

INVEST IN TÜRKİYE



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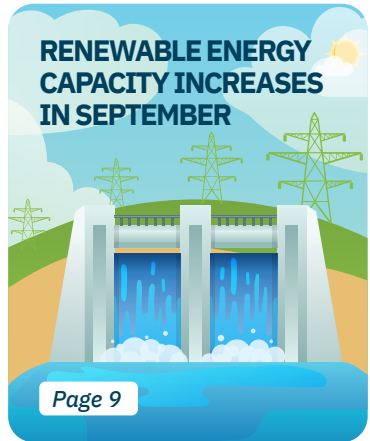
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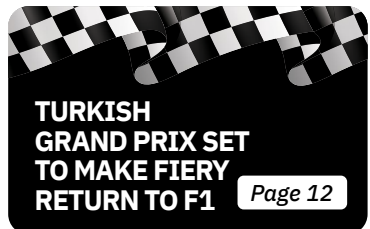
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Message from the Investment Office

The discovery of the hydrocarbon reserves in the Black Sea was a turning point in Turkey's energy roadmap. President Recep Tayyip Erdoğan broke the good news that, as a result of Turkey's further exploration activities, natural gas reserves in the region have reached 405 billion cubic meters in total.

In the meantime, infrastructure investments and activities to attract more FDI further sped up in Turkey. Latest examples were the inauguration of the Konya City Hospital by President Erdoğan and the investor conference held by Citibank with the attendance of Minister of Treasury and Finance Berat Albayrak. Addressing global investors via videoconference, Minister Albayrak said, "Turkey offers FDI investors unmatched opportunities. In the new era, government-owned enterprises will also be potential FDI co-investors who will provide international investors stronger local representation."

Improving economic indicators once again proved Turkey's resilience in turbulent times. New investments made by Gilead Sciences and QTerminals set examples for Turkey's reliability as a manufacturing and export hub. With its up-to-date incentives scheme, Turkey is ready to welcome global investors more than ever.

As part of our promotion activities in global platforms, the Investment Office will be the "Founding Partner of the Formula 1 DHL Turkish Grand Prix 2020", which will be run on November 15 at the Istanbul Park.

President, Investment Office
A. Burak DAĞLIOĞLU

TURKEY ENJOYS NEW HEIGHTS OF SUCCESS WITH GAS FIND AND INFRASTRUCTURE BREAKTHROUGH

On October 17, right after inspecting the drilling vessel Fatih on board, President Recep Tayyip Erdoğan announced that Turkey's natural gas reserves discovered in the Black Sea reached 405 billion cubic meters.

"On August 21, the good news of the 320 billion cubic meters of natural gas reserves was given to our nation. In the wake of the tests, analyses and detailed engineering works, 85 billion cubic meters have further been discovered. As a result, the natural gas reserves in the Tuna-1 zone of the Sakarya field have reached a total of 405



billion cubic meters in total," said President Erdoğan.

Describing the find as the largest amount of hydrocarbon reserves in Turkey's history, President Erdoğan added, "Along with Tuna-1 zone of the Sakarya field, Fatih, Turkey's first-ever drillship owned by the state-run Turkish Petroleum Corporation (TPAO), will further maintain its drilling activities in the Türkali-1 zone as well. We hope to receive good news also from the Türkali-1 zone in the soonest possible time. The newly-discovered 405 billion cubic meters of natural gas

at the Tuna-1 zone will be connected to Turkey with a platform to be set up." Preferring to use national devices for exploration activities, Turkey employs Kaşif (Explorer), a homegrown remotely operated underwater vehicle, for drilling observation. Kaşif contributed to a large extent to the drilling activities in the Black Sea following its involvement in Turkey's energy fleet, and the process gained speed. Being able to dive deeper than divers, Kaşif can dive as deep as 3,000 meters, outpacing the likes of other robots.



PRESIDENT ERDOĞAN COMMISSIONS TURKEY'S LATEST CITY HOSPITAL IN KONYA

On October 2, President Recep Tayyip Erdoğan officially opened Konya City Hospital, which had been partially commissioned in August. Poised to provide services for both domestic and foreign patients, the mega complex aims to help Turkey raise its healthcare tourism during and after the COVID-19 outbreak.

