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Foreign Direct Investment News Digest October 2012

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Automotive

Ford relocates European van production to Turkey

31.10.2012

Haberturk – Ford Motor Co. will close down production at its Southampton plant in the UK and move the production of the Transit model van to Turkey, according to an announcement by the European branch of the Company.

Declining sales and a contracting car market in Europe forced the US automaker to restructure its operations in Europe, closing plants in the UK and Belgium while focusing on Turkey as a production and engineering center for the company's commercial vehicle lineup. The Golcuk plant in Turkey's Kocaeli province will take over the production of the Transit model van, becoming the sole Ford plant churning out the highly popular vehicle by 2013.

Active in Turkey as JV formed with Turkey's Koc Holding under the name of Ford-Otosan, the US company is adding a third plant to its existing factories in Turkey to expand its light commercial vehicle (LCV) range for world markets. Ford exports 'Made in Turkey' LCVs and trucks to over 60 countries.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/311012-ford-moves-transit-van-production-turkey.aspx>

Toyota Turkey to source more parts from local industries

01.10.2012

Zaman - The new Corolla, slated to enter production in the first half of 2013 in Toyota's Sakarya plant in northwestern Turkey, will carry more locally-procured parts than the previous Toyota-branded vehicles manufactured in the country, according to Toyota Motor Europe President, Didier Leroy, speaking to the Turkish press at the Paris Motor Show.

"Beginning with the 11th gen Corolla, we plan to increase the percentage of locally-manufactured parts and overall local contribution to the vehicles produced in Turkey," Leroy told reporters, adding that reaching maximum production capacity at the Sakarya plant is critical to Toyota Europe. The new Corolla is expected to play a pivotal part in the Japanese automaker's European operations in terms of efficiency and profitability. Toyota manufactured the Corolla model in Turkey for 12 years before switching to the hatchback, Auris in 2006.

Toyota's Sakarya plant will focus on the manufacturing of Corolla and Verso, leaving the Auris to the company's British plant, said Leroy. The combined production of Corolla and Verso in Turkey will reach 150,000 vehicles per year. The company will also expand its workforce to 3,200 people, while investing USD 150 million for production line upgrades at the facility.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/011012-toyota-turkey-increasing-local-procurement.aspx>

Energy

Turkish - German partnership to build 50 MW wind farm

18.10.2012

Yeni Safak – Turkish - German partnered Borusan EnBW Enerji has broken ground for the Balabanli Wind Power Plant in Turkey's northwestern province of Tekirdag. The plant's 22 turbines will generate 50 megawatts of power once it joins the energy-hungry country's national grid by 2013.

The ceremony marking the commencement of the construction took place in Istanbul with the attendance of the executives of Borusan and EnBW, and Turkey's Minister of Energy, Taner Yildiz.

"Turkey is a country of opportunities. Our growth strategy in Turkey depends not only on wind but also on hydro power and other renewable sources," said EnBW CEO Frank Mastiaux at the event, underlining Turkey's growing demand for energy.

Minister Yildiz for his part said that rather than using public funds to invest in power generation, Turkey has chosen to involve the private sector in meeting country's energy demand. The country's growing economy is in need of USD 5 billion of investments each year on the generation side alone. By the centennial of the republic in 2023, the country plans to have a 20,000 MW installed capacity generated by wind power plants.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/181012-borusan-enbw-turkey-wind-energy-investment.aspx>

Turkey planning third NPP project

16.10.2012

Hürriyet – As negotiations for building Turkey's second nuclear power plant (NPP) are about to end with a deal, plans for a third plant are already laid out by the country's energy ministry. Canadian, Japanese, Chinese and South Korean companies are competing for the right to build and operate Turkey's second NPP to be located in the Black Sea province of Sinop.

Speaking to the press at the Energy Regulators Regional Association (ERRA) meeting in Izmir, Turkey's Minister of Energy Taner Yildiz said that a third nuclear power plant to meet Turkey's growing energy needs is in planning and more details will soon be provided.

"We expect to reach a deal with one of the countries before the year's end..." the Minister said about the project in Sinop. "The preliminary studies for the proposed third plant are among the issues discussed with the contenders..." he added.

