

DIRECT INVESTMENT
(January – June 2009)¹

According to preliminary data, the **Foreign direct investment in Bulgaria** for January – June 2009 amounted to EUR 1,563 million (4.6% of GDP) compared to EUR 3,272.6 million (9.6% of GDP) attracted in January – June 2008.

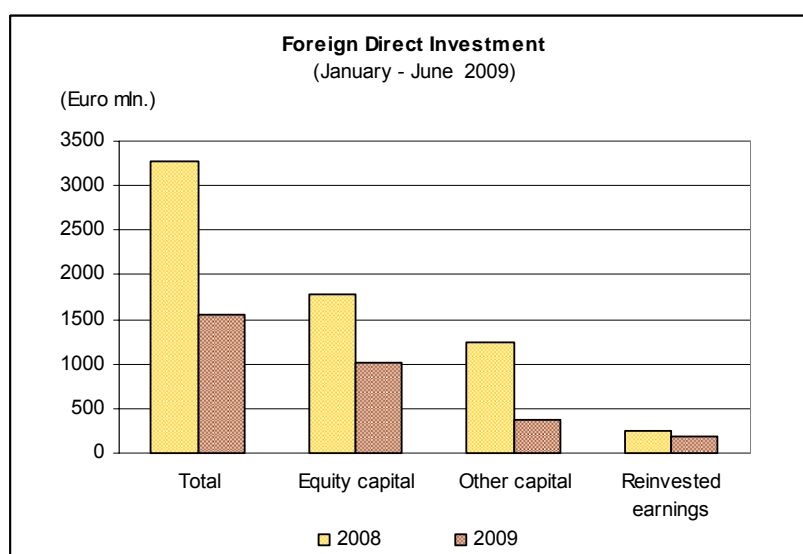
(EUR million)

	2008				2009				2009 - 2008
	I-III	IV-VI	VI	I - VI	I-III	IV-VI	VI	I - VI	I - VI
Direct investment, net	792.0	2017.0	813.6	2809.1	734.8	789.7	378.1	1524.4	-1284.7
Direct investment abroad *	-410.1	-53.4	-15.0	-463.5	-15.6	-23.0	-14.4	-38.6	424.9
Equity capital	-397.8	-39.3	-13.0	-437.1	-14.5	-17.2	-8.4	-31.7	405.4
Other capital	-12.7	-14.5	-2.2	-27.2	-1.1	-5.8	-6.0	-6.9	20.3
Reinvested earnings	0.5	0.4	0.1	0.8	0.0	0.0	0.0	0.0	-0.8
Foreign Direct Investment	1202.1	2070.5	828.7	3272.6	750.4	812.7	392.5	1563.0	-1709.5
Equity capital, incl.	483.1	1293.2	900.9	1776.3	485.0	525.6	207.3	1010.6	-765.7
<i>from privatisation</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>non-privatisation flows</i>	483.1	1293.2	900.9	1776.3	485.0	525.6	207.3	1010.6	-765.7
Other capital	595.5	645.6	-116.1	1241.1	177.2	198.9	155.8	376.1	-865.0
Reinvested earnings	123.5	131.7	43.9	255.2	88.2	88.2	29.4	176.4	-78.8
Mergers and acquisitions, net	-	-	-	-	-	-	-	-	-
Receipts	-	-	-	-	-	-	-	-	-
Payments	-	-	-	-	-	-	-	-	-

Source: direct investment companies, Privatisation Agency, the National Statistical Institute, the Central Depository, banks.

¹For assets, a minus sign denotes an increase in holdings, and a positive figure represents a decrease.