Addressing the attendees at the inauguration ceremony, President Erdoğan said, "City hospitals are dubbed the landmarks of our healthcare system, and Konya City Hospital is one of the largest among them."

According to a statement released by the Ministry of Health, Konya City

Hospital has 1,250 beds, including 256 for intensive care units, 108 for emergency services and 30 for dialysis services.

The complex is named the 16th city hospital inaugurated by the Turkish government as part of infrastructural development plan for the national healthcare system.



TURKEY OFFERS GLOBAL INVESTORS UNEQUALLED OPPORTUNITIES

Minister of Treasury and Finance Berat Albayrak attended an event titled 'Republic of Turkey Investor Conference' held by Citibank on October 27.

Addressing international investors via videoconference, Minister Albayrak gave insight into many topics such as global economy, Turkey's resilience during the COVID-19 outbreak thanks to its dynamism, its strengths and its macroeconomic outlook.

OCTOBER INDICATORS SIGNAL RECOVERY FOR TURKISH ECONOMY

Various economic indicators show that Turkey's economy is gaining ground in October 2020.

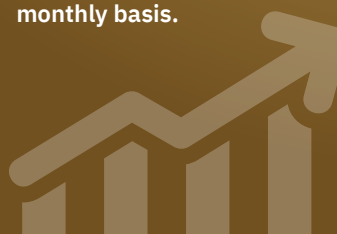
According to the Turkish Statistical Institute (TurkStat) data, sectoral confidence indices recorded a noteworthy improvement in October. Reaching 79.7 points with a 6.4 percent increase, the services sector confidence index recorded the highest spike among other indices.

TurkStat also revealed that the retail trade sector index posted a 1.7 percent monthly rise, reaching 95 in October. Along the same line, a slight rise was recorded in the construction sector confidence index, which saw 83.8, going up by 0.6 percent.

Stemming from these increases, economic confidence index in October came at 92.8 with an increase of 4.8 percent when compared to September.

On a side note, a survey led by the Central Bank of the Republic of Turkey (CBRT) showed that real sector confidence index jumped from 105.3 points in September to 108.1 points.

CBRT further observed a recovery in the manufacturing industry in Turkey, which utilized 75.4 percent of its capacity in the month of October. The capacity utilization rate (CUR) of the manufacturing industry increased 0.8 percentage point on a monthly basis.



INDUSTRIAL PRODUCTION UPSURGES IN AUGUST

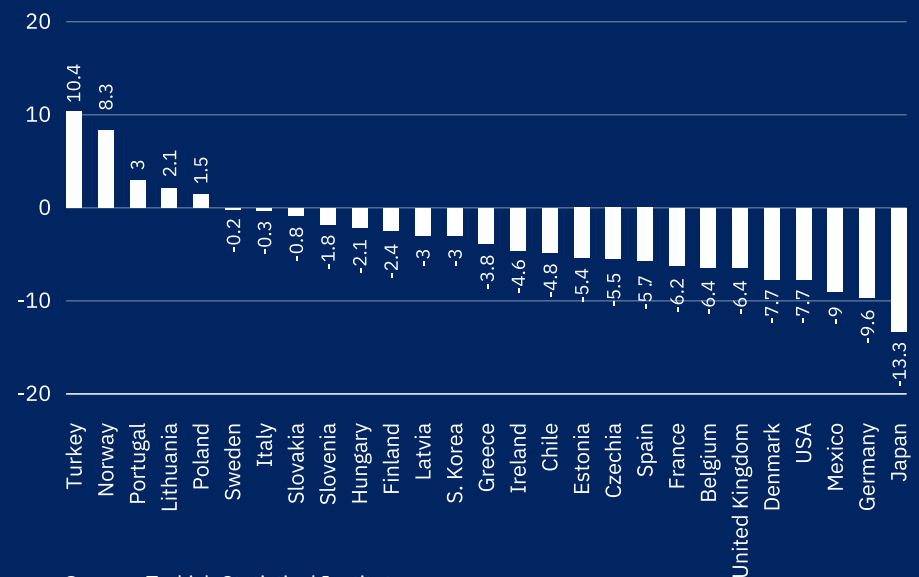
Turkey's industrial production index soared in August 2020.