Turkey has reached a deal with Russia to build the country's first nuclear plant in Akkuyu, Mersin on the Mediterranean coast. The third plant will match Akkuyu in power, reaching 4800 to 5000 megawatts, Yildiz said.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/161012-turkey-third-nuclear-power-plant-in-planning.aspx>

Financial Services

Mexican lender considering investing in Turkey

19.10.2012

Sabah - Looking for new investment opportunities in countries with rising political and economic influence, Mexico's largest banking institution Banco Bilbao Vizcaya Argentaria (BBVA) Bancomer has set its sights on Turkey.

The lender is seeking investment opportunities in Turkey, according to its Managing Director, Eduardo Arrangoiz Crespo, leading a delegation of Mexican businesspeople on a visit to Ankara. The delegation met with Turkey's Minister of Economy, Zafer Caglayan, exchanging views on developing cooperation opportunities in a variety of fields between Turkey and Mexico.

"Turkey offers a great deal of opportunities in many different sectors," said Crespo during the meeting, adding that BBVA Bancomer intends to establish co-operations in Turkey.

Giving details about Turkish-Mexican trade, Minister Caglayan said Turkey's exports to Latin American countries have increased by 48 percent. "Turkey and Mexico have a trade volume of USD 661 million as of 2011," Caglayan noted.

BBVA Bancomer is parented by Spanish BBVA, a stakeholder in Turkey's Garanti Bank.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/191012-bbva-mercomer-investing-in-turkey.aspx>

Food and Beverage

Chocolate maker Barry Callebaut investing in Turkey

31.10.2012

Dunya – Swiss-based chocolate and cocoa products maker Barry Callebaut is to invest in a production plant in Turkey. The facility to be built in the Central Anatolian province of Eskisehir will serve as a basis to address the growing Turkish domestic market as well as regional markets, a statement from the company read.

The Belgian-French chocolate maker will spend CHF 15 million (EUR 12 million / USD 16 million) for the plant with a production capacity of 15,000 tons per year. Scheduled to open in the summer of 2013, the facility will create employment for 50 people.

Speaking of the investment in Turkey, Juergen Steinemann, CEO of Barry Callebaut said that the modern factory to be built in Turkey is a major step in tapping the potential of a rapidly growing region. "The new production facility will help to foster our position in a rapidly growing domestic market and expand our presence to promising new markets..." he added.

Yearly chocolate consumption in Turkey is less than 2 kg per capita, however at a growth rate of 7 percent per year the country carries an enormous potential for confectionery makers. Another European chocolatier, Ferrero of Italy, has invested EUR 90 million in a factory in Turkey, also slated to enter production in 2013.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/311012-barry-callebaut-investing-in-turkey.aspx>

Healthcare

Sanofi to make Turkish plant an export hub

15.10.2012

Sabah - Drugmaker Sanofi seeks to expand its operations in Turkey in a bid to make its production plant in Luleburgaz, Kirklareli an export hub for antibiotics for over 40 countries. The company is producing generic drugs in Turkey under the name of its Czech subsidiary Zentiva, which acquired Turkish drug manufacturer Eczacibasi in 2007. The largest pharmaceutical company in Turkey by production capacity, Sanofi's plant in western Turkey is also home to the company's one of the major research and development (R&D) labs.

Referring to the Luleburgaz plant, "Our Turkish facility stands out in efficiency and quality. Zentiva intends to expand production in this factory," Zentiva President Jerome Silvestre told Turkish daily Sabah.

"Luleburgaz plant constitutes one fourth of Zentiva's global production with its significant capacity, know-how and skilled labor force," according to Sanofi Turkey Head Olivier Guillaume. Sanofi had relocated its regional management center, covering the Middle East from Dubai to Istanbul last April.

Detailing the company's plans regarding Turkey, Zentiva Turkey General Manager Sahin Aslan said that Zentiva will focus on antibiotics production in its Turkish plant with a special emphasis on exports. "We aim to begin exporting antibiotic drugs to 40 countries in the first quarter of 2013," Aslan noted.

The Luleburgaz plant, with its annual production capacity of 450 million packages, employs over a thousand people.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/151012-sanofi-zentiva-increasing-exports-from-turkey.aspx>

ICT

Huawei allocates USD 100 million for Turkey acquisitions

11.10.2012

Zaman – Chinese telecommunications equipment provider Huawei plans to dig in deep in Turkey where it has placed its second largest research development (R&D) center outside China as it announces acquisitions in the country worth USD 100 million next year.

