

Despite Stronger US Dollar Turkish OFDI Continues to Grow

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Kadir Has University (KHU) and the Foreign Economic Relations Board (DEİK), both based in Istanbul, Turkey, and the Vale Columbia Center on Sustainable International Investment (VCC), a joint initiative of the Columbia Law School and The Earth Institute at Columbia University in New York, are releasing today the results of their third annual survey of Turkish multinational enterprises (MNEs).¹ Conducted in 2013, the survey is part of a long-term study of the rapid global expansion of MNEs from emerging markets and covers the period from 2010 to 2012.

Highlights

In 2012, the 29 largest Turkish MNEs had foreign assets totaling US\$ 36.7 billion (Table 1), foreign sales of US\$ 23.4 billion, and 115,539 foreign employees (Annex I, Table 1). The top five companies together controlled 58% or a total of US\$ 21.4 billion. The top ten companies controls slightly more than 70% of total foreign assets, amounting to US\$ 26.4 billion. Five out of these ten are conglomerates²; the remaining five are active in the infrastructure, glass, oil and gas, food and beverage, and energy sectors. Nineteen of the 29 MNEs are listed on the Istanbul Stock Exchange, with two of those companies also being listed on a foreign stock exchange.

These 29 MNEs have 426 subsidiaries overseas, 326 of which are located primarily in Europe and Central Asia, followed by Middle East and Africa (53), East Asia, South Asia and the developed Asia-Pacific³ (31), and the Americas (16). Since the previous report published in 2011, the number of Turkish MNEs investing more than US\$ 100 million has increased from 19 to 29. Comparing the top 19 MNEs of the previous report to the top 19 MNEs of this one indicates that the amounts of foreign assets, total assets, total sales, total employment, and number of host countries have risen, while the figures for foreign sales, foreign employment, average TNI, and number of foreign affiliates have declined (Annex I, Table 8).

This report includes a number of new MNEs as compared to the previous survey. Following the EMGP methodology used, which requires a minimum of US\$ 100 million in investment in

¹ The survey was carried out by Sedat Aybar and Utku Ören of KHU, and Barış Sazak from DEİK.

² The conglomerates (also known as *holdings*) in Turkey are large family-owned companies similar to *chaebol* in South Korea, *keiretsu* in Japan or *grupos* in Chile. The main operating sectors of the selected conglomerates are reported in Table 2 below.

³ The developed Asia-Pacific includes Japan, Australia and New Zealand.

foreign assets to be included in the ranking, ten new MNEs meeting this condition were included. These are the Anadolu Group (conglomerate), Yıldırım Holding (conglomerate), Hayat Holding (conglomerate), Gübretaş⁴ (fertilizers), Türk Telekom (communications), Turkish Airlines (airlines), Ekol Lojistik (logistics), Kürüm Holding (iron and steel), Teklas (automotive), and Evyap (consumer products).

Table 1. Turkey: Top⁵ 29 non-financial⁶ MNEs, by foreign assets, 2012 (US\$ million)⁷

Rank	Name	Industry	Foreign Assets
1	TPAO ⁸	Oil and gas	4,872
2	Anadolu Group*	Conglomerate	4,443
3	Enka Construction	Infrastructure and Real Estate	3,779
4	Koç Holding	Conglomerate	3,333
5	Doğuş Group	Conglomerate	3,104
6	Yıldırım Holding*	Conglomerate	1,867
7	Şişecam A.Ş.	Glass	1,368
8	Yıldız Holding	Food and Beverage	1,277
9	Tekfen Holding	Conglomerate	1,250
10	Zorlu Energy Group	Energy	1,120
11	TAV Holding	Conglomerate	1,081
12	Turkcell	Communications	1,057
13	Borusan Holding	Conglomerate	973
14	Sabancı Holding	Conglomerate	828
15	Çalık Holding	Conglomerate	816

⁴ Gübre Fabrikaları T.A.Ş.

⁵ Information was not available on *all* likely candidates for the top rankings because, among other things, not all companies responded to our survey. The MNEs on this ranking may thus not be *the* largest outward investors from Turkey but they are certainly *among* the largest.

⁶ Financial firms are excluded from the ranking as per the methodology of the Emerging Market Global Players project.

⁷ The exchange rate used is the average USD/TRY exchange rate for 2012 provided by the Central Bank of the Republic of Turkey (CBRT) USD 1= TRY 1.8004.

⁸ Turkish Petroleum Corporation.

16	Hayat Holding*	Conglomerate	780
17	Gübretaş*	Fertilizer	686
18	Alarko Group	Conglomerate	651
19	Orhan Holding	Conglomerate	534
20	Doğan Holding	Conglomerate	486
21	Türk Telekom*	Communications	444
22	Turkish Airlines*	Airlines	400
23	Ekol Logistics*	Logistics	375
24	Eczacıbaşı Holding	Conglomerate	371
25	Kürüm Holding*	Iron and Steel	281
26	Teklas*	Automotive	175
27	Çelebi Holding	Conglomerate	167
28	Eroğlu Holding	Textiles	148
29	Evyap*	Consumer Products	98
Total			36,766

*New players in this report as compared to the previous report.

Source: KHU – DEİK – VCC survey of Turkish MNEs, 2012; consolidated company reports and websites.

Profile of the top 29

Drivers of outward investment

Over the years a diverse set of drivers have motivated Turkish MNEs to invest abroad, including the aim to acquire technology and brands, reduce costs, access natural resources, and respond to growing demand in Asia and Africa.

Seventy-five percent of survey respondents stated that new markets and market diversification acted as a driver in their investment decisions. Just over 60% of the respondents saw sustainable growth as a driver in their investment decisions; 50% considered outward investment as a way to manage risk; and nearly 40% indicated that accessing natural resources and reducing costs were important for their outward investment decisions.

Turkey's macro-economic performance has also proven to be an important contributor to Turkish OFDI. The Turkish economy was less prone to adverse effects of the global economic meltdown of 2008 and, despite initial negative impacts of the crisis, Turkey pulled out from its influence relatively rapidly. Since then, strong domestic demand, expanding consumer credit, stronger

currency, low rates of inflation and cheaper investment credit have provided Turkish MNEs with a relatively strong foundation for outward orientation.

Turkish MNEs were thus well-positioned to exploit ascendant opportunities arising out of negative impacts of the crisis in neighboring countries in Europe and in the MENA region. The bulk of Turkish OFDI was directed toward these areas to take advantage of declining values of struggling businesses, such as of the purchase of marinas in Greece, Italy and Croatia.

Turkish MNEs have also benefitted from the government's policy of official expansion advanced through opening new embassies across Africa and beyond, increasing flight destinations for Turkish Airlines, establishing trade and investment offices, and expanding the activities of the Turkish Co-operation and Co-ordination Agency (TİKA). Turkish official development assistance by TİKA, for instance, increased by more than 150% within the last two years and reached \$2.5 billion in 2012.

Geographical distribution of foreign affiliates

The 29 Turkish MNEs in the list reported having 426 foreign affiliates (374 from the previously ranked 19 firms and 52 from the 10 new players). In terms of numbers of affiliates per firm, Doğan Holding led with 64 in 14 countries, followed by Doğu Group, which had 50 affiliates in 18 countries, and Enka Construction, with 42 affiliates in 9 countries (Annex I, Table 2). These 426 foreign affiliates were concentrated in Europe and Central Asia (77% or 326 affiliates, as compared to 277 in the previous report) and the Middle East and Africa (12% or 53, down from 69 in the previous report), as indicated by the Regionality Index (Annex I, Table 2) and as can be seen in the distribution of foreign affiliates (Annex I, Figure 1). The number of foreign affiliates reached a total of 31 in Asia and the Pacific and 16 in North and Latin America (Annex I, Table 2).