Turkish Statistical Institute (TurkStat) unveiled August industrial production data. Accordingly, industrial production increased by 10.4 percent annually, while a 3.4 percent monthly increase was recorded in the month of August.

Commenting on the latest industrial production data, Minister of Treasury and Finance Berat Albayrak said, "With these figures, we rank 1st among OECD members and 2nd worldwide."

The sub-sectors of industry, mining and quarrying indices increased by 5.2 percent, manufacturing industry index 11.4 percent, and electricity, gas, steam and air conditioning manufacturing and distribution indices by 2.3 percent compared to the same month of 2019. These sub-sectors posted monthly increases of 2.5 percent, 3.6 percent and 1.3 percent respectively in August.

Industrial Production Index (OECD, August 2020, yearly %)



Source: Turkish Statistical Institute



OCTOBER EXPORTS HIT RECORD OF ALL TIMES

Turkey hit the highest monthly export volume in October with USD 17.3 billion,” said Minister of Treasury and Finance Berat Albayrak in a statement on November 2.

Commenting on the figures, Minister Albayrak said Turkey’s exports increased by 5.6 percent in October 2020. “We are entering a new era in which exports are rising and current account balance is maintained,” he added.

October figures also unveiled that export/import coverage ratio in Turkey reached 95.3 percent excluding gold.

EXPORT CLIMATE INDEX ABOVE THRESHOLD IN THREE CONSECUTIVE MONTHS

Following the record high exports, Turkey’s PMI Export Climate Index surmounted once again the threshold level in September 2020.

The ICI Turkey Export Climate Index released by the Istanbul Chamber of Industry has unveiled Turkey’s latest figures.

Signaling strengthening demand conditions in export markets, the index was recorded as 51.9 in September, marking the third month in a row over 50.0 level during the novel coronavirus.



TURKEY INCENTIVIZES TRY 18.3 BILLION WORTH OF INVESTMENTS

“We have issued TRY 18.3 billion worth of investment incentives in August, paving the way for new job opportunities for 28,411 citizens,” Minister of Industry and Technology Mustafa Varank announced on October 12.

In his statement, Minister Varank provided detailed information on the results of Turkey’s investment incentives in the first 8 months of 2020. Accordingly, compared to the same period of 2019, the first 8 months of 2020 saw the number of incentive certificates rise by 98 percent, projected employment by 54 percent and fixed investments by 32 percent.

Of all the projected investments, 57 percent were in the manufacturing sector, 24 percent in the energy sector, 16 percent in the services sector, 2 percent in the agriculture sector, and 1 percent in the mining sector.

R&D SPENDING RISES IN TURKEY

The Turkish Statistical Institute released the ‘Research and Development Activities for 2019’ report and revealed Turkey’s latest R&D spending to GDP ratio.

Accordingly, Turkey’s R&D expenditure to GDP ratio rose to 1.06 percent in 2019. Commenting on the results, Minister of Industry and Technology Mustafa Varank underlined that the outcome is a “record in the last ten years” and said, “The private sector has been revealing the innovation spirit just as the way we want it. The Turkish private sector provided 64.2 percent of the country’s whole R&D expense and 56.3 percent of its financing.”

In addition, the amount allocated for R&D activities by the Turkish government reached TRY 14.9 billion in 2019, read TurkStat report.



TOGG ANNOUNCES PARTNERSHIP WITH FARASIS

Following the remarkable introduction of its first indigenous car stereotype, Turkey is getting ready to produce battery cells by partnering up with a global company.

With the attendance of top officials of both companies, Turkey's Automobile Joint Venture Group (TOGG) and Farasis Energy – a leading Chinese battery manufacturing company established in the US – signed a letter of intent to produce battery cells for Turkey's first homegrown automobile at the IT Valley in Kocaeli province of Turkey on October 20.



Releasing a statement on the partnership, Minister of Industry and Technology Mustafa Varank said, "The battery cell and package of Turkey's homegrown car will be produced in partnership with Farasis in Turkey. Thus, new abilities in battery technologies will be developed in our country, import dependency will be lowered and mobility ecosystem will be enhanced."

