3.976	1.473
Other European Countries (Excluding EU)	64	75
Africa	--	82
<i>U.S.A.</i>	3.325	222
<i>Canada</i>	8	7
<i>Central-South America And Caribbean</i>	484	3
Asian	650	1.801
<i>Gulf Arabian Countries</i>	52	1.567
<i>Near And Middle Eastern Countries</i>	177	160
<i>Other Asian Countries</i>	421	74
Other Countries	27	--
Toplam	9.611	5.008

Provisional Data, Source: Central Bank of the Republic of Turkey

2) Number of Companies with International Capital

Developments in May 2008

307 companies with international capital have been established and 53 foreign capital participations to the existing domestic companies incurred in May 2008 (Table-7).

Table 7- Breakdown of Companies with International Capital by Mode of Establishment, (2007-2008 Monthly)

(Number of Companies)

	2007				2008				% Change
	Company Establishment	Participation	Branch Office	Total	Company Establishment	Participation	Branch Office	Total	
January	206	40	4	250	241	63	9	313	25,2
February	219	59	10	288	234	54	7	295	2,4
March	263	61	2	326	268	50	5	323	-0,9
April	212	52	6	270	252	54	4	310	14,8
May	309	70	6	385	303	53	4	360	-6,5
June	243	55	4	302	--	--	--	--	--
July	281	53	0	334	--	--	--	--	--
August	257	55	10	322	--	--	--	--	--
September	280	48	9	337	--	--	--	--	--
October	271	59	3	333	--	--	--	--	--
November	283	72	4	359	--	--	--	--	--
December	167	27	2	196	--	--	--	--	--
Total	2.991	651	60	3.702	1.298	274	29	1.601	--

Provisional Data, Source: Undersecretariat of Treasury

Developments in the 2008 January-May period

In the first five month of 2008, 1,239 companies and branch offices with international capital have been established and 280 international capital participations to the existing domestic companies incurred (Table-8).

Table 8- Breakdown of Companies with International Capital by Mode of Establishment, (2007-2008/May)

(Number of Companies)

	January-May		% Change
	2007	2008	
Company Establishment	1.209	1.298	7,4
Participation	280	274	-2,1
Branch Office	30	29	-3,3
Total	1.519	1.601	5,4

Provisional Data, Source: Undersecretariat of Treasury

In the January-May period in 2008, majority of the total 1.601 companies with international capital is in the wholesale and retail trade sectors while real estate renting and business activities and manufacturing sectors follow (Table-9). Chemicals-chemical products lead the manufacturing sector investments followed by machinery and equipment n.e.c, food products and beverages sector.

Of these total 1.601, 166 have capital values higher than \$ 500.000. Among these, 33 companies operate in manufacturing, 29 companies operate in wholesale and retail trade sector and 18 companies operate in real estate, renting and business activities sectors (Table-9).

Table 9- Breakdown of Companies with International Capital by Sector according to Size of Equity Capital, (2007-2008/May)

(Number of Companies)

Sectors	2007					2008 (January-May)				
	<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	25	17	3	7	52	10	12	3	4	29
Mining and quarrying	38	25	9	10	82	11	11	4	10	36
Manufacturing	243	130	47	80	500	102	66	24	33	225
<i>Manufacture of food products and beverages</i>	19	6	4	5	34	5	6	2	2	15
<i>Manufacture of textiles</i>	25	15	4	5	49	5	3	1	1	10
<i>Manufacture of chemicals and chemical products</i>	25	12	6	11	54	15	5	1	4	25
<i>Manufacture of machinery and equipment n.e.c.</i>	20	15	5	8	48	10	8	2	3	23
<i>Manufacture of motor vehicles, trailers, semi-trailers</i>	8	5	1	5	19	5	2	--	2	9
<i>Other Manufacturing</i>	146	77	27	46	296	62	42	18	21	143
Electricity, gas and water supply	47	21	4	4	76	28	8	3	8	47
Construction	257	161	57	37	512	85	68	25	13	191
Wholesale and retail trade	464	243	59	62	828	173	124	41	29	367
Hotels and restaurants	142	63	12	7	224	60	30	6	12	108
Transport, storage and communications	178	81	23	27	309	69	29	18	14	130
Financial intermediation	8	8	1	24	41	8	3	1	14	26
Real estate, renting and business activities	566	215	51	59	891	175	119	23	18	335
Other community, social and personal service activities	124	46	9	8	187	67	20	9	11	107
Total	2.092	1.010	275	325	3.702	788	490	157	166	1.601

Provisional Data, Source: Undersecretariat of Treasury

836 of the total 1.601 companies are of EU origin, 268 companies are of other European countries and 229 companies are of Near and Middle Eastern Countries (Table-10).