Celebrating its 10th anniversary in Turkey, the global company will also spend USD 20 million to enhance its product development operations in its Istanbul R&D Center. "Huawei's Turkey office has become central to our operations in the Caucasus and Central Asia...", Huawei Turkey General Manager Wu Congheng told reporters at the commemoration event. Stating that Huawei's growth in Turkey is accompanied by an expanding work force, Congheng said that in the last 3 years the company has invested USD 50 million in its R&D center in the country, currently employing 350 engineers.

Huawei provides hardware for Turkey's 3 cell networks and the sole landline operator. Its R&D center in Istanbul plays a key role in developing software solutions for Huawei customers worldwide.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/111012-huawei-turkey-acquisitions-usd-100-million.aspx>

Iron & Steel

POSCO's Turkish plant to commence production in April

05.10.2012

Dünya - South Korean steelmaker Pohang Iron and Steel Company's (POSCO) USD 350 million facility in Turkey has only months to begin rolling out stainless steel to supply the domestic and regional markets. Scheduled to enter production in April 2013, the mill's first operational phase will produce 200,000 tons of steel per annum, with a capacity to reach a million tons upon demand, according to POSCO Assan General Manager, Jong Won Kwon.

"POSCO's investment in Turkey will reduce Turkey's import dependency on steel products and will lead to price drops," Kwon told reporters in a tour in the company's factory under construction in the northwestern province of Kocaeli. "POSCO's competitiveness will help reduce Turkey's foreign trade deficit. Our plant is able to supply more than half of the domestic demand," Kwon noted. Turkey's steel consumption was around 360,000 tons last year.

The country's becoming an auto and home appliances production hub has increased the steel demand considerably in recent years.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/051012-turkey-posco-production-april-2013.aspx>

Mining

Canadian gold miner to invest USD 1 billion in Turkey

16.10.2012

Zaman – Gold mining company Alamos Gold is set to invest USD 1 billion in two mining projects in Turkey's Aegean province of Canakkale. Having acquired the Agi Dagi and Kirazli gold mining projects in Biga peninsula from another Canadian company, Teck Mining, for USD 90 million, Alamos will dig for gold and silver, investing USD 425 million in each project in the process.

The company operates under the Kuzey Biga Madencilik name in Turkey and has already spent USD 35 million in exploration and feasibility studies. Alamos hopes to start producing gold in Agi Dagi by 2016 and Kirazli by 2014. The two projects are thought to hold two million ounces of gold and 9 million ounces of silver, according to Alamos Gold Founder and CEO, John A. McCluskey. "Operating of these two mines will create employment for 800 people..." McCluskey said.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/161012-turkey-alamos-gold-mining-investment.aspx>

Real Estate

ISPAT to launch property roadshows worldwide

08.10.2012

Sabah – Developers and construction companies of Turkey's booming real estate sector are hitting the road for marketing the country's latest offerings to global property investors in cooperation with the Investment Support and Promotion Agency of Turkey (ISPAT).

The country has been the "Country of Honor" in the recently concluded Cityscape Global 2012 in Dubai with its landmark projects and is now preparing for the next stop in London. "The Association of Real Estate Investment Companies (GYODER) and ISPAT will hold a joint roadshow to promote Turkey's real estate sector and investment opportunities in London on November 8..", according to GYODER President Isik Gokkaya. "Turkish construction companies created great fanfare in Dubai. We expect more in the upcoming events..." Gokkaya said, praising ISPAT's experience in this type of organizations that feature investment opportunities in the country's various sectors.

"Roadshows of this sort are critical in promoting Turkey's real estate attractions to foreign buyers...", said Feyzullah Yetgin of Calik Gayrimenkul, a participant in Cityscape Global. "Next year will see similar roadshows in Hong Kong, Singapore, Qatar and Malaysia in cooperation with ISPAT...", Yetgin added.

One of the hottest emerging property markets in the world, Turkey's easing of the reciprocity law that limits purchases of property by foreign nationals made the country a hot spot for global realty investors, especially from Gulf countries. Last year, Turkey attracted USD 2 billion in foreign direct investment into real estate. The figure is expected to reach USD 5 billion in the short term, according to GYODER estimates.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/081012-turkey-property-attractions-ispat-roadshows.aspx>

Emaar launches second Istanbul project

05.10.2012

Arabianbusiness.com - Emaar Properties, the developer behind Dubai's Burj Khalifa, has announced that its Turkish subsidiary has launched a new urban project in Istanbul at this year's Cityscape Global real estate fair held in Dubai.