TURKEY TOPS RECOVERING COUNTRIES IN AVIATION INDUSTRY LIST

Mastercard, a leading company testing the pulse of global trade, recently released a report entitled "Recovery Insights: Travel Check-In", and announced that Turkey is the 5th fastest recovering country globally in the aviation sector during the COVID-19 pandemic.

The company said Turkey owed this success mostly to its domestic flights along with its wide scope of destinations and flights from the Europe.

Turkish Airlines has suspended its international flights for a certain period due to the novel coronavirus and resumed as of June 11. The company ranked 1st with 649 flights as of October 22, according to the European Organization for the Safety of Air Navigation (Eurocontrol) traffic data.



RENEWABLE ENERGY CAPACITY RISES IN TURKEY

Turkey's total installed power capacity showed a noteworthy improvement in September 2020 thanks to sustainable sources.

Turkey's installed capacity posted an increase of 184.3 MW in September to reach a total of 93.2 GW, with renewable energy accounting for a 92 percent share in this increase.

In terms of the resources, natural gas took the lead with an installed capacity of 25,632 MW, followed by hydropower sources with 21,877 MW.

In addition, the number of the power plants in Turkey hit 8,990.



HASANBEY LOGISTICS CENTER CONNECTS ESKIŞEHİR TO THE WORLD

On October 19, Eskişehir province of Turkey was officially connected to Turkish ports with the launch of the Green Road Project.

The signing ceremony took place in Eskişehir Chamber of Industry (ESO), and the protocol was signed by ESO and the General Directorate of Turkish State Railways. Ahead of the ceremony, the first freight train departed from Hasanbey Logistics Center in Eskişehir to carry goods to the Derince port located in the northeastern province Kocaeli.

In addition, railway transportation will be started on the Baku-Tbilisi-Kars Railway, so containers loaded from Eskişehir will be able to reach the

Middle East, Central Asia and China by train without a second handling.

The logistics center—serving as a hub for domestic and international freight transportation, distribution, storage and customs clearance—has a capacity of carrying 1.5 million tons of goods annually.

Accordingly, block trains are slated to depart per week in the initial phase, yet in the following months they are planned to operate three days a week.

FDI NEWS



US-BASED GILEAD MAKES NEW INVESTMENT IN TURKEY

US-based biopharmaceutical company Gilead Sciences will invest in Turkey's Pharmactive to produce HIV and Hepatitis drugs in Turkey.

According to a statement released by Gilead Sciences, the investment is expected to reach TRY 350 million, including the machinery and equipment for local manufacturing, capital increase and transfer of know-how as part of the partnership agreement signed among the two companies back in 2019.

Gilead has been active in Turkey since 2007 and the company's total investments in the country have already

surpassed USD 6 million, along with 30 clinical research centers.

According to Gilead Sciences, Turkey will become a potential pharmaceuticals export hub with this new investment, while the partnership will enable Turkey to produce new therapies and will eliminate pharmaceutical imports to an extent of USD 250 million until 2024.



GLOBAL PORTS HOLDING RECEIVES INVESTMENT FOR PORT AKDENIZ

Global Ports Holding Plc (GPH) has signed an agreement with QTerminals for the acquisition of Port Akdeniz in the Antalya province of Turkey.

According to a statement released by GPH on October 21, the total value of the transaction is USD 140 million.

Port Akdeniz is the largest port in Global Ports Holding's portfolio and the company has the operating rights of the port until 2028.

INVESTMENT OFFICE WEBINARS & EVENTS

OCT 8 – INVESTMENT OFFICE CALLS ON ITALIAN COMPANIES AT A GSC WEBINAR

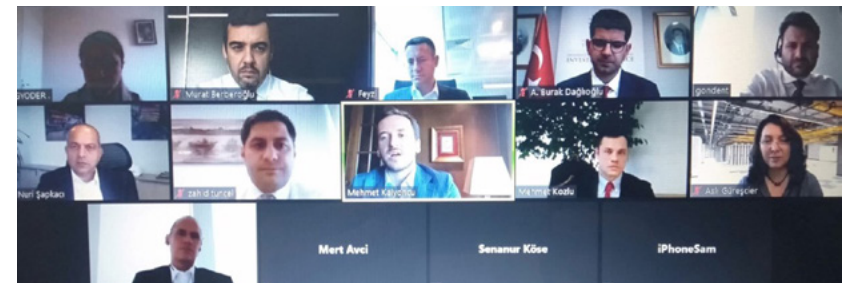


Investment Office held a webinar in collaboration with CeSPI, an independent Think Tank based in Italy, entitled "Transformation of

Global Supply Chains: Why Should Italian Companies Consider Turkey as an Optimal Destination for Investments?" on October 8.