Table 2. Turkey: Main operating industries of the listed conglomerates, 2012

Conglomerate	Main Industries
Anadolu Group	Food and beverages, automotive, finance, stationary, retail, information technology, real estate, tourism, health, and recreation.
Koç Holding	Energy, automotive, consumer durables, finance, mining, electronics, education, tourism, food and beverage services.
Doğuş Group	Textiles, energy, construction, finance, logistics, media, retail, information technology, automobile trade, health, entertainment.
Yıldırım Holding	Mining, energy, real estate, chemicals, logistics, construction.
Tekfen Holding	Construction, agro-industry, real estate development, banking, investment, and insurance.
TAV Holding	Construction, security services, warehousing services, food and beverage services.
Borusan Holding	Steel, energy, logistics, telecommunications.
Sabancı Holding	Finance, energy, retail, cement, auto parts, tire and tire reinforcement materials, information technology.
Çalık Holding	Construction, energy, textiles, finance, telecommunications, media, mining.
Hayat Holding	Chemicals, wood, energy, water transport, construction.
Alarko Group	Manufacturing, trading, engineering contracting, tourism, land development, construction and energy.
Orhan Holding	Auto parts, textiles, construction, tourism, insurance.
Doğan Holding	Media, energy, construction, agriculture, retail, finance, real estate.
Eczacıbaşı Holding	Building products, healthcare, consumer products, finance, information technology, welding technology, real estate, retail.
Çelebi Holding	Logistics, food, tourism, security, financial services.

Trans-nationality index

The trans-nationality index (TNI) is calculated by averaging the following three ratios: foreign assets to total assets, foreign sales to total sales, and foreign employees to total employees. In this report these ratios are expressed as a percentage (that is, 17%). Tekfen Holding has the highest TNI with 63.5% (Annex I, Table 1), while Türk Telekom's 2.6% is the lowest. The average TNI ratio of the top five MNEs is 54%, the top ten is 49%; and the overall average is 31%, which is 2% lower than the average from the previous report.

Ownership status

Ten out of 29 MNEs are not listed on any stock exchange. The other 19 are listed on the Istanbul Stock Exchange (ISE). Two are also listed on a foreign stock exchange: Doğan Holding is traded on the London Stock Exchange and Turkcell is traded on the New York Stock Exchange (Annex I, Table 3).

Location of headquarters, official language, gender and executive structure

Out of the 29 MNEs on the list, 26 are headquartered in Istanbul, one in Ankara (TPAO), one in Bursa (Orhan Holding), and one in Kocaeli (Teklas) (Annex I, Figure 2).

The main official language of all MNEs is Turkish. Two companies, Enka Construction, Eczacıbaşı Holding and Hayat Holding also use English as an official language.

All CEOs of the 29 firms are Turkish. Only two are women.

The 29 MNEs together have a total of 256 board members. The average board size is nine members, with the largest being Sabancı's (32) and the smallest being Yıldırım Holding's (3). Only 18 of the 256 board members, or 7%, are non-Turkish. The highest ratio of non-Turkish participation on any board is in Turkcell, with four out of its seven members being non-Turkish.

Thirty-six of the 256 board members (14%) are women. The highest female participation is at Doğan Holding, which has five women on its nine-member board (Annex I, Figure 3).

Principal industries

The companies on the list were active in thirteen different industries. If conglomerates are counted as a single industry, they dominate the list in terms of foreign assets, holding 56% of aggregate foreign assets. The oil and gas industry is next, with 13% of total assets, while infrastructure follows in third, with 10% (Annex I, Figure 4).

Conglomerates are also the leading group in numbers, with fifteen firms on the list. The industries in which the other firms are engaged are oil and gas, glass, energy, food and beverage, communications, fertilizer, airlines, logistics, iron and steel, automotive, consumer products, and textiles (Annex I, Table 6).

Conglomerates

Conglomerates form the largest part of Turkish OFDI stocks with more than US\$ 20 billion. The main operating industries can be seen in Table 2 above. Despite the economic meltdown of 2008, Turkish conglomerates have continued to increase their market share in electrical equipment, electronics, consumer durables, automotive and other industries through lower prices. The policy of keeping the Turkish Lira over-valued against the US dollar and the Euro also contributed to the competitiveness of these companies by lowering the import costs of intermediate inputs in production. Both factors have positively affected the conglomerates' sales and profits given that the large majority of revenues came from domestic operations (see Annex I, Table 1).

Some conglomerates focused on taking advantage of shrinking asset prices in European economies and beyond. Acquisitions by Doğu Group and Koç Holding of a number of marinas in Greece and Croatia are examples. Koç Holding also expanded its durable consumer products business into Sub-Saharan Africa by acquiring South African Defy and its subsidiaries. Yıldırım Holding bought into French CMA CGM SA, acquiring a 30% share in the transportation giant.

With expansion into Africa, the Middle East and the Balkans, conglomerates are facing political risk. Political risk insurance is increasingly utilized to hedge those risks whenever deemed necessary. Turkish conglomerates also try to protect and advance their commercial interests abroad by using legal measures such as trademark registration, and by improving their knowledge on political and economic situation of the host country.

Services

Stocks of Turkish OFDI in services total more than US\$ 7 billion. Enka Construction accounts for more than half of this amount, which is also consistent with the growing performance of Turkish construction companies abroad.⁹ Turkic host countries have been the propeller for Turkish construction companies, by being the source of an increasing number of projects. Additionally, although the Arab Spring impacted Libya and other traditional markets for Turkish construction companies, those Turkish firms proved to be resilient to the turmoil and continued with their operations.

Other Turkish MNEs in services are Turkcell, Türk Telekom, Ekol Logistics, and Turkish Airlines. In communications, both Turkcell and Türk Telekom are expanding, with growth focused in the Balkans but also stretching into other areas including the Middle East and North Africa. These two companies provide communications services ranging from Global System for Mobile Communications (GSM) services to mobile and high speed internet. They also provide information technology services to a limited degree.

Ekol Logistics is exploiting opportunities arising from growing trade relations with the rest of the Europe. Effective supply chain management and comparably lower labor costs seem to have facilitated its outward investment.

Finally, the globalization strategy of Turkish Airlines follows the increased international mobility of Turkish firms more broadly, and gives critical support to Turkish businessmen and women through direct flights to a rising number of international destinations around the world.

Oil, gas and energy

Growth in global and national demand for energy drives Turkish policy makers and firms to develop strategies to meet those needs. TPAO, a state-owned firm, is engaged as a member of international consortia in extracting, refining, and distributing both oil and natural gas from

⁹ According to the Turkish Contractor's Association (TCA) January 2013 Bulletin, Turkish construction companies generated a total of USD 26.1 billion in revenues from projects abroad. As of 2012, completed projects since 1972 amount to a total of 7.000 projects in more than 100 countries. Total revenue generated from these projects reached US\$ 240 billion. http://www.tmb.org.tr/arastirma_yayinlar/tmb_bulten_ocak2013.pdf

fields in Azerbaijan, Iraq, Kazakhstan and other areas, including domestic sources. It also builds pipelines to transport these products.

Zorlu Energy Group has similarly taken advantage of the growing global energy demand and continued its delayed expansion of investment projects in natural gas in Israel and renewable energy in Pakistan.

Foreign assets held by these two companies totaled US\$ 6 billion as of 2012.

Manufacturing

As of 2012, foreign assets of Turkish MNEs in manufacturing stood at US\$ 4 billion. Şişecam A.Ş. was the largest with US\$ 1.3 billion, while Evyap was the smallest with US\$ 98 million.

Several firms invested abroad in order to gain access to natural resources, including Şişecam A.Ş. Gübretaş and Kürüm Holding. Firms also invested abroad in search of markets. Topyalı Holding and Kürüm Holding for instance, with steel operations in the Balkans and North Africa, aim to become important steel suppliers in those regions.

Turkish manufacturing companies in automotive, consumer products, food and beverages and textiles, continued to move their production facilities abroad, seeking cost minimization as well as market access. Teklas, an auto-parts manufacturer, expanded its production to Bulgaria and Russia, whereas Evyap, a consumer products manufacturer, and Eroğlu Holding, one of the biggest denim producers of Turkey, continued their production in Egypt despite the domestic social turmoil in that country.

The big picture

Turkish outward investment is an established structural feature of the Turkish economy. It first crossed the US\$ 1 billion mark in 2005 and had built up a stock of nearly US\$ 40 billion by 2013. The increased stock of Turkish OFDI is due to a variety of internal and external factors.

