



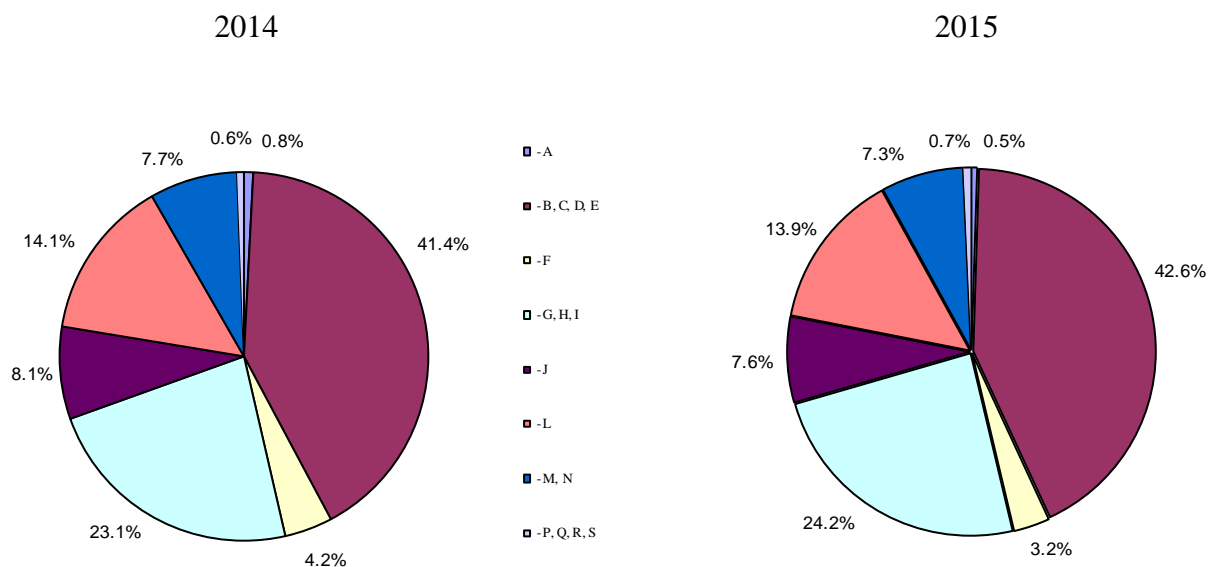
FOREIGN DIRECT INVESTMENTS AND EXPENDITURE ON ACQUISITION OF TANGIBLE FIXED ASSETS IN 2015 (PRELIMINARY DATA)

1. Foreign direct investments

According to preliminary data the foreign direct investments in the non-financial sector as of 31.12.2015 amounted to 23 127 million Euro, which is 7.2% more compared to 2014.

In 2015 the largest volume of the foreign direct investments was made in Industry - 9 852 million Euro and in Service sector (Wholesale and retail trade; repair of motor vehicles and motorcycles; Transport, communication and services; Accommodation and food service activities) - 5 607 million Euro. These two activities formed 66.8% of the total foreign direct investments, as their relative share increased by 2.3 percentage points with comparison with the previous year. The foreign direct investments in Construction sector are 751 million Euro or by 18.1% less as compared to 2014.

Figure 1. Structure of the foreign direct investments in non-financial enterprises by economic activity as of 31.12.



Economic activities by section (NACE Rev. 2):

A - Agriculture, forestry and fishing

B, C, D, E - Manufacturing; Mining and quarrying and other industry

F - Construction

G, H, I - Wholesale and retail trade; repair of motor vehicles and motorcycles; Transport, communication and services; Accommodation and food service activities

J - Information and communication

L - Real estate activities

M, N - Professional, scientific, technical; Administration and support service activities