In addition to Investment Office President Burak Dağlıoğlu, Steering Committee Member at the World Manufacturing Foundation Cinzia Guido, Former EU Ambassador to Turkey Stefano Manservigi, and Corporate Finance Partner at KPMG Turkey Gökhan Kaçmaz were featured as panelists at the webinar.

OCT 15 – INVESTMENT OFFICE HOLDS A JOINT EVENT WITH GYODER



Investment Office held a webinar in collaboration with the Association of Real Estate and Real Estate Investment Companies (GYODER) on October 15.

Investment Office President Burak Dağlıoğlu delivered a speech on the investment environment and the recent outlook of real estate industry in Turkey during the event.

OCT 22 – INVESTMENT OFFICE MAKES A PRESENTATION ON THE POST-COVID-19 EMERGING MARKETS

Yunus Emre Institute's Seoul branch in Hankuk University of Foreign Studies and Industrial Bank of Korea held a joint event entitled 'Post-COVID19 Emerging market's Economic Outlook' on October 22.

Investment Office South Korea Country Advisor Lyn Sung made a presentation at the event.



TURKISH GRAND PRIX

SET TO MAKE FIERY RETURN TO F1

After 9 years of absence, Turkey is preparing to return to the Formula 1 races.

According to the announcement made by Formula 1, Turkey has been confirmed to host one of the final four races for the 2020 season. The Turkish Grand Prix (GP) will be the 14th round of the 2020 Formula 1 Season.

The Turkish GP will be run on November 15, 2020 at the Istanbul Park. Commenting on Turkey's return to the races, F1 Chief Executive Chase Carey said, "We are proud to announce that Turkey will be part of our 2020 season."

Investment Office will be a sponsor as the Founding Partner of the Formula 1 DHL Turkish Grand Prix 2020 that is going to take place for the first time in nine years under the auspices of the Presidency of the Republic of Turkey.

Built in 2005 to host F1 races, Moto GP and other international sports, Turkey's Istanbul Park lastly took part in the 2011 season of F1.



WHY TURKEY?

TURKEY: HUB FOR INNOVATION AND GROWTH



Within 4-hours flight, easy access to multiple markets of USD 25 trillion GDP, USD 7.8 trillion trade, and 1.7 billion people.



Booming economy reaching **USD 754 billion** in 2019, up from USD 236 billion in 2002.



Over **USD 220 billion** of FDI between 2003-H1 2020, while the total amount of FDI attracted between 1923-2002 stood at USD 15 billion.