The main internal factor is the opening up of the Turkish corporate sector to international competition in the early 1980s through an export-orientation policy. The accompanying privatization spree of the 2000s increased inward FDI and further intensified competition faced by Turkish firms in the domestic market. This in turn forced them to look abroad for profitable opportunities. Externally, the collapse of the Soviet Union and emergence of independent Turkic states, as well as Turkey's joining the customs union with the EU in 1996, increased the opportunities and appetite of Turkish companies for foreign profits.

In conjunction with these developments, the foreign policy shift by the government famously known as the “zero problems policy” toward neighboring countries was expected to help MNE's OFDI. The Arab Spring raised expectations of the policy and Turkey's role in the region; subsequent social and political developments in Egypt, Syria and elsewhere in the region, however, have given rise to new complexities. As the findings of this report indicate, one effect of the continued turmoil may be that Turkish OFDI directed towards neighboring countries, particularly in Middle East and Africa, has stagnated, and in some countries declined.

Overall, Turkish MNEs responded to these internal and external factors by developing a mixture of both defensive and offensive strategies. Initially they began to see OFDI as part of their risk management strategies.

Public concern over whether Turkish OFDI was transferring jobs abroad gradually faded away and was replaced by a more positive global vision. OFDI is now more commonly accepted as an integral part of economic integration with the world, a stage of economic development that comes about with economic progress.

The attitudes of public officials regarding OFDI have similarly evolved. While Turkish policy-makers initially neglected the phenomenon of Turkish OFDI, the government has since taken various steps to promote outward investment. For instance, work is underway to provide insurance coverage for companies investing abroad; a variety of governmental and private departments provide information about local conditions in host countries; holding companies are given tax relief; and a program, “Turquality”, was established to encourage the development of Turkish brand names abroad. Turkey has also implemented institutional reforms in its efforts to support outward investment. In 2012, for example, the Ministry of Economy established a new directorate under the under-secretariat of Services, Free Trade Areas and Foreign Investments in order to provide guidance in terms of regulation and effectiveness for Turkish OFDI.

Although OFDI has been steadier than the IFDI, IFDI has helped OFDI growth between 2006 and 2013 (Annex I, Table 5 & Table 6). Recent outward orientation of Turkish firms is now better grounded on fundamental economic and managerial principles. In other words, domestic competition is no longer the main driving force for Turkish OFDI. Turkish MNEs select their investments and geographies based on more strategic managerial calculations. It is also noteworthy that an increasing number of OFDI projects are in the area of mining, energy and infrastructure. This is due to demand from Turkish manufacturing industries aiming to gain direct access to raw materials.

Turkey overcame the negative impact of the global economic meltdown of 2008 rather quickly. Initially, Turkish foreign sales declined but recovered in a short period of time. Turkish MNEs increased their market share by expanding their sales in the EU while strictly controlling their budgets and implementing cuts in their expenditures. They also continued to follow a product and regional diversification strategy.

Turkish companies in the survey now employ nearly 116,000 workers, though the share of foreign employment in total employment dropped significantly by 23% from the previous report. Comparing the reports from 2009 and 2014 reveals that Turkish MNEs’ expanded their employment of both foreign and domestic personnel, though the latter grew at a faster pace. Comparing the data from the 2009 and 2014 reports on assets similarly indicates that foreign assets did not expand as fast as total assets, declining as a share in total assets by 9.7%. Finally, in terms of sales, foreign sales have expanded at roughly the same rate as total assets from the 2009 to 2014 reports. Overall, even though Turkish OFDI has continued to grow, the foreign percentage of total assets, sales and employment has declined.

The current survey however also indicates that Turkish OFDI has become more vulnerable to external developments, particularly currency movements. A stronger US dollar renders Turkish OFDI gains relatively weak. Turkey’s macro-economic management, particularly its large

current account deficit, accompanied by domestic political disturbances could prove to be the new risk area for Turkish OFDI. This may result in Turkish MNEs' search for alternative investment strategies abroad and capital flight.

Table 3. Turkey: A snapshot of the 2009 - 2014 Research Findings¹⁰ (US\$ million)

Variable	2009 (1 st EMGP Turkey Report: 12 MNEs)	2011 (2 nd EMGP Turkey Report: 19 MNEs)	2014 (3 rd EMGP Turkey Report: 29 MNEs)	% Change 2011 -2014
Assets				
Foreign	15,711	31,402	36,766	17.1
Total	161,517	226,876	294,062	29.6
Share in Total %	9.7	13.8	12.5	-9.7
Sales				
Foreign	11,937	14,725	23,415	59.0
Total	91,349	81,761	131,290	60.6
Share in Total %	13.0	18.0	17.8	-1.0
Employment				
Foreign	72,334	89,946	115,539	28.5
Total	270,391	302,401	501,740	65.9
Share in Total %	26.7	29.7	23.0	-22.6

¹⁰ Figures in this table are reported in the relevant year's reports.

For further information please contact:

<p>Kadir Has University, Istanbul</p> <p><i>Sedat Aybar</i>, Department of Economics, 90-212-533-6532 ext. 1604, saybar@khas.edu.tr</p> <p><i>Utku Ören</i>, Ph. D. Candidate, Department of Economics, 90-212-533-6532 ext. 1620, utku.oren@khas.edu.tr</p> <p>Foreign Economic Relations Board (DEİK)</p> <p><i>Barış Sazak</i>, Strategy and Business Development, 90-212-339-5089, bsazak@deik.org.tr</p>	<p>Vale Columbia Center on Sustainable International Investment</p> <p><i>Lisa Sachs</i>, Executive Director lisa.sachs@law.columbia.edu</p> <p><i>Lise Johnson</i> Senior Legal Researcher – Investment Law and Policy ljj2107@columbia.edu</p> <p><i>Victor Chen</i>, Global Coordinator and Editor Emerging Market Global Players Project emgp.editor@gmail.com</p>
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Emerging Market Global Players Project (EMGP)

The present survey of Turkish MNEs was conducted within the framework of the Emerging Market Global Players Project, an international, collaborative effort led by the Vale Columbia Center on Sustainable International Investment. The project brings together researchers on foreign direct investment from leading institutions in emerging markets to generate annual reports on emerging market MNEs. For further information, visit: <http://www.vcc.columbia.edu/content/emerging-market-global-players>.

Turkish partners

Kadir Has University (KHU) is located in Istanbul and was founded in 1997. The University has six faculties and an international student body. The total number of faculty is about three hundred. The main campus is located at the heart of historic Istanbul in a prize-winning set of buildings. KHU has close relationships with a number of foreign universities, including Harvard, Princeton, Purdue, and University of London. The Rector of KHU is Prof. Dr. Mustafa Aydin. For more information, see: <http://www.khas.edu.tr>.

Formed in 1988, the **Foreign Economic Relations Board of Turkey** (DEİK) aims to pave the way for the development of Turkey's economic, commercial, industrial and financial relations with foreign countries as well as international business communities, by acting as an intermediary between the public and private sectors in both Turkey and abroad. The **Business Council for Outbound Investments** within DEİK was established in December 2012; it aims to promote Turkish companies' outward investments, and, as such, is a unique business association specifically formed for this purpose. The Chairman of DEİK, M. Rifat Hisarcıklıoğlu, is also the Chairman of the Union of Chambers and Commodity Exchanges of Turkey (TOBB). For further information, see: <http://www.deik.org.tr>.

Vale Columbia Center on Sustainable International Investment (VCC)

The VCC, a joint center of Columbia Law School and the Earth Institute at Columbia University, is a leading applied research center and forum dedicated to the study, practice and discussion of sustainable international investment. Sustainable international investment (SII) is investment that maximizes economic, social and environmental benefits and minimizes risks for all stakeholders. The VCC's work is based on the premise that SII is in the mutual interest and is the shared responsibility of investors, governments, and other stakeholders. The VCC focuses on analyzing important topical policy-oriented issues and constructing and implementing an investment framework that promotes sustainable development and the mutual trust needed for long-term investments that can be practically adopted by governments, companies and civil society. The Center undertakes its mission through interdisciplinary research, advisory projects, multi-stakeholder dialogue, educational programs, and the development of resources and tools. For more information, see: <http://vcc.columbia.edu>.

