

DIRECT INVESTMENT (January 2012)¹

According to preliminary data, the *Foreign direct investment in Bulgaria* for January 2012 increased by EUR 44.2 million (0.1% of GDP), compared to an increase of EUR 186.1 million (0.5% of GDP) for January 2011.

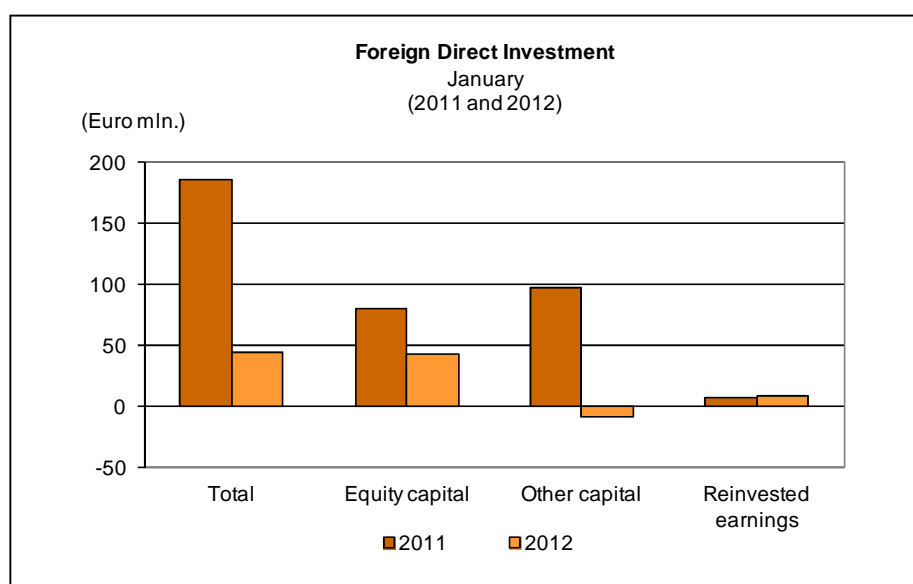
(EUR million)

| | 2010 | 2011 | | | | | 2012 | 2012 - 2011 | |
|-----------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|---------------|-------------|---------------|
| | Total | I. | I - III | IV - VI | VII - IX | X - XII | Total | I. | I. |
| Direct investment, net | 1035.4 | 173.0 | -86.2 | 84.8 | 302.4 | 903.7 | 1204.8 | 37.4 | -135.6 |
| Direct investment abroad * | -173.1 | -13.1 | -44.0 | -20.6 | -48.5 | -23.4 | -136.5 | -6.8 | 6.3 |
| Equity capital | -120.9 | -8.4 | -29.2 | -19.1 | -53.8 | -29.7 | -131.8 | -7.7 | 0.7 |
| Other capital | -60.4 | -2.8 | -9.2 | -1.3 | 3.2 | 6.4 | -1.0 | 0.9 | 3.7 |
| Reinvested earnings | 8.2 | -1.9 | -5.6 | -0.2 | 2.1 | 0.0 | -3.7 | 0.0 | 1.9 |
| Foreign Direct Investment | 1208.5 | 186.1 | -42.2 | 105.4 | 350.9 | 927.1 | 1341.2 | 44.2 | -141.9 |
| Equity capital, incl. | 1604.7 | 80.3 | 232.2 | 74.0 | 332.7 | 623.6 | 1262.6 | 43.0 | -37.3 |
| <i>from privatisation</i> | 0.0 | 0.0 | 0.0 | 0.0 | 20.0 | 128.3 | 148.3 | 0.0 | 0.0 |
| <i>non-privatisation flows</i> | 1604.7 | 80.3 | 232.2 | 74.0 | 312.7 | 495.3 | 1114.2 | 43.0 | -37.3 |
| Other capital | 49.4 | 97.5 | -299.3 | 9.7 | -4.4 | 294.8 | 0.8 | -7.7 | -105.2 |
| Reinvested earnings | -445.7 | 8.3 | 24.8 | 21.8 | 22.6 | 8.7 | 77.9 | 8.9 | 0.6 |

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

* For 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 2012 amounted to EUR 43 million. It decreased by EUR 37.3 million compared to that attracted in the same period of 2011 (EUR 80.3 million). *The receipts from real estate investments of non-residents* amounted to EUR 14.8 million, compared to EUR 5.7 million attracted in January 2011.