ACCESS TO MULTIPLE MARKETS

Europe

GDP: \$20.2 trillion
Import: \$6.8 trillion
Population: 600.4 million

MENA

GDP: \$3.61 trillion
Import: \$751.6 billion
Population: 448.9 million

Russia

GDP: \$1.66 trillion
Import: \$240.2 billion
Population: 144.5 million

Central Asia & Caucasus

GDP: \$0.3 trillion
Import: \$81.7 billion
Population: 89.1 million

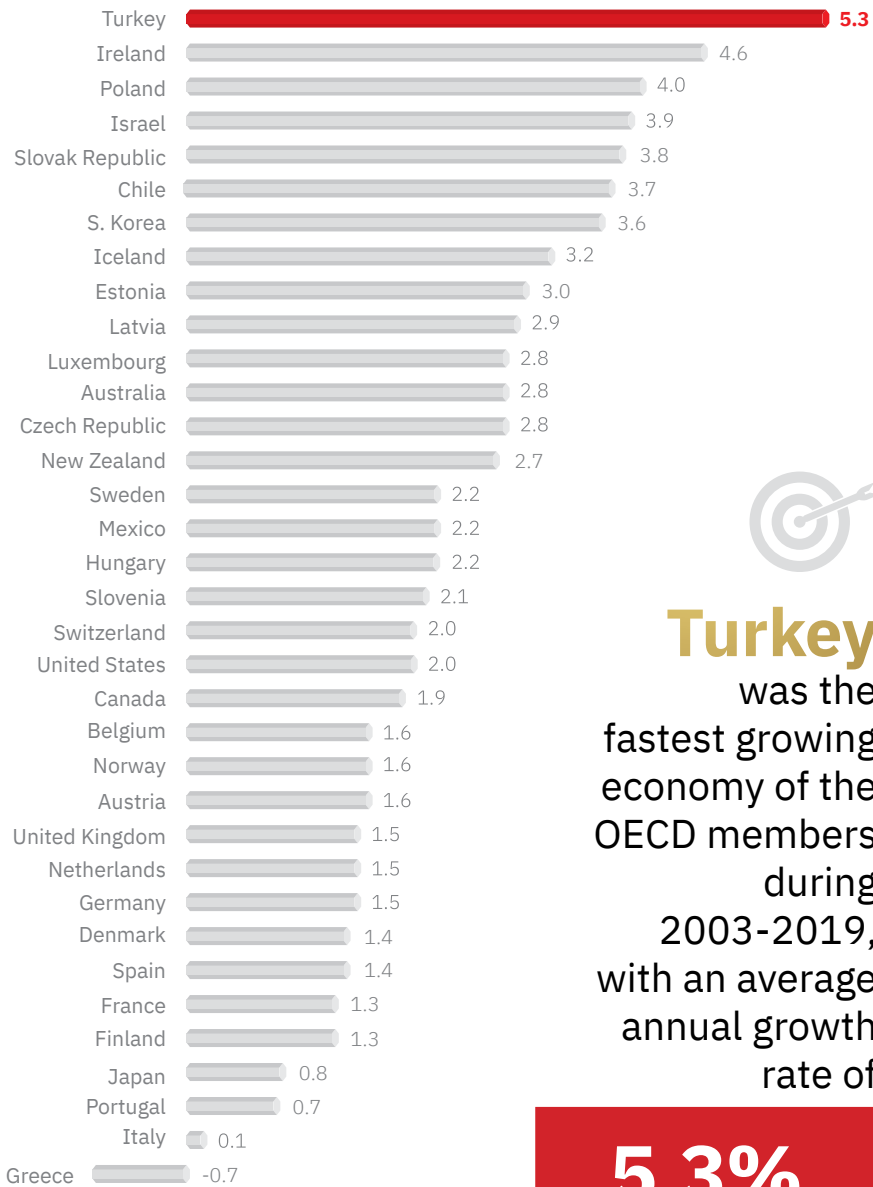
TOTAL

GDP: \$25.77 trillion
Import: \$7.9 trillion
Population: 1.3 billion

Source: World Bank (2018),
Comtrade (2018)



AVERAGE ANNUAL REAL GDP GROWTH (%) (2003-2019)



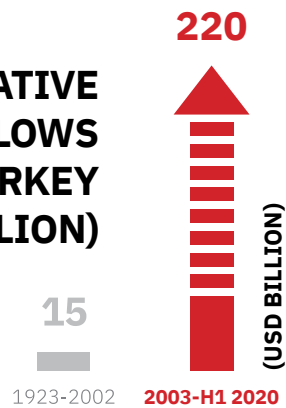
Turkey was the fastest growing economy of the OECD members during 2003-2019, with an average annual growth rate of

5.3%

Source: IMF World Economic Outlook (October 2018)

- Investment incentives as well as R&D support.
- Equal treatment to national and global investors guaranteed by law.
- 7 days to set up a company in Turkey, while it takes an average of 8,5 days in OECD high-income countries. (World Bank Doing Business 2020)

CUMULATIVE FDI INFLOWS TO TURKEY (USD BILLION)



HIGHLIGHTS



The fastest growing economy in Europe and one of the fastest growing economies in the world with an average annual **GDP growth rate of 5.3%** over the past 17 years. (2003-2019, TurkStat)