Annex I, Table 1. Turkey: The top 29 MNEs: Key variables, 2012 (US\$ million and number of people employed)

Rank	Name	Foreign Sales	Total Sales	Foreign Assets	Total Assets	Foreign Employment	Total Employment	TNI (%)	# of foreign affiliates	# of host countries
1	TPAO	1,535	3,453	4,872	8,423	49	5,000	34	4	4
2	Anadolu Group*	2,597	6,110	4,443	11,109	13,750	27,500	44	20	17
3	Enka Construction	1,365	5,720	3,779	8,156	10,331	21,290	40	42	9
4	Koç Holding	1,857	47,119	3,333	60,579	8,289	82,158	7	41	24
5	Doğuş Group	149	6,110	3,104	31,151	6,213	30,250	11	50	18
6	Yıldırım Holding*	300	1,050	1,867	2,619	4,200	7,100	53	9	13
7	Şişecam A.Ş.	705	2,967	1,368	4,845	6,090	17,838	29	15	8
8	Yıldız Holding	444	6,887	1,277	3,629	7,500	36,000	21	7	7
9	Tekfen Holding	1,563	2,264	1,250	2,296	11,752	17,532	64	11	5
10	Zorlu Energy Group	234	292	1,120	2,768	0 ¹¹	864	47	3	3
11	TAV Holding	226	1,425	1,081	2,937	3,837	22,704	23	8	5
12	Turkcell	595	5,836	1,057	10,360	1,418	13,901	10	14	5
13	Borusan Holding	325	3,949	973	3,394	1,455	5,072	22	10	7
14	Sabancı Holding	245	6,546	828	97,421	2,827	57,556	3	34	18
15	Çalık Holding	523	2,745	816	7,613	8,103	19,940	23	15	8
16	Hayat Holding*	243	1,828	780	3,085	3,463	7,914	27	7	7
17	Gübretaş*	528	1,237	686	1,197	415	1,103	46	1	1
18	Alarko Group	488	899	651	1,200	1,323	4,879	45	8	7
19	Orhan Holding	300	1,050	534	778	2,044	7,300	42	11	11
20	Doğan Holding	275	1,753	486	4,815	4,073	13,750	18	64	14
21	Türk Telekom*	0 ¹²	7,057	444	9,558	1,200	37,524	3	2	2
22	Turkish Airlines*	5,962	8,281	400	10,431	2,228	15,857	30	0	0
23	Ekol Logistics*	125	350	375	750	1,200	6,791	34	7	7
24	Eczacıbaşı Holding	569	3,307	371	2,686	1,994	11,730	16	18	11
25	Kürüm Holding*	318	849	281	522	400	1,031	43	2	2
26	Teklas*	28	139	175	400	522	1,283	35	2	2
27	Çelebi Holding	119	307	167	297	6,491	10,619	52	6	4
28	Eroğlu Holding	850	1,133	148	269	5,214	12,117	58	13	8
29	Evyap*	53	630	98	772	536	2,205	15	2	3
Total (Average for TNI)		23,415	131,290	36,766	294,062	115,539	501,740	31	426	

¹¹ Zorlu Energy Group indicated that none of the employees of the group's foreign operations are employed under the group's payroll.

¹² Türk Telekom did not report foreign sales figures.



*new players in this report.

Source: KHU – DEİK–VCC Survey of Turkish MNEs 2012; consolidated company reports and websites

Annex I, Table 2. Turkey: The top 28¹³ MNEs: Regionality Index¹⁴, 2012

Rank	Group	EU, Other Europe & Central Asia	MENA & Sub Saharan Africa	East Asia & The Pacific, South Asia, Developed Asia-Pacific (Japan, Australia & New Zealand)	North America, Latin America & Caribbean	# of affiliates by group
1	Doğan Holding	98	0	0	2	64
2	Doğuş Group	72	16	8	4	50
3	Enka Construction	88	10	2	0	42
4	Koç Holding	68	15	17	0	41
5	Sabancı Holding	65	6	12	18	34
6	Anadolu Group	80	15	5	0	20
7	Eczacıbaşı Holding	78	11	0	11	18
8	Şişecam A.Ş.	33	47	7	13	15
9	Çalık Holding	93	7	0	0	15
10	Turkcell	100	0	0	0	14
11	Eroğlu Holding	46	23	31	0	13
12	Tekfen Holding	64	0	27	9	11
13	Orhan Holding	91	0	0	9	11
14	Borusan Holding	80	20	0	0	10
15	Yıldırım Holding	78	11	0	11	9
16	TAV Holding	88	13	0	0	8
17	Alarko Group	63	38	0	0	8
18	Ekol Logistics	100		0	0	7
19	Hayat Holding	57	29	14	0	7
20	Yıldız Holding	57	43	0	0	7
21	Çelebi Holding	50	0	50	0	6
22	TPAO	50	50	0	0	4
23	Zorlu Energy Group	33	33	33	0	3
24	Evyap	0	50	50	0	2
25	Kürüm Holding	100	0	0	0	2
26	Teklas	100	0	0	0	2
27	Türk Telekom	100	0	0	0	2
28	Gübretaş	0	100	0	0	1
	# of affiliates by region	326	53	31	16	426

Source: KHU – DEİK–VCC Survey of Turkish MNEs, 2012; consolidated company reports and websites.

¹³ Turkish Airlines did not report any foreign affiliates.

¹⁴ The Regionality Index is calculated by dividing the number of a firm's foreign affiliates in a particular region of the world by its total number of foreign affiliates and multiplying the result by 100.

Annex I, Table 3. Turkey: Stock exchange listings of the top 29 MNEs, 2012

Name	Domestic	Foreign
TPAO	None	None
Anadolu Group	ISE	None
Enka Construction	ISE	None
Koç Holding	ISE	None
Doğuş Group	ISE	None
Yıldırım Holding	None	None
Şişecam A.Ş.	ISE	None
Yıldız Holding	ISE	None
Tekfen Holding	ISE	None
Zorlu Energy Group	ISE	None
TAV Holding	ISE	None
Turkcell	ISE	New York SE
Borusan Holding	ISE	None
Sabancı Holding	ISE	None
Çalık Holding	None	None
Hayat Holding	None	None
Gübretaş	ISE	None
Alarko Group	ISE	None
Orhan Holding	None	None
Doğan Holding	ISE	London SE
Türk Telekom	ISE	None
Turkish Airlines	ISE	None
Ekol Logistics	None	None
Eczacıbaşı Holding	ISE	None
Kürüm Holding	None	None
Teklas	None	None
Çelebi Holding	ISE	None
Eroğlu Holding	None	None
Evyap	None	None

Source: KHU – DEİK–VCC survey of Turkish MNEs, 2012; consolidated company reports and websites.

Annex I, Table 4. Turkey: Outward greenfield investment transactions, announced, 2011-2012 (US\$ million)

Year	Company	Destination	Industry	Value	Jobs Created
2011	Gübretaş	Iran	Chemicals	680.4	383
2011	Güriş	Syria	Building & Construction Materials	376.0	559
2012	Cevahir Holding	Macedonia	Real Estate	366.0	3,000
2011	Çalık Holding	Iraq	Coal, Oil and Natural Gas	338.0	41
2011	Gersan Elektrik	Qatar	Metals	324.0	356
2012	Rixos Hotels	Azerbaijan	Hotels & Tourism	214.7	250
2012	Rixos Hotels	UAE	Hotels & Tourism	205.9	187
2011	Rixos Hotels	UAE	Hotels & Tourism	178.6	179
2012	NeSa Energy	Macedonia	Alternative/Renewable energy	155.5	13
2012	Ekol Logistics	Germany	Warehousing & Storage	152.2	75
2012	Borusan	United States	Metals	150.0	380
2012	Hayat Holding	Russia	Paper, Printing & Packaging	147.4	642
2012	Rixos Hotels	Egypt	Hotels & Tourism	138.3	219
2011	Hayat Holding	Bulgaria	Wood Products	136.0	455
2012	Teklas	Russia	Rubber	101.2	272
Total				3,664.2	7,011

Source: Adapted from fDi Intelligence, a service from the Financial Times Ltd.