Emaar Turkey said “Boulevardi” will include over 1,000 luxury homes, a 190-room five-star hotel, leisure facilities and offices.

The center point will be the Boulevardi mall, which will be one of the largest in Istanbul and will take its design inspiration from Emaar’s Dubai Mall, the largest retail destination in the world.

The Boulevardi mall will have over 400 stores, a range of food outlets and leisure attractions including a discovery center, underwater zoo, family entertainment complex, ice skating rink and movie theatre.

The project is Emaar’s second project in the area, following on from the popularity of its Tuscan Valley project, which attracted high interest.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/051012-emaar-begins-second-istanbul-project.aspx>

Textiles

Chinese textile company invests in Turkey

09.10.2012

Dünya - Chinese textile producer Texhong plans to invest USD 70 million in a yarn production plant in Balıkesir province in western Turkey.

“The Chinese company chose Balıkesir as an investment location for its logistic and strategic advantages,” according to Mustafa Gundogan, Secretary General of the South Marmara Development Agency, the regional investment office for Balıkesir and Canakkale provinces. “The yarn manufacturing facility will cost USD 70 million and is scheduled to commence production within a year,” said Gundogan, adding that the project will enable the Chinese firm to reach European markets via Turkey.

The first Chinese company investing in Balıkesir province in the country’s well-developed Marmara region, Texhong will provide employment for at least 500 people.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/091012-chinese-textile-company-turkey-investment.aspx>

Transportation and Logistics

Turkish Airlines spans 91 countries, 204 destinations

04.10.2012

Sabah - Turkey’s national flag carrier, Turkish Airlines (THY), now covers 91 countries in 5 continents, effectively having the most extensive flight network in the world in passenger transportation. The company’s latest addition, Mauritania in Africa, has brought the number of the airline’s flight routes to 204, inspiring a new ad campaign that features Turkey’s national anthem performed with indigenous musical instruments from countries as diverse as Brazil and China. “The new ad campaign is a huge success, symbolizing the multicultural and multinational nature of the Turkish Airlines,” according to Hamdi Topcu, Chairman of the Board of THY.

Turkish Airlines was voted the “Best Airline in Europe” twice in 2011 and 2012 by Skytrax, the airline and airport ranking authority.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/041012-turkish-airlines-flying-204-routes-worldwide.aspx>

Others**UNCTAD: Turkey's first half FDI inflow up 20 percent**

30.10.2012

Yeni Safak - Turkey's foreign direct investment (FDI) inflows for the first half of 2012 grew by 20.8 percent, exceeding USD 8 billion, according to a United Nations Conference on Trade and Development (UNCTAD) report. The increase made Turkey one of the few emerging nations experiencing growth in foreign investments amid an 8 percent drop in global FDI inflows in the January-June period.

Turkey recorded the 9th highest growth rate globally in FDI inflows according to UNCTAD data while BRIC nations (Brazil, India, China and Russia, four biggest emerging countries) are hit hard with drops in FDI inflows reaching 40 percent. When compared with European nations, Turkey came fourth in FDI increase rate, following France, Spain and Portugal.

Turkey attracted USD 15.9 billion of FDI in 2011, up 74 percent from 2010. An anticipated credit rating upgrade will considerably boost the country's appeal as a foreign investment hub.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/301012-unctad-turkey-fdi-inflow-up.aspx>

Japanese investors target Turkey

15.10.2012

The Wall Street Journal - Turkey's economy, struggling under dwindling demand and investment from Europe amidst the chronic debt crisis embroiling its biggest trading partner, is getting a shot in the arm from an unlikely source: Japan.

Bilateral trade jumped 25 percent last year to a record USD 4.6 billion, while the number of Japanese companies opening offices in Istanbul hit 120 this year. No prior-year figures were available.

Japanese lenders are lining up to bid for Turkish banking licenses or entering joint ventures with local finance houses to profit from the booming consumer-lending market. Construction, logistics and automotive companies have begun building factories across the country, staking a longer-term claim on Turkey's success and helping boost local employment.