Table 10- Breakdown of Companies with International Capital by Country according to Size of Equity Capital (2007-2008/May)
(Number of Companies)

Countries	2007					2008 (January-May)				
	<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)	1.300	558	142	193	2.193	436	228	77	95	836
Germany	319	173	43	44	579	145	69	25	29	268
The Netherlands	151	55	16	38	260	64	40	15	19	138
United Kingdom	298	116	24	25	463	62	38	11	14	125
Other European Union Countries	532	214	59	86	891	165	81	26	33	305
Other European Countries (Excluding EU)	225	141	36	29	431	128	85	28	27	268
North Africa	14	14	1	1	30	2	8	4	--	14
Other African Countries	10	6	2	1	19	1	2	--	--	3
North America	112	27	14	16	169	44	24	5	8	81
U.S.A.	90	18	13	14	135	41	21	4	7	73
Canada	22	9	1	2	34	3	3	1	1	8
Central-South America And Caribbean	19			2	21	3	--	2	2	4
Near And Middle Eastern Countries	251	179	50	47	527	94	95	28	12	229
Azerbaijan	58	40	12	11	121	21	19	9	2	51
Iraq	58	41	11	5	115	14	13	6	--	33
Iran	58	36	10	4	108	17	28	4	3	52
Other	77	62	17	27	183	42	35	9	7	93
Other Asian Countries	142	79	26	30	277	52	40	13	10	115
Other Countries	19	6	4	6	35	28	8	--	12	48
Total	2.092	1.010	275	325	3.702	788	490	157	166	1.601

Provisional Data, Source: Undersecretariat of Treasury

Companies with international capital in Turkey

Currently, a total of 19.909 companies with international capital are operating in Turkey. Among these, 16.270 companies and branch offices with international capital have been established and 3.639 foreign capital participations to the existing companies incurred (Table-11).

Table 11- Number of Companies with International Capital by Year according to Mode of Establishment
(Number of Companies)

Year	Company Establishment	Participation	Branch Office	Total
1954-2002 (Cumulative)	4.336	892	210	5.438
2003	851	208	32	1.091
2004	1.515	460	64	2.039
2005	2.191	501	58	2.750
2006	2.571	653	64	3.288
2007	2.991	651	60	3.702
2008/May	1.298	274	29	1.601
Total	15.753	3.639	517	19.909

Provisional Data, Source: Undersecretariat of Treasury

Majority of the total 19,909 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 - chemical products, food products and beverage sector (Table-12).

Table 12- Breakdown of Companies with International Capital by Sector, (2007-2008/May)

(Number of Companies)

Sectors	January-May		(1954-2008/May)
	2007	2008	General Total
Agriculture, hunting, fishing and forestry	27	29	308
Mining and quarrying	34	36	363
Manufacturing	228	225	3,619
<i>Manufacture of food products and beverages</i>	13	15	349
<i>Manufacture of textiles</i>	26	10	432
<i>Manufacture of chemicals and chemical products</i>	32	25	408
<i>Manufacture of machinery and equipment n.e.c.</i>	20	23	295
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	8	9	216
<i>Other Manufacturing</i>	129	143	1,919
Electricity, gas and water supply	18	47	267
Construction	188	191	1,823
Wholesale and retail trade	352	367	6,002
Hotels and restaurants	75	108	1,435
Transport, storage and communications	140	130	1,697
Financial intermediation	18	26	265
Real estate, renting and business activities	366	335	3,139
Other community, social and personal service activities	73	107	991
Total	1,519	1,601	19,909

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 11.556 of the total 19.909 companies with foreign capital are of EU origin, in which Germany leads with 3.393 firms followed by United Kingdom (1.956 firms) and the Netherlands (1.557 firms) (Table-13).