Annex I, Table 5. Turkey: Outward M&A transactions, announced, 2011-2012 (US\$ million)

Date	Acquirer's name	Target name	Target industry	Target country	% of shares acquired	Value of transaction
6-Mar-12	Anadolu Efes Biracılık ve Malt	SAB Miller-Russian & Ukrainian Ops.	Food and Kindred Products	Russia	100.0	1,582.2
28-Jan-11	Yıldırım Holding A.Ş.	CMA CGM SA	Transportation and Shipping	France	20.0	500.9
1-Dec-11	Arçelik A.Ş.	Defy Appliances (Pty) Ltd	Electronic and Electrical Equipment	South Africa	100.0	331.5
25-Jan-12	Yıldırım Holding A.Ş.	CMA CGM SA	Transportation and Shipping	France	10.0	250.0
7-Oct-10	Türk Telekomunikasyon A.Ş.	Invitel International AG	Telecommunications	Austria	100.0	239.8
13-Jun-12	Investor Group	Viking Geophysical Services	Oil and Gas; Petroleum Refining	US	100.0	164.0
27-Apr-11	Türkiye İş Bankası A.Ş.	AKB Sofiya	Commercial Banks	Russia	100.0	40.0
6-Oct-11	Acıbadem Sağlık Hizmetleri	Clinical Hospital Sistina	Health Services	Macedonia	50.3	26.9
8-Dec-11	Çelebi Hava Servisi A.Ş.	Çelebi Ground Handling Hungary	Air Transportation and Shipping	Hungary	30.0	18.4
4-Jul-12	Recydia A.Ş.	Neales Waste Management	Sanitary Services	UK	100.0	15.3
9-Jul-10	Aydınlı Group	Societe Jean Cacharel-Assets	Miscellaneous Retail Trade	France	100.0	11.6
30-Aug-12	Spektra Jeotek	Forage Mercier Inc	Construction Firms	Canada	100.0	11.3
31-May-11	Rhea Girişim Sermayesi	OEP RHEA Turkey Tech BV	Investment & Commodity Firms, Dealers	Netherlands	50.0	6.6
15-Apr-10	HAVAŞ	North Hub Services Ltd	Air Transportation and Shipping	Latvia	50.0	4.4
					Total	3,203.0

Source: Adapted from Thomson ONE Banker. Thomson Reuters.

Annex I, Figure 1. Turkey: Foreign affiliates of the top 28¹³ MNEs, by region, 2012



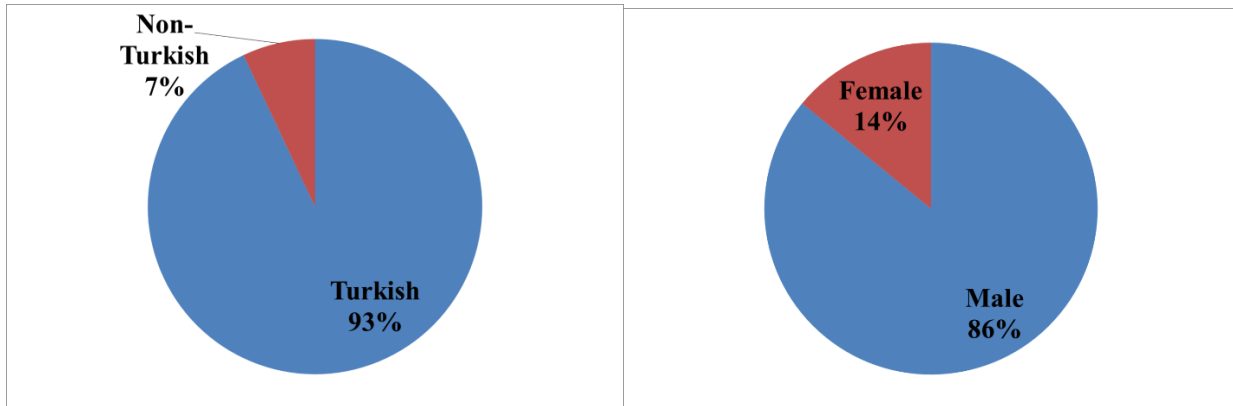
Source: KHU – DEİK–VCC survey of Turkish MNEs, 2012; consolidated company reports and websites.

Annex I, Figure 2. Turkey: Locations of Headquarters of the top 29 MNEs, 2012

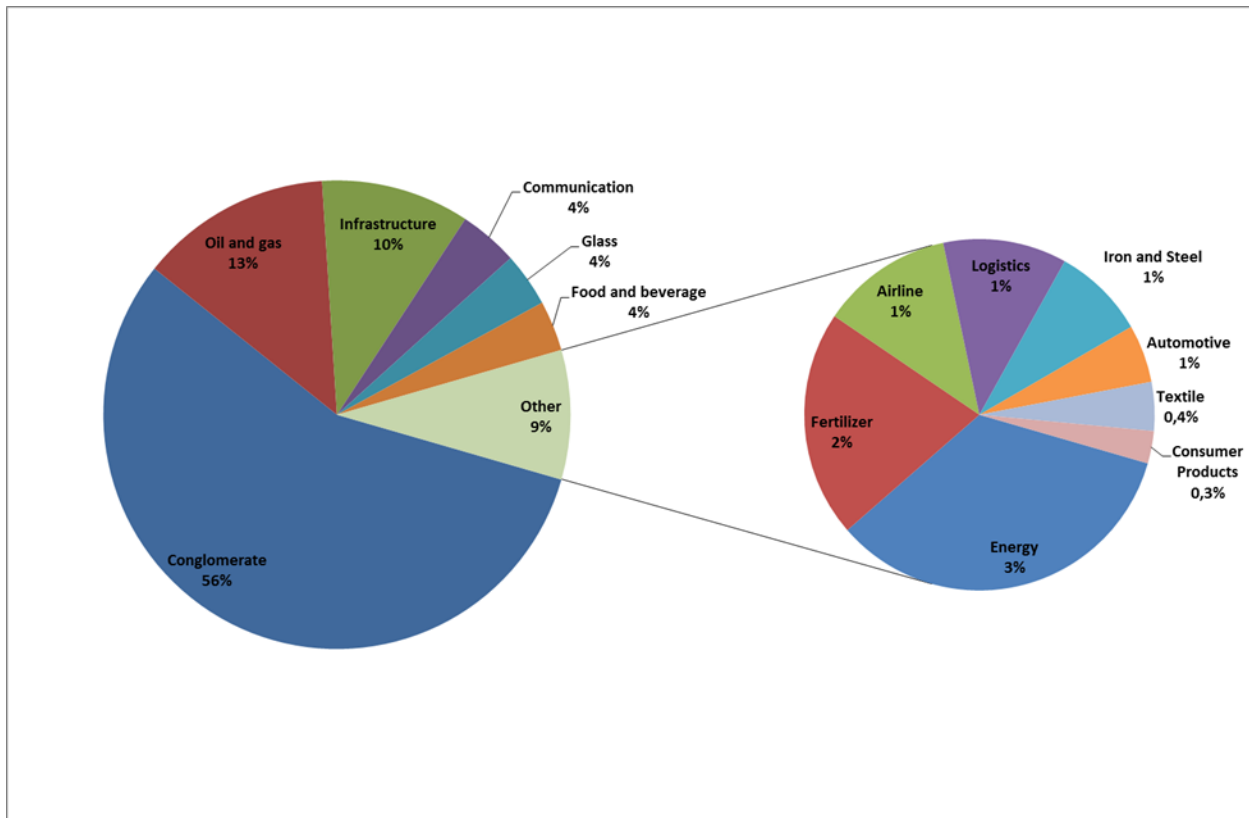


Source: KHU – DEİK–VCC survey of Turkish MNEs, 2012; consolidated company reports and websites.