"The Japanese are seriously targeting Turkey," said Turkish Economy Minister Zafer Caglayan in Istanbul on September 20. "The Japanese are the slowest-moving people in the world. But once they reach a decision, they are always taking the right and rational steps."

On Friday, Bank of Tokyo-Mitsubishi UFJ, Japan's biggest bank, decided to join forces with Turkiye Is Bankasi A.S., Turkey's biggest lender by assets, to provide wide-ranging services to Japanese concerns operating in Turkey, ranging from retail banking to credit cards, leasing and advising on mergers and acquisitions, according to Nikkei news agency.

Financial partnerships are coming back to back as the Istanbul branch of the Japan External Trade Organization hosted more than 100 companies in both May and July, when executives visited Turkey to scope out business opportunities, said Naohiko Yamaguchi, Managing Director of the government-backed organization known as Jetro.

"Now is the time for many Japanese companies to come to Turkey," Mr. Yamaguchi said in an interview. "Three years ago, big Japanese companies were considering Turkey as an investment, but

they're very cautious and spend their time on research. Now investments are materializing one after another."

Among new investors in the country are Sumitomo Rubber Industries Ltd., which is spending USD 500 million on a tire factory, and Yusen Logistics Co., a unit of the world's second-biggest transportation company, Tokyo-based NYK Group.

"We believe that supplying tires from Turkey, which is nearer to the Mideast and African markets in addition to Europe, will enable us to reap enormous benefits in terms of lead times and transportation costs," said Sumitomo in a statement.

A key reason for the shift toward Turkey among Japanese investors, analysts say, is a positive reading of the country's fundamentals: a large domestic market, youthful population and relative political stability in comparison to other emerging markets like Indonesia and Russia.

Others eyeing the Turkish market include Japanese nuclear-power plant manufacturers and suppliers such as Toshiba Corp., which are increasingly turning their focus abroad after the accident at the Fukushima Daiichi plant last year raised uncertainty about the future of nuclear power in Japan amid public concern about safety.

"We have kept to our aim of selling our nuclear-power technology across the world," a Toshiba spokesman in Tokyo said. The company said it is "very interested" in Turkey and has indicated to Ankara its interest in building a plant. The governments are in talks.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/151012-japanese-companies-target-turkey-for-investments.aspx>

Fragrance firm to invest over USD 50 million in Turkey

17.10.2012

Hürriyet Daily News - International Flavors & Fragrances Inc., a leading global creator of flavors and fragrances for consumer products, announced that it plans to invest over USD 50 million in its existing flavors facility in Gebze, in Turkey's northwestern province of Kocaeli over the next three years.

The investment will be allocated to a new, leading-edge, 2,000 square meter creative facility and to an expansion of its existing manufacturing site to 18,000 square meters to support current and future customers in the developing markets of Europe, Africa and the Middle East.

"I am pleased to announce that over the next three years, we expect to invest significantly in our flavors creative and manufacturing capabilities in Turkey, which will provide additional support to key emerging markets," said IFF Chairman and Chief Executive Officer Doug Tough.

Hernan Vaisman, Group President, Flavors added: "Developing economies of Central, Southern, and Eastern Europe, the Middle East, and Africa are creating increased demand from our customers, so we want to ensure that we have the right people and the right infrastructure to support them. Turkey offers an unparalleled strategic hub into the fast-growing emerging markets in the region that will allow us to significantly increase and differentiate our value proposition to our customers."

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/171012-fragrance-maker-iff-invests-in-turkey.aspx>

Turkey aims for USD 110 billion of FDI in 5 years

12.10.2012

Zaman – Turkey has put forth a target of drawing USD 110 billion worth of foreign direct investments (FDI) over the next five years, according to the head of the country's official investment promotion agency. "Emboldened by the new investment incentive scheme, we aim to receive at least USD 110 billion of FDI in the coming five years..", said the President of the Investment Support and Promotion Agency of Turkey (ISPAT), Ilker Ayci, speaking to the press after meeting with the executives of 15 global companies operating in Turkey.

Calling on the officials of multinational companies to expand their investments in Turkey, Ayci specifically asked the Turkish CEOs of such companies to lobby on Turkey's behalf at their company headquarters. "We ask Turkish nationals holding managerial positions in multinational companies to take an active role in bringing in more investments from their respective companies...", Ayci said. "An increasing number of multinational companies transfer their Turkish executives abroad after a successful term in Turkey..." Ayci added.