SOPHISTICATED CONSUMER BASE



A population of 83 million, half of which is **under the age of 32.4**. (2019, TurkStat)



Largest youth population compared with the EU. (2019, Eurostat)



76.6 million fixed and mobile broadband internet subscribers. (2019, ICTA)

SKILLED AND DEDICATED LABOR FORCE



Over **32 million** **young, well-educated** and **motivated** professionals. (2019, TurkStat)



More than **800,000 students** graduate annually from **207 universities**. (2019, CoHE)

TURKEY'S INFRASTRUCTURAL DEVELOPMENT



According to the European Investment Bank, Turkey ranks 1st in Europe in total value of Public-Private Partnership (PPP) projects during the 2015-2019 period.



**USD
130 billion**

Total value of PPP contracts in Turkey during the 2003-2019 period.



179

Total number of PPP projects in Turkey during the 2003-2019 period.

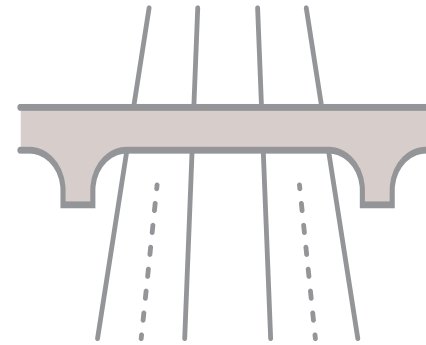


44,350

Number of hospital beds to be introduced once 31 integrated health campuses are put into operation across Turkey. Of those, 20 will be PPP city hospitals with a total bed capacity of 30,750.

200 million

Annual passenger capacity once all stages of the newly commissioned Istanbul Airport in Turkey are completed.

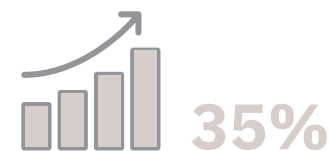
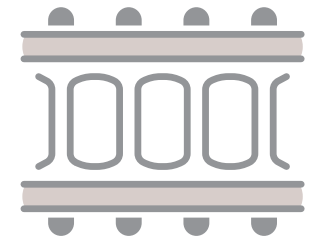


8,600 km

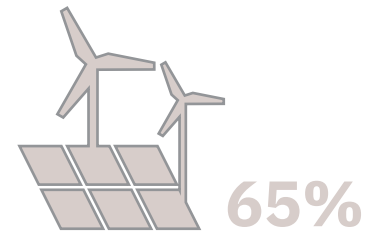
Total length of motorways (toll roads) in Turkey by 2035 once the 660 km currently under construction and the 4,600 km of planned projects are completed.

5,500 km

Total length of high-speed railways in Turkey by 2023 once the planned projects with total length of 4,300 km are completed.



Expected growth in Turkey's total installed power generation capacity from 2018 to 2023 (from 88 GW to 110 GW).



Targeted share of renewable sources in Turkey's total installed power generation capacity (planned increase from 59% (52 GW) in 2018 to 65% (72 GW) in 2023).

For more info

invest.gov.tr/en/Sectors/Pages/infrastructure.aspx



“China is Turkey’s third largest trade partner and second largest import partner. As two major emerging economies in the world, it is our wish that the two countries will learn from each other and strive towards win-win goals based on mutual needs in various fields.”

ICBC Turkey is a full-license bank holding commercial bank, investment bank, and asset management licenses with 44 branches and 21 securities business offices with around 860 employees. Its branch network covers areas where the economy and banking industry are active in Turkey (these areas cover nearly 70 percent of GDP of Turkey).

As the world’s largest commercial bank, ICBC attaches tremendous importance to the Turkish market. ICBC Turkey is a young member of the ICBC Group. Based on the growth potential of the regional market and the support of local regulators and the ICBC group, we aim to become the leading bank of the “Belt and Road Initiative” and the preferred bank of “Chinese elements”.