Annex I, Figure 3. Turkey: Board of Executives of the top 29 MNEs, 2012



Annex I, Figure 4. Turkey: Distribution of Foreign Assets of the top 29 MNEs, 2012



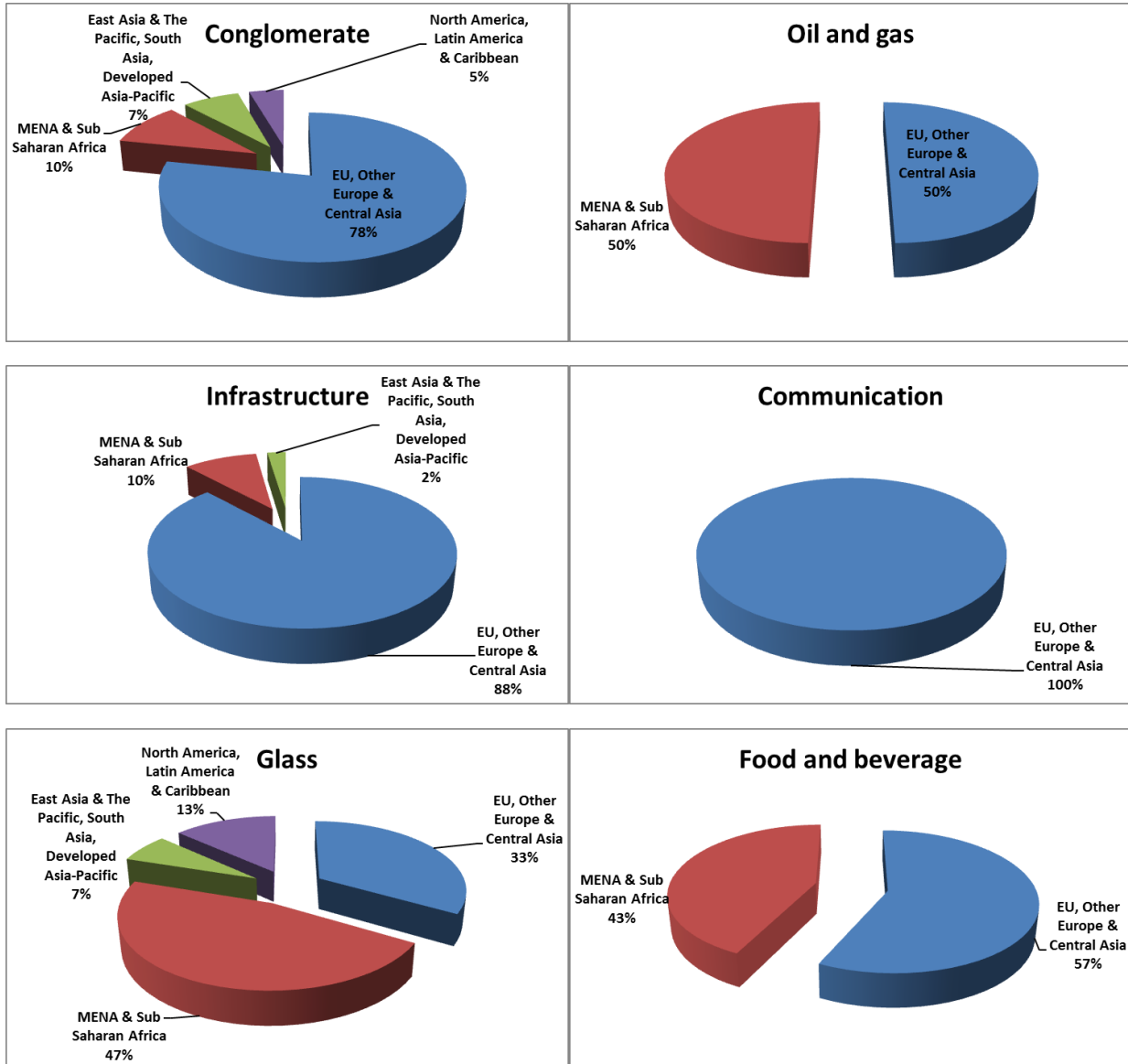
Annex I, Table 7. Turkey: Distribution of foreign assets of the top 29 MNEs, 2012 (US\$ Million)

Industry	Foreign Assets	Companies
Conglomerate	20,685	(15) Anadolu Group, Koç Holding, Doğu Group, Yıldırım Holding, Tekfen Holding, TAV Holding, Borusan Holding, Sabancı Holding, Çalık Holding, Hayat Holding, Alarko Group, Orhan Holding, Doğan Holding, Eczacıbaşı Holding, Çelebi Holding
Oil and gas	4,872	(1) TPAO
Infrastructure	3,779	(1) Enka Construction
Communication	1,501	(2) Turkcell, Türk Telekom
Glass	1,368	(1) Şişecam A.Ş.
Food and beverage	1,277	(1) Yıldız Holding
Energy	1,120	(1) Zorlu Energy Group
Fertilizer	686	(1) Gübretaş
Logistics	375	(1) Ekol Logistics
Iron and Steel	281	(1) Kürüm Holding
Automotive	175	(1) Teklas
Textile	148	(1) Eroğlu Holding
Consumer Products	98	(1) Evyap

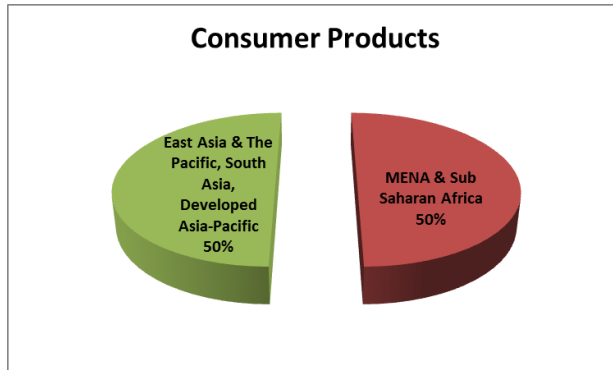
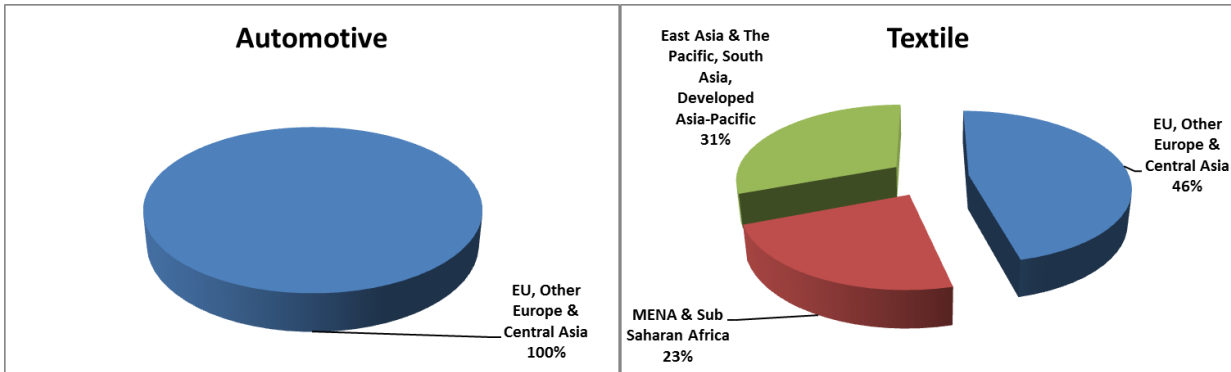
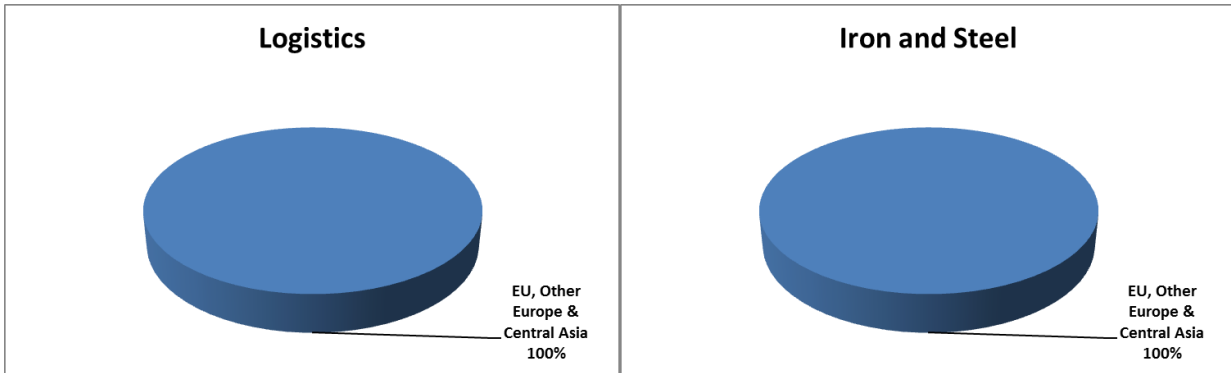
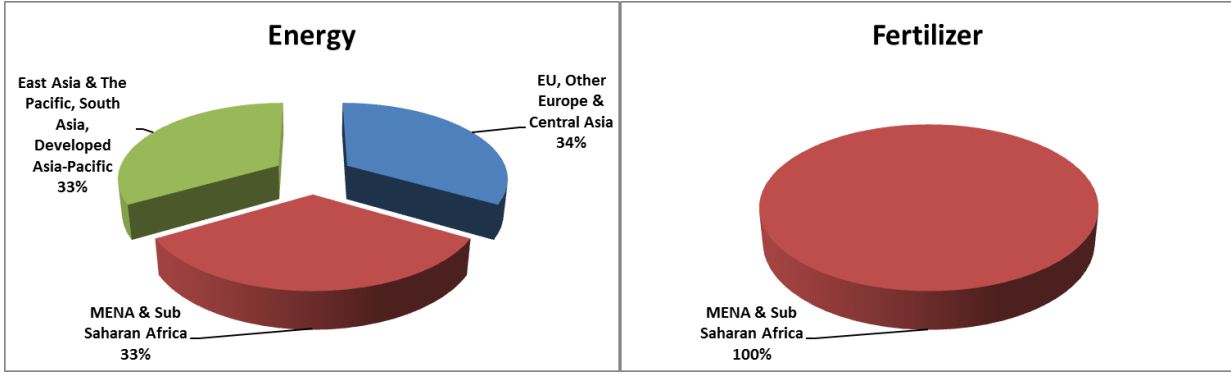
Annex I, Table 8. Turkey: Snapshot of the top MNEs investing abroad, 2007–2012, (US\$ Million)