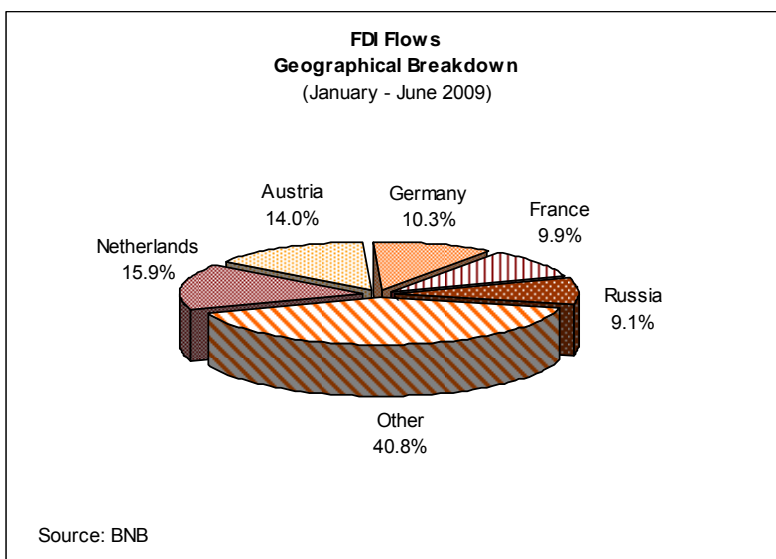
The attracted *Equity Capital (acquisition/disposal of shares and equities in cash and contributions in kind by non-residents in/from the capital and reserves of Bulgarian enterprises and receipts/payments from/for real estate deals in the country)* for January – June 2009 amounted to EUR 1,010.6 million, which was 64.7% of the foreign direct investment. It decreased by EUR 765.7 million compared to that attracted in the same period of 2008 (EUR 1,776.3 million, 54.3% of total foreign direct investment). *The receipts from real estate investments of non-residents* amounted to EUR 295.8 million compared to EUR 712.8 million for January – June 2008.



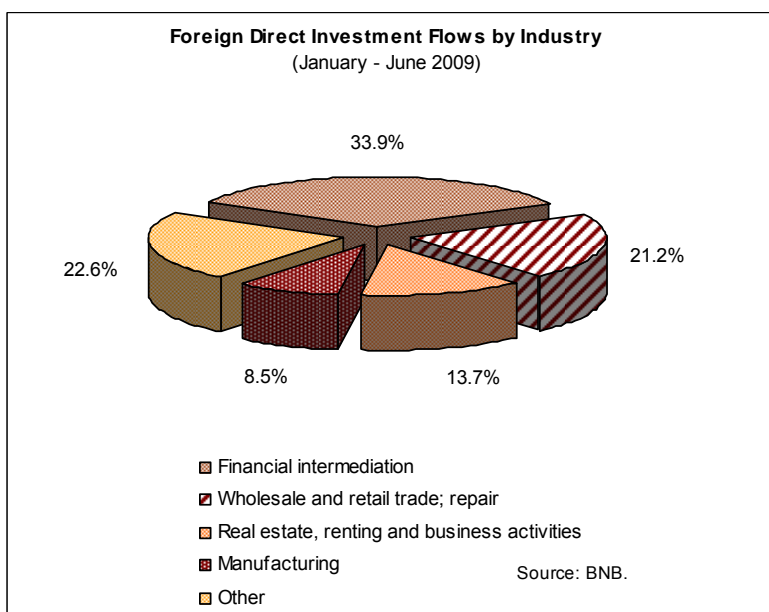
The *other capital, net* (the change in the net liabilities of the direct investment enterprise to the direct investor on financial loans, suppliers' credits and debt securities) was positive, amounting to EUR 376.1 million in January – June 2009, compared to a *net other capital* amounting to EUR 1,241.1 million in the same period of 2008.

According to preliminary data, the *Reinvested Earnings²* (the share of non-residents in the undistributed earnings/ loss of the enterprise) in January – June 2009 are estimated at EUR 176.4 million compared to EUR 255.2 million in the same period of 2008.

By country, the largest investments in Bulgaria for the reporting period were those of the Netherlands (15.9% of the total foreign direct investment), Austria (14%) and Germany (10.3%).



By branch, the largest investments for January – June 2009 were in *Financial intermediation* (EUR 530 million), *Wholesale and retail trade* (EUR 332 million) and *Real Estate* (EUR 213.8 million).



According to preliminary data in January – June 2009 **Direct investment abroad** increased by EUR 38.6 million compared to an increase of EUR 463.5 million in January – June 2008. The equity capital invested abroad in January – June 2009 amounted to EUR 31.7 million, compared to EUR 437.1 million in January – June 2008.

¹ Preliminary data for 2008 and 2009. The data for May 2009 are revised. When comparing the data yoy it should be taken into account that the initial data on the January – June 2008 FDI, published in a BNB press release as of August 12, 2008 (www.bnb.bg, section Statistics/Balance of Payments/Press Releases), was subsequently revised. The 2008 and 2009 data are subject to revisions with the quarterly reports to the BNB from foreign direct investment enterprises and with the annual NSI data, and for 2009 also with the quarterly NSI data. GDP for 2008 (preliminary NSI data) - EUR 34,117.5 million and forecast GDP (preliminary BNB estimate) for 2009 - EUR 33,883 million.

² The 2008 and 2009 data include only banks' data on reinvested earnings.