Stating that Turkey has left Eastern Europe behind in attracting FDI, ISPAT President said that the country has received over USD 9 billion of foreign investments in the first 7 months of 2012. "Turkey's dynamic economy, strategic location and high productivity combined with lower costs compared to Eastern Europe, tilts the balance towards our country when foreign investors are to choose between Turkey and an alternative location..." ISPAT President said, referring to the US company 3M's recently announced USD 500 million production plant project in Turkey.

"ISPAT is working in close cooperation with the Privatization Administration and is organizing roadshows in Gulf countries to promote Turkey's investment opportunities..." Ayci said, adding that more roadshow events for different parts of the world are in planning.

Turkey attracted USD 15.9 billion of FDI in 2011, a 76 percent increase over the previous year. The country is the 23rd most popular investment destination according to the United Nations Conference on Trade and Development's (UNCTAD) 'World Investment Report 2012' report.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/121012-turkey-drawing-usd-110-billion-fdi.aspx>

3M to establish regional production hub in Turkey

10.10.2012

Dünya - US-based innovative products maker 3M's third regional production center in Europe will be located in the Corlu district of Turkey's Tekirdag, according to a joint announcement by the company and the Investment Support and Promotion Agency of Turkey (ISPAT). The multinational conglomerate's Turkish plant to be built at a cost of USD 500 million will employ at least 1,000 qualified workers, and is critical in the company's growth plans involving European, the Middle Eastern and North African regions.

"Turkey is once again the location of choice for a multinational company's production hub to serve markets in Europe, the Middle East, North Africa and Russia. Contribution to our country's exports and employment creation make 3M's investment vital to Turkey," said ISPAT President Ilker Ayci at the launch event, also attended by Turkey's Minister of Economy, Zafer Caglayan.

"US companies invested over USD 7 billion in Turkey in the last five years," Ayci noted, stating that the total of US investments has already exceeded a billion dollars during the first seven months of 2012.

“The Super Hub to be established in Turkey is the third of its kind in Europe,” said 3M Vice President for Central and Eastern Europe Giuseppe Castaldi, describing the company’s investment as a large-scale plant capable of making a diverse selection of products. Defining Turkey’s stable economic growth as a key reason for 3M’s selection, Castaldi also underlined the importance of the new investment incentives scheme in their decision. “Aiming to reach a sales figure of USD 1 billion in the near future, the high-tech facility in Turkey will supply 3M goods to markets in Europe, the Middle East and North Africa,” said Castaldi.

3M’s operations in Turkey date back to 1987, covering sectors such as automotive, healthcare, chemicals and consumer goods. The company has been manufacturing in Turkey since 1992, exporting goods to nearly 40 countries.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/101012-3m-investing-usd-500-million-in-turkey.aspx>

Saudi-based ALJ set to invest USD 1 billion in Turkey

03.10.2012

Hürriyet Daily News - Saudi Arabia-based ALJ group is planning a USD 1 billion investment in Turkey after inspections in the energy, tourism and real estate sectors. ALJ currently distributes Toyota cars in Turkey and plans to consolidate all its local businesses under one holding.

“We’ve always put Turkey at the center of our targets and have worked with this in mind. We have slowly begun to reach the level of investment in Turkey that we had been dreaming of,” said ALJ Holding Chairman and Chief Executive Officer (CEO) Ali Haydar Bozkurt.

Bozkurt explained that ALJ’s current operations in Turkey will continue under the ALJ Holding umbrella and that there are now 300 employees working at the holding, but this number will soon increase. ALJ’s investments in Turkey to date have reached a quarter of a billion dollars and its existing operations provide ALJ with about USD 1 billion in annual turnover.

“Our goal in the next 10 years is to increase our investments in Turkey by threefold,” he added. ALJ plans to invest in the construction, tourism, energy, real estate, mining, food and foreign trade sectors, and the company has analyzed all the different sectors with the aid of global consulting firms seeking areas of opportunity.

Bozkurt said ALJ is interested in making Turkey a hub to export value-added products abroad.

<http://www.invest.gov.tr/en-US/infocenter/news/Pages/031012-ali-group-investing-usd-1-billion-in-turkey.aspx>

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