Table 13- Breakdown of Companies with International Capital by Country, (2007-2008/May)

Countries	(Number of Companies)		
	January-May		(1954-2008/May)
	2007	2008	Total
European Union (25)	899	836	11.556
<i>Germany</i>	230	268	3.393
<i>The Netherlands</i>	104	138	1.557
<i>United Kingdom</i>	203	125	1.956
<i>Other European Countries</i>	362	305	4.650
Other European Countries (Excluding EU)	200	268	1.959
African Countries	13	14	323
North America	62	81	1.035
<i>U.S.A.</i>	47	73	907
<i>Canada</i>	15	8	128
Central-South America And Caribbean	12	7	112
Near And Middle Eastern Countries	197	229	3.301
<i>Azerbaijan</i>	39	51	504
<i>Iraq</i>	42	33	544
<i>Iran</i>	46	52	962
<i>Other</i>	70	93	1.291
Other Asian Countries	118	115	1.345
<i>China</i>	23	23	323
<i>South Korea</i>	10	10	144
<i>Other</i>	85	82	878
Other Countries	18	48	275
Total	1.519	1.601	19.909

Provisional Data, Source: Undersecretariat of Treasury

When the investment location distribution of the 19.909 international capital companies are considered, it is seen that 10.845 of the total 19.909 are in Istanbul, which is followed by Antalya (2.524 firms), Ankara (1.325 firms) and Izmir (1.198 firms) (Table-14).

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

City	Number of Companies (1954-2008/May)
ISTANBUL	10.845
ANTALYA	2.524
ANKARA	1.325
IZMIR	1.198
MUĞLA	1.193
BURSA	407
AYDIN	364
MERSIN	335
KOCAELI	233
ADANA	151
Other Cities	1.334
Toplam	19.909

Provisional Data, Source: Undersecretariat of Treasury

In Istanbul, the majority of the 10.845 companies with international capital is in the wholesale and retail trade sectors (3.913 firms) while they also operate in manufacturing (2.141 firms), real estate renting and other business activities (1.549 firms) (Table-15).

Table 15- Breakdown of Companies with International Capital by Sector according to the Investment Location (1954-2008/May)

Sectors	(Number of Companies)				
	Istanbul	Antalya	Ankara	Izmir	Muğla
Agriculture, hunting, fishing and forestry	76	60	22	38	16
Mining and quarrying	135	15	71	40	7
Manufacturing	2.141	143	197	309	30
<i>Manufacture of food products and beverages</i>	170	25	18	42	5
<i>Manufacture of textiles</i>	281	6	9	26	4
<i>Manufacture of chemicals and chemical products</i>	280	15	9	31	1
<i>Manufacture of machinery and equipment n.e.c.</i>	181	3	23	27	1
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	84	--	9	14	--
<i>Other Manufacturing</i>	1.145	94	129	169	19
Electricity, gas and water supply	134	14	73	23	1
Construction	572	533	148	93	191
Wholesale and retail trade	3.913	344	373	382	84
Hotels and restaurants	459	451	69	69	254
Transport, storage and communications	1.024	240	66	72	133
Financial intermediation	232	15	6	8	6
Real estate, renting and business activities	1.549	602	200	108	432
Other community, social and personal service activities	610	107	100	56	39
Total	10.845	2.524	1.325	1.198	1.193

Provisional Data, Source: Undersecretariat of Treasury

3) Investment Projects²

20 incentive certificates having a total investment value of \$ 622,8 million were issued by the Undersecretariat of Treasury in May 2008 for companies with international capital. Thus, In the first five month of 2008, the number of certificated investment projects reached up to 95, while their capital value reached to \$ 3,1 billion (Table-17). 48,3 % of this capital will be covered by the international partners (Table-16).

Table 16: Investment Incentive Certificates Issued for Companies with International Capital, 2008/Monthly

	January	February	March	April	May
Number of Incentive Certificates (Number)	16	19	14	26	20
Amount of Investment (Million \$)	324,9	806,2	183,6	1.104,1	622,8
Equity Share of Foreign Direct Investor (%)	68,6	41,5	50,2	58,7	27,8

* Investment value is prescribed in the investment certificate which is issued for companies with foreign capital

Source: Undersecretariat of Treasury

Out of the total 95 investment incentive certificates, 79 were issued for manufacturing, 1 for agriculture hunting and forestry, 2 for mining-quarrying and 12 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 \$)

	2003	2004	2005	2006	2007	January-May	
						2007	2008
International Direct Investment Total (Net)	1.751	2.785	10.031	19.989	22.205	11.107	6.053
International Direct Investment	753	1.442	8.190	17.067	19.253	9.897	5.030
<i>Equity Investment (Net)</i>	737	1.092	8.134	16.982	18.702	9.604	5.000
<i>Inflows</i>	745	1.190	8.535	17.639	19.445	9.611	5.008
<i>Liquidation Outflows</i>	-8	-98	-401	-657	-743	-7	-8
Intra Company Loans**	16	350	56	85	551	293	30
Real Estate (Net)	998	1.343	1.841	2.922	2.952	1.210	1.023