P, Q, R, S - Other services

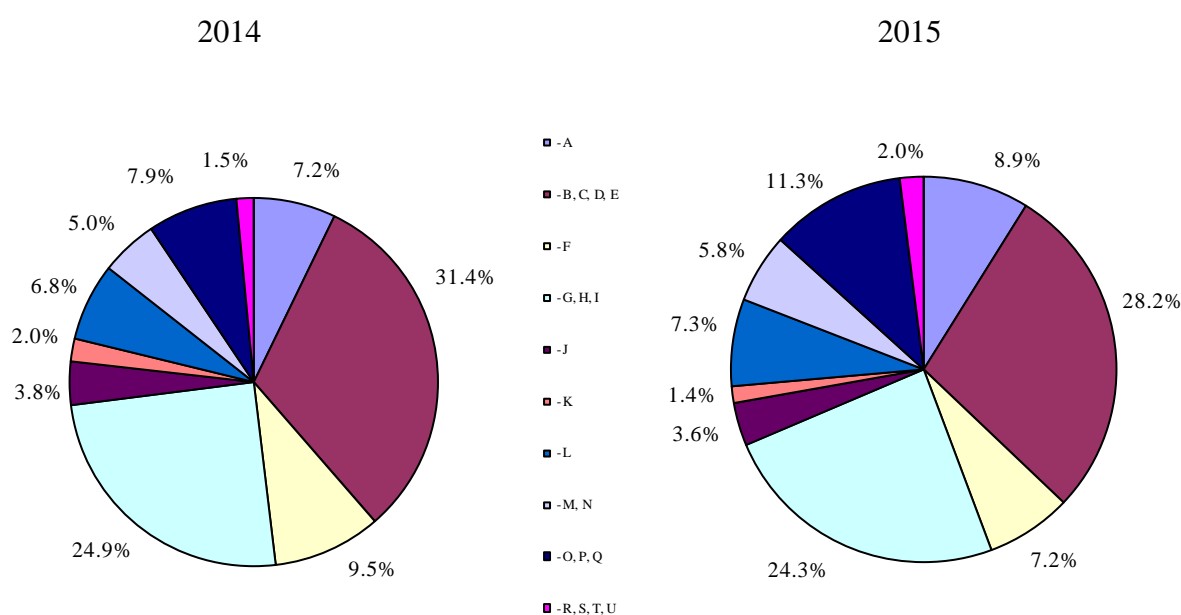


2. Expenditure on acquisition of tangible fixed assets

According to preliminary data in 2015 the actual expenditure on acquisition of tangible fixed assets in all sectors of the economy amounted to 21 183 million BGN and increased by 5.3% compared to the previous year.

The largest volume of investments in tangible fixed assets was invested in the sector of Industry - 5 968 million BGN and in the Service sector (Wholesale and retail trade; repair of motor vehicles and motorcycles; Transport, communication and services; Accommodation and food service activities) - 5 155 million BGN. In 2015 these sectors formed 52.5% of total expenditure on acquisition fixed assets. The investment in tangible fixed assets in the Construction sector was 1 517 million BGN and decreased by 20.3% compared to 2014.

Figure. 2. Structure of the expenditure on acquisition of tangible fixed assets in 2014 and 2015 by economic activity



Economic activities by section (NACE Rev. 2):

A - Agriculture, forestry and fishing

B, C, D, E - Manufacturing; Mining and quarrying and other industry

F - Construction

G, H, I - Wholesale and retail trade; repair of motor vehicles and motorcycles; Transport, communication and services; Accommodation and food service activities

J - Information and communication

K - Financial and insurance activities

L - Real estate activities

M, N - Professional, scientific, technical; Administration and support service activities