As a key international subsidiary of the group, ICBC Turkey has already

provided a wide array of high-quality financial services for the Turkish economy. In the future, it will provide a greater contribution to promoting economic and social development, and will continue to contribute more to the deepening of the mutually beneficial and win-win economic and trade cooperation between China and Turkey through the implementation of the “Belt and Road Initiative”. In the process, ICBC Turkey will continue to devote effort to building the links of economic and trade exchanges between China and Turkey, playing the role of a think-tank, putting forward strategic and forward-looking suggestions, taking tangible integrated financial services to promote investment and trade contacts between China and Turkey, and improving Turkey’s global position in the finance industry.

Gao XIANGYANG
Chairman, ICBC Turkey



45 years of experience as a domestic manufacturer in Turkey

Andrew N. LIVERIS
Former Chairman & CEO, DOW



The core of the Turkish national economic agenda, and the key value for investors, is a dedicated effort to promote innovation, enhance competitiveness, and encourage investment in global value chains. Dow has over 45 years of experience as a domestic manufacturer in Turkey, and our new joint venture with AKSA is a key example of how we can bring together raw materials, a high-skilled workforce, and most importantly a booming downstream customer industry. With a strong, pro-business government in Turkey, the investment environment makes sense. And it is also easy to operate, thanks to the Investment Office President and his entire team.

Following the Toyota Way, we implemented the Toyota Production System to

produce high-quality motor vehicles in Turkey.



Toshihiko KUDO

President & CEO,
Toyota Motor Manufacturing Turkey

“Turkey is very attractive for production and exports”

There is a huge need for tires in and around Turkey, as well as in Europe, Russia, the Middle East, and North Africa. Turkey has great advantages such as customs duty exemption to the Customs Union agreement, and also the location of Turkey is very convenient for transportation to these markets. Considering all, Turkey is very attractive for production and exports.

In addition, the Turkish government supports foreign and local investors from different aspects such as incentives. At the same time, with the help of the Investment Office, we managed to team up with AKO, one of the biggest tire distributors in Turkey, and built a joint venture.

Norifumi FUJIMOTO

Former President & CEO,
Sumitomo Rubber Industries Turkey



WHO WE ARE

Investment Office is the official organization that:

- Promotes the investment environment of Turkey and provides assistance to investors.
- Reports directly to the President of the Republic of Turkey.

WE ARE HERE TO FACILITATE YOUR INVESTMENT IN TURKEY

HOW WE HELP

- Multilingual (Turkish, English, German, French, Italian, Arabic, Spanish, Chinese, Japanese and Korean)
- One-Stop-Shop approach
- Result-oriented
- Private sector approach with full confidentiality
- Focusing on high-tech, value-added and employment generating investments.



WHAT WE DO

- Presenting investment opportunities to the investors and providing assistance during all the stages of their investments.
- Serving as the reference point for international investors and the point of contact for all institutions engaged in promoting and attracting investments at national, regional and local levels.
- Offering free-of-charge services including market information and analyses, site selection, B2B meetings, coordination with relevant governmental institutions, and facilitating legal procedures and applications such as establishing business operations, incentive applications, obtaining licenses and work permits.

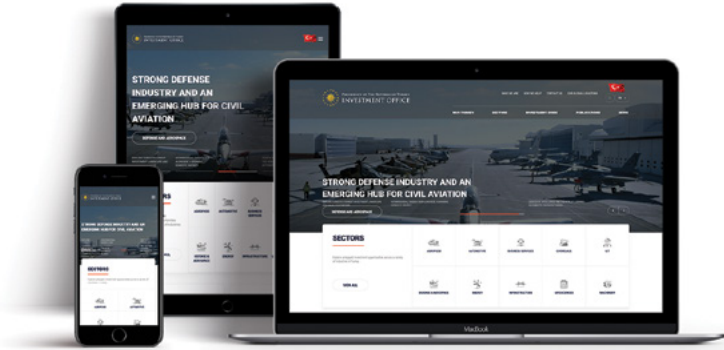
OUR GLOBAL LOCATIONS



VISIT
invest.gov.tr



BRAND NEW WEB SITE
LOOK



PRESIDENCY OF THE REPUBLIC OF TURKEY
INVESTMENT OFFICE

Investment Office, the official investment advisory body of Turkey, is a knowledge-center for foreign direct investments and a solution partner to the global business community at all stages of investments. It provides customized guidance and qualified consulting before, during and after entry into Turkey.