**Loans which companies with foreign capital take from foreign partners

Provisional Data, Source: Central Bank of the Republic of Turkey

Table annex-2: International Direct Investment Inflow by Sector

(Million \$)

Sectors	2003	2004	2005	2006	2007	January-May	
						2007	2008
Agriculture, hunting and forestry	1	4	5	5	5	1	16
Fishing	--	2	2	1	3	1	14
Mining and quarrying	14	73	40	122	336	18	86
Manufacturing	448	190	785	1.866	4.202	1.802	938
Manufacture of food products and beverages	249	78	68	608	765	219	201
<i>Manufacture of textiles</i>	8	9	180	26	232	17	80
<i>Manufacture of chemicals and chemical products</i>	9	38	174	601	1.111	212	40
<i>Manufacture of machinery and equipment n.e.c.</i>	17	6	13	54	47	14	28
<i>Office machinery and computers</i>	4	2	13	53	108	54	144
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	145	27	106	63	70	42	16
<i>Other Manufacturing</i>	14	30	231	461	1.869	1.244	429
Electricity, gas and water supply	86	66	4	112	567	417	166
Construction	8	3	80	222	285	178	372
Wholesale and retail trade	92	72	68	1.166	169	56	53
Hotels and restaurants	4	1	42	23	32	14	4
Transport, storage and communications	2	639	3.285	6.696	1.116	519	61
Financial intermediation	51	69	4.018	6.957	11.662	6.381	2.835
Real estate, renting and business activities	6	3	29	99	879	208	434
Health and social work	23	35	74	265	176	11	20
Other community, social and personal service activities	10	33	103	105	13	5	9
Total	745	1.190	8.535	17.639	19.445	9.611	5.008

Provisional Data, Source: Central Bank of the Republic of Turkey

Table annex-3: International Direct Investment Inflow by Country

(Million \$)

Countries	2003	2004	2005	2006	2007	January-May	
						2007	2008
European Union (27)	563	1.027	5.006	14.489	12.929	5.053	2.818
Germany	142	73	391	357	1.010	116	247
France	120	34	2.107	439	360	65	399
Netherlands	50	568	383	5.069	5.726	675	992
United Kingdom	141	126	166	628	702	286	106
Italy	1	14	692	189	73	38	85
Other European Countries	109	212	1.267	7.807	5.058	3.873	989
Other European Countries (Excluding EU)	62	6	1.646	85	372	64	75
Africa	--	--	3	21	5	--	82
U.S.A.	52	36	88	848	4.213	3.325	222
Canada	6	61	26	121	11	8	7
Central-South America And Caribbean	0	--	8	33	494	484	3
Asian	60	60	1.756	1.927	1.385	650	1.801
Gulf Arabian Countries	--	43	1.675	1.783	311	52	1.567
Near And Middle Eastern Countries	1	11	3	127	297	177	160
Other Asian Countries	59	6	78	17	777	421	74
Other Countries	2	--	2	115	36	27	--
Total	745	1.190	8.535	17.639	19.445	9.611	5.008

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 -(2007-2008)

(Number of Companies)

Sectors	2007				2008 (January-May)			
	Company Establishment	Participation	Branch Office	Total	Company Establishment	Participation	Branch Office	Total
Agriculture, hunting, fishing and forestry	40	11	1	52	24	5	--	29
Mining and quarrying	61	21	--	82	26	10	0	36
Manufacturing	382	105	13	500	173	47	5	225
<i>Manufacture of food products and beverages</i>	29	5	--	34	11	4	0	15
<i>Manufacture of textiles</i>	33	16	--	49	9	1	0	10
<i>Manufacture of chemicals and chemical products</i>	41	12	1	54	18	7	0	25
<i>Manufacture of machinery and equipment n.e.c.</i>	36	9	3	48	20	2	1	23
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	13	4	2	19	6	3	0	9
<i>Other Manufacturing</i>	230	59	7	296	109	30	4	143
Electricity, gas and water supply	64	12	--	76	37	10	0	47
Construction	442	60	10	512	170	16	5	191
Wholesale and retail trade	628	183	17	828	295	65	7	367
Hotels and restaurants	183	41	--	224	88	19	1	108
Transport, storage and communications	232	70	7	309	99	29	2	130
Financial intermediation	19	21	1	41	14	10	2	26
Real estate, renting and business activities	793	89	9	891	293	36	6	335
Other community, social and personal service activities	147	38	2	187	79	27	1	107
Total	2.991	651	60	3.702	1.298	274	29	1.601