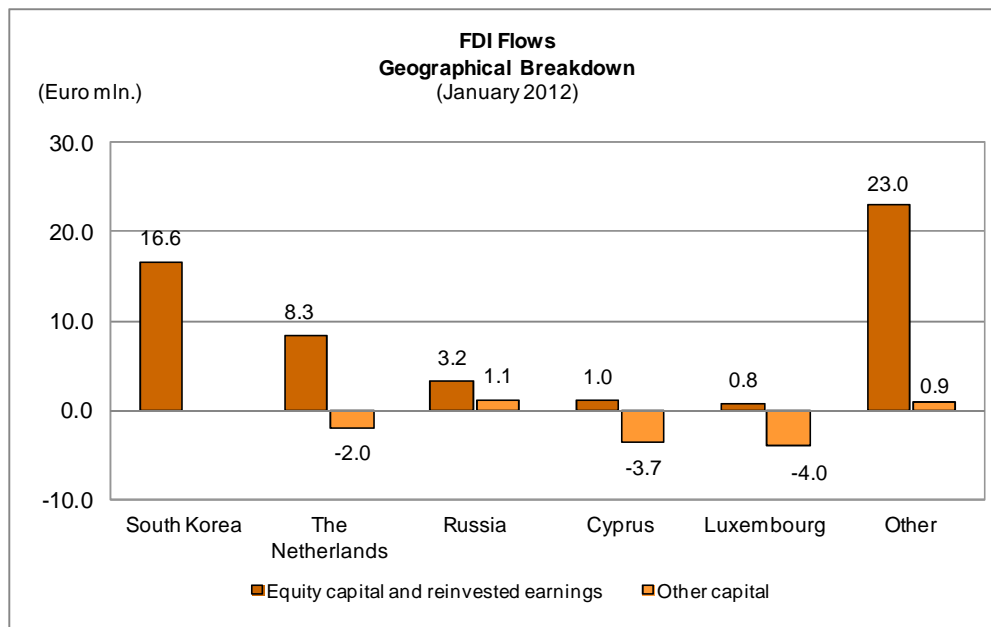


The *other capital, net (the change in the net liabilities of the direct investment enterprise to the direct investor on financial loans, suppliers' credits and debt securities)* was negative, amounting to EUR 7.7 million in January 2012, compared to a positive *other capital, net* of EUR 97.5 million in January 2011.

Based on preliminary data on profit/loss, the *Reinvested Earnings² (the share of non-residents in the*

undistributed earnings/ loss of the enterprise) in January 2012 were estimated at EUR 8.9 million, against EUR 8.3 million in the same period of 2011.

By country, the largest direct investments in Bulgaria for the period January 2012 were those of the South Korea (EUR 16.6 million), the Netherlands (EUR 6.3 million) and Russia (EUR 4.3 million). The largest negative flows for the period were towards Cyprus (EUR -2.7 million) and Luxembourg (EUR -3.2 million) mainly due to net payments on intercompany credits in accordance with the loan repayment schedules of enterprises.



According to preliminary data in January 2012 *Direct investment abroad* increased by EUR 37.4 million, compared to an increase of EUR 173 million in January 2011.

¹ Preliminary data for 2011 and 2012. The data for 2010 and 2011 are revised.

When comparing the data yoy it should be taken into account that the initial data on the January 2011 FDI, published in a BNB press release as of March 15, 2011 (www.bnb.bg, section Press Releases/Statistical Press Releases/Balance of Payments), was subsequently revised.

With the February 2012 report revisions of January 2012 data will be presented.

The 2011 and 2012 data are subject to revisions with the quarterly reports to the BNB from foreign direct investment enterprises and with the annual NSI data.

GDP for 2012 - EUR 41,141million (BNB estimate) and GDP for 2011 -- NSI data (as of 06.03.2012) at EUR 38,483 million.

² The 2011 and 2012 data include only estimates of banks' data on reinvested earnings.