Years	2007	2009	2012
Foreign Sales	15,283	14,725	23,415
Total Sales	105,783	81,761	131,290
Foreign Assets	25,668	31,402	36,766
Total Assets	223,925	226,876	294,062
Foreign Employment	88,618	89,946	115,539
Total Employment	326,456	302,401	501,740
TNI %	32	33	31
# of foreign affiliates	248	396	426
# of MNEs	12	19	29

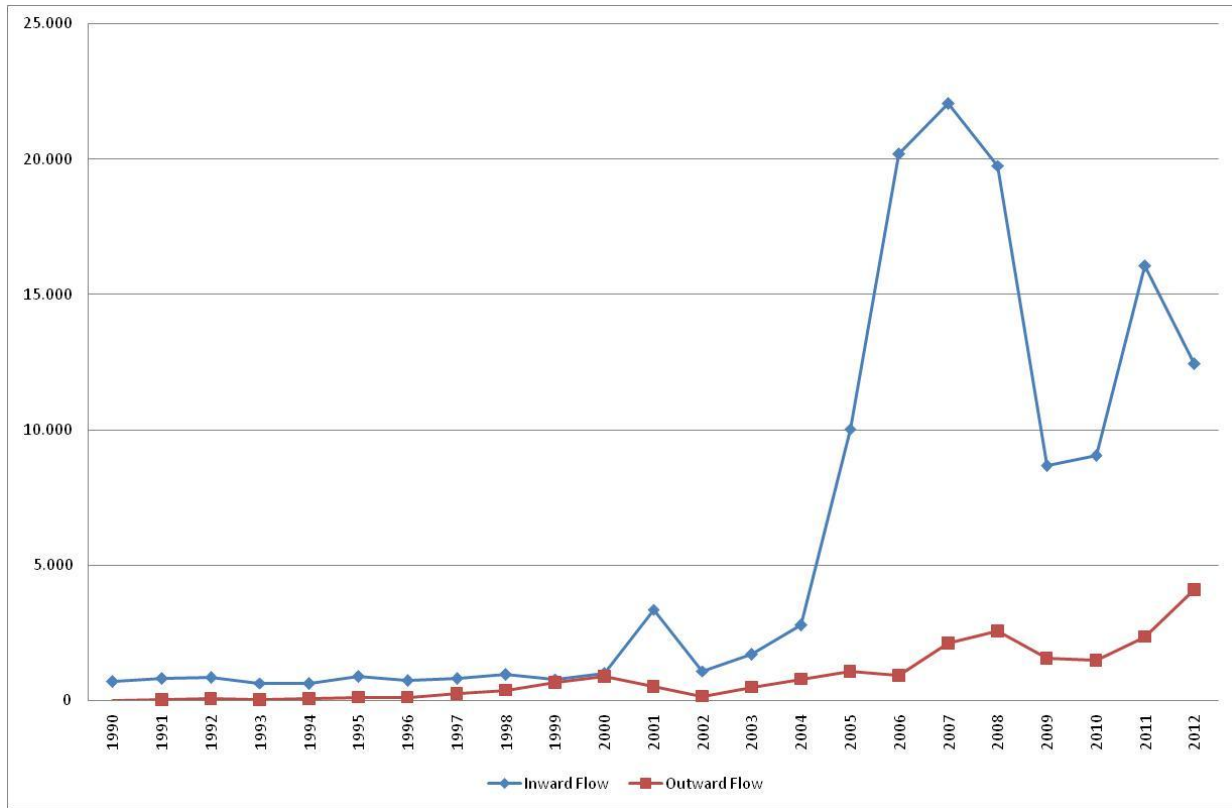
Annex I, Figure 5. Turkey: Geographic distribution of the assets of the top 28¹⁵ MNEs, by industry, 2012



¹⁵ Turkish Airlines did not report the geographical distribution of its foreign assets.

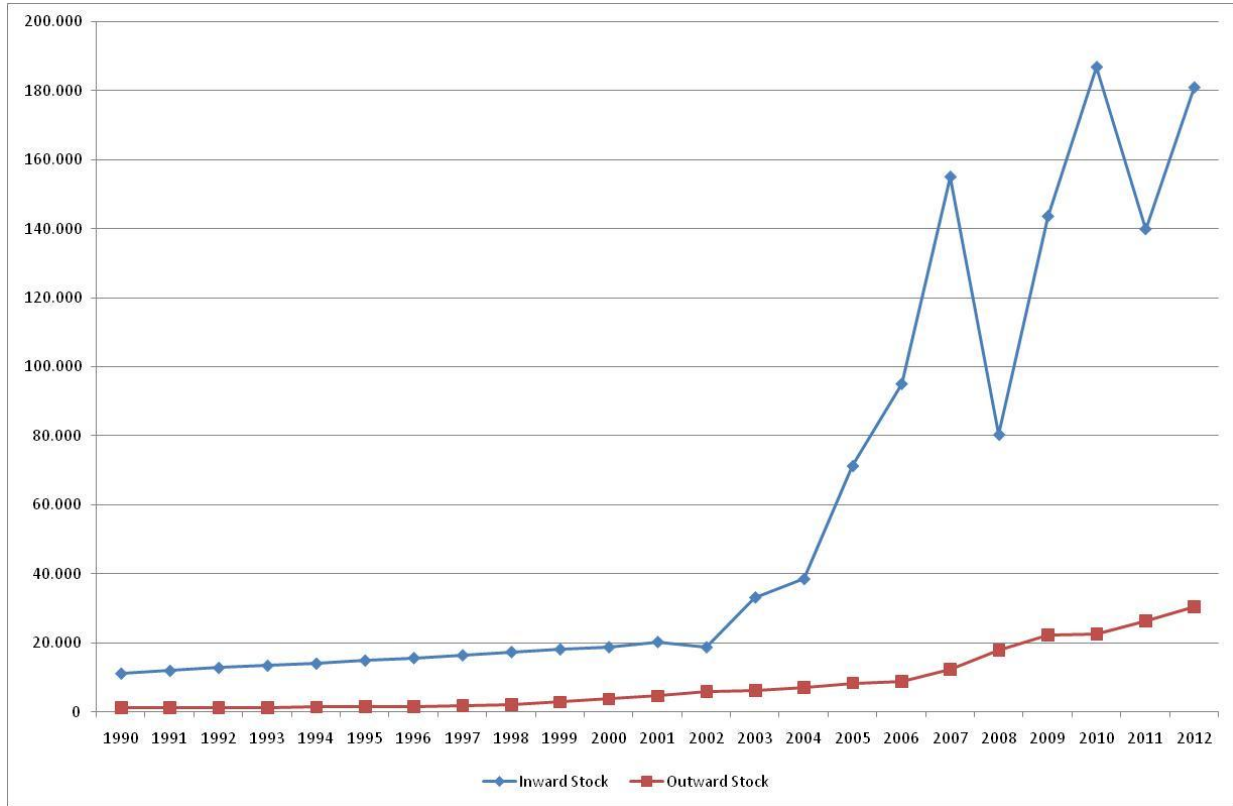


Annex I, Figure 6. Turkey: Inward and Outward FDI flows, 1990-2012 (US\$ Million)



Source: United Nations Conference on Trade and Development (UNCTAD), World Investment Report, 2012 (New York and Geneva: United Nations, 2012).

Annex I, Figure 7. Turkey: Inward and Outward FDI stock, 1990-2012 (US\$ Million)



Source: United Nations Conference on Trade and Development (UNCTAD), World Investment Report, 2010 (New York and Geneva: United Nations, 2012).

Corporate profiles of the top 29¹⁶

Turkish Petroleum Corporation (TPAO)

<http://www.tpao.gov.tr/tp5/>

TPAO was founded in 1954 by Law No. 6327, with the responsibility for undertaking hydrocarbon exploration, drilling, production, refining and marketing activities as Turkey's national oil company. Until 1983, as an integrated oil company, it was engaged in all oil industry activities, from exploration to production, refining, marketing and distribution. Today, TPAO is involved only in upstream activities: exploration, drilling, well completion and production.

Anadolu Group

<http://www.anadolugroup.com/>

Anadolu Group was founded in the 1950s and the holding was established in 1969. Main activities of the group are beverages, automotive, finance, and retail but Anadolu Group also has investments in food, health, energy, electronics, information technologies and tourism. Anadolu Group has 47 production facilities in 13 countries including Turkey and employs about 23,000 people in 81 companies. Anadolu Group recorded a turnover of US\$ 6.1 billion in 2012 and is listed on the Istanbul Stock Exchange (ISE) with its 5 companies.

Enka Construction

<http://www.Enka.com/>

Enka's history begins in 1957 with a partnership between Şarık Tara and the late Sadi Gülçelik. The range of its earliest projects included the construction of industrial plants, docks, marine slipways, shipyards, grain silos, bridges, roads and piers, all in the Istanbul area. Enka began its initial overseas projects in the 1970s, starting with Libya and Saudi Arabia, rapidly expanding in the 1980s in the Middle East and further in Russia in the 1990s. Thus far, Enka has completed more than 130 projects in Russia and the CIS, ranging from buildings, hospitals and industrial plants to oil and gas projects. The firm currently generates approximately 30 billion kWh of electricity per year. Its international construction projects continue to be its engine of growth, with a current backlog exceeding US\$ 7 billion. These include a mega-highway project in Romania, a brand new city in Oman, a new terminal at Moscow's Sheremetyevo Airport, a football stadium in Donetsk, Ukraine, a Toyota car factory in St. Petersburg, Russia, and oil field infrastructure on Sakhalin Island, also in Russia.

Koç Holding

<http://www.koc.com.tr/>

Founded in 1926, Koç Holding is Turkey's largest industrial group in terms of revenue, exports, share in the Istanbul Stock Exchange, and number of employees. Koç Holding, as the driving

¹⁶ Companies are profiled in the order of their ranking by foreign assets. Most of the information in this annex has been adapted from company websites, which are provided for all companies.

force of the Turkish economy and the world's 273rd largest company, continues to fortify its strong position in the global arena with awards granted in the domestic and international platforms. Its core sectors are energy, finance, the automotive industry, and consumer durables.

Doğuş Group

<http://www.dogusgrubu.com.tr/>

Founded in 1951, Doğuş Group is active in eight core businesses: financial services, automotive, construction, media, tourism and services, real estate, energy and entertainment. Doğuş Group has over 200 companies and a workforce of nearly 35,000. The Group seeks to maximize the value of its brands, not only in Turkey but also in the regional and global context. The Group carries a vision of becoming a regional leader especially in the services sector. The Group has partnered with global giants including the following: BBVA in finance, Volkswagen AG and TÜVSÜD in automotive, CNBC, MSNBC and Condé Nast in media and Hyatt International Ltd. and HMS International Hotel GmbH (Maritim) in tourism. Most recently, Doğuş Group partnered with Lamda Development, which is a part of Latsis Group, and MedMarinas S.A, which is a part of Kiriacoulis Group, respectively in Greece and with the Adriatic Croatia International (ACI) Group in Croatia.

Yıldırım Holding

<http://www.yildirimholding.com/>

Yıldırım Holding was established in Samsun, Turkey in 1963 as a modest construction material trading company. Today, it is one of the fastest-growing Turkish industrial groups with headquarters located in Istanbul, Turkey. Since its foundation, the company has broadened its focus through several subsidiaries. Yıldırım Holding is a family-owned business, which is privately held and currently managed by three brothers of the Yıldırım family.

Şişecam A.Ş.

<http://www.sisecam.com/>

Şişecam A.Ş. is an industrial group with main activity fields in glass and chemicals production. The group is in a leading position in business lines covering all basic fields of glass such as float glass, glass household articles, glass packaging and glass fiber as well as soda and chromium compounds. Founded in 1935 Şişecam has since substantially increased its production facilities both in Turkey and abroad. Sisecam produces according to international standards with 18,000 employees, and four of its companies are traded on the İstanbul Stock Exchange.

Yıldız Holding

<http://www.yildizholding.com.tr/>

Yıldız Holding, currently operating principally in the food business with more than 65 companies, began production in 1944 with the Ülker brand. The KalbimBenecol brand was born as a result of collaboration with the Finnish firm Raisio. At the end of 2007, Yıldız Holding took a major step in the way of globalization by acquiring Godiva Chocolatier. In 2009 Yıldız also formed a 50/50 joint venture with Gumlink to operate in the field of non-chocolate confectionery

and chewing gum. In 2011 Yıldız Holding acquired Italian packaging leader Nuroll SPA. Yıldız Holding's revenues stand at TRY 12.4 billion in 2012. The Holding has 56 factories, 9 of which are located outside of Turkey. Yıldız Holding employs a workforce of 39,850 and produces a range of products including biscuits, chocolate, edible oil, dairy products, culinary products, baby food and packaging materials.

Tekfen Holding

<http://www.tekfen.com.tr/>

The foundation for the company was laid by three entrepreneurs, Feyyaz Berker, Nihat Gökyiğit and Necati Akçağlılar in 1956. The Tekfen Group is a publicly traded corporation consisting of 49 companies and seven partnerships operating in the areas of contracting, agribusiness, real estate development, and banking.

Zorlu Enerji Group

<http://www.zoren.com.tr/>

The Zorlu Energy Electricity Generation Co. Inc. was set up to meet the electricity and steam needs of industrial firms belonging to the Zorlu Group in 1993. The Zorlu Energy Group, with its 16 companies (11 in Turkey and 5 abroad), currently commands a distinctive place in the energy sector with a presence in each stage of energy production, from project design to construction and from operation to maintenance of power plants. In addition to Turkey, the firm provides services throughout Europe, Asia and the