Provisional Data, Source: Undersecretariat of Treasury

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

Sectors	(Number of Companies)								
	1954-2002	2003	2004	2005	2006	2007	January-May		(1954-2008/ Jan.-May)
	(Cumulative)						2007	2008	Total
Agriculture, hunting, fishing and forestry	88	25	33	34	47	52	27	29	308
Mining and quarrying	97	12	34	54	48	82	34	36	363
Manufacturing	1,372	264	356	433	469	500	228	225	3,619
<i>Manufacture of food products and beverages</i>	144	21	52	38	45	34	13	15	349
<i>Manufacture of textiles</i>	135	62	55	71	50	49	26	10	432
<i>Manufacture of chemicals and chemical products</i>	169	28	44	41	47	54	32	25	408
<i>Manufacture of machinery and equipment n.e.c.</i>	104	20	23	27	50	48	20	23	295
<i>Manufacture of motor vehicles, trailers and semi-trailers</i>	121	16	18	21	12	19	8	9	216
<i>Other Manufacturing</i>	699	117	164	235	265	296	129	143	1,919
Electricity, gas and water supply	64	8	16	11	45	76	18	47	267
Construction	197	31	130	334	428	512	188	191	1,823
Wholesale and retail trade	1,940	427	860	765	815	828	352	367	6,002
Hotels and restaurants	583	60	76	171	213	224	75	108	1,435
Transport, storage and communications	424	96	216	248	274	309	140	130	1,697
Financial intermediation	111	13	6	20	48	41	18	26	265
Real estate, renting and business activities	369	91	226	519	708	891	366	335	3,139
Other community, social and personal service activities	193	64	86	161	193	187	73	107	991
Total	5,438	1,091	2,039	2,750	3,288	3,702	1,519	1,601	19,909

Provisional Data, Source: Undersecretariat of Treasury

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

(Number of Companies)

Countries	1954-2002	2003	2004	2005	2006	2007	January-May		(1954-2008/May)
	(Cumulative)						2007	2008	Total
European Union (27)	2.909	503	1.091	1.693	2.120	2.404	899	836	11.556
Germany	948	148	377	494	579	579	230	268	3.393
The Netherlands	477	69	140	199	274	260	104	138	1.557
United Kingdom	362	67	132	329	478	463	203	125	1.956
Other European Countries	1.122	219	442	671	789	1.102	362	305	4.650
Other European Countries (Excluding EU)	547	104	231	277	312	220	200	268	1.959
African Countries	88	30	41	58	43	49	13	14	323
North America	367	57	104	112	145	169	62	81	1.035
U.S.A.	341	48	93	99	118	135	47	73	907
Canada	26	9	11	13	27	34	15	8	128
Central-South America And Caribbean	42	5	13	14	10	21	12	7	112
Near And Middle Eastern Countries	1.079	269	368	398	431	527	197	229	3.301
Azerbaijan	96	39	55	59	83	121	39	51	504
Iraq	165	41	51	60	79	115	42	33	544
Iran	325	108	128	126	115	108	46	52	962
Other	493	81	134	153	154	183	70	93	1.291
Other Asian Countries	340	110	160	172	171	277	118	115	1.345
China	102	44	58	33	21	42	23	23	323
South Korea	50	15	16	17	12	24	10	10	144
Other	188	51	86	122	138	211	85	82	878
Other Countries	66	13	31	26	56	35	18	48	275
Total	5.438	1.091	2.039	2.750	3.288	3.702	1.519	1.601	19.909

Provisional Data, Source: Undersecretariat of Treasury

Table annex-7: Investment Incentive Certificates Issued for Companies with International Capital -(2003-2008/May)

	2003	2004	2005	2006	2007	2008- January- May
Number of Incentive Certificates (Number)	211	231	206	151	198	95
Amount of Investment (Million \$)	1.729,5	3.834,2	3.484,7	1.802,8	5.404,4	3.041,6
Equity Share of Foreign Direct Investor (%)	71,8	41,7	51,7	36,1	49,1	48,3

Source: Undersecretariat of Treasury