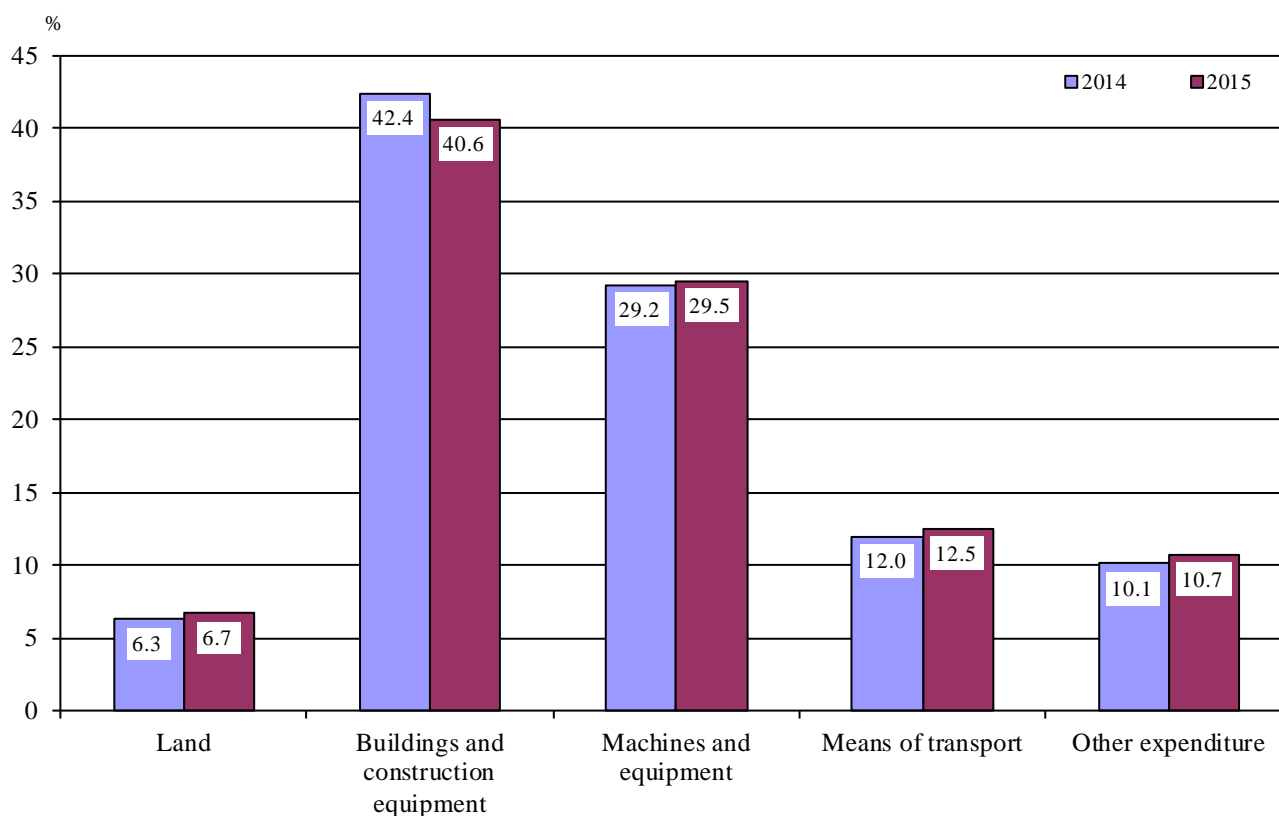
O, P, Q - Public administration, defense, Education, Human health and social work activities

R, S, T, U - Other services



In 2015 the structure of expenditure on acquisition of tangible fixed assets by kind was changed. The relative share of investments for buildings and construction equipment decreased by 1.8 percentage points compared to the previous year and reached 40.6%. At the same time the expenditure for machines and equipment increased by 0.3 percentage points, for the purchase of land - by 0.4 percentage points and for means of transport - by 0.5 percentage points which formed 29.5%, 6.7% and 12.5% of total investments of tangible fixed assets respectively.

Figure. 3. Structure of the expenditure on acquisition of tangible fixed assets by kind in 2014 and 2015





Methodological notes

Foreign direct investment is an investment, which includes long-term relationship, referring to a significant degree of influence of a resident of a foreign economy (foreign direct investor) on the management of an enterprise - resident of the Bulgarian economy (investment enterprise). Direct investment comprises not only the initial transaction establishing the relationship between the investor and the enterprise but also all subsequent transactions between them.

The volume of the foreign direct investment in the investment enterprise is defined as a sum:

- Of the foreign share in the equity capital of the enterprise;
- Plus the amount of the unpaid part of long and short-term loans and trade credits granted by the foreign investor to the investment enterprise as of 31.12. of the surveyed year;
- Minus the amount of unpaid part of the long and short-term loans and trade credits granted by the investment enterprise to the foreign investor as of 31.12. of the surveyed year.

The expenditure on acquisition of tangible fixed assets during the period under review include the actual costs: land purchase and building construction, construction equipment and mechanisms through order and produced by own account, for delivery and installation of tangible fixed assets, for machinery, equipment and means of transport, for geological and hydrological prospecting, for research and design related to construction and other expenditure, connected with acquiring tangible fixed assets.

The current maintenance cost of existing tangible fixed assets is not included in the volume of expenditure on acquisition of tangible fixed assets.



Annex

Table 1

Expenditure on acquisition of tangible fixed assets by economic activity

(Million BGN)

Economic activity groupings (A10) by NACE Rev. 2	2012	2013	2014	2015¹
Total	19091	18089	20124	21183
Agriculture, forestry and fishing	1480	1529	1441	1891
Manufacturing, mining and quarrying and other industry	7602	5963	6325	5968
Construction	1088	1300	1903	1517
Wholesale and retail trade, transportation and storage, accommodation and food service activities	3588	4036	5003	5155
Information and communication	618	585	770	767
Financial and insurance activities	369	391	416	301
Real estate activities	1896	1682	1365	1538
Professional, scientific, technical, administration and support service activities	783	743	1000	1231
Public administration, defense, education, human health and social work activities	1443	1511	1584	2392
Other services	224	349	317	423

¹ Data are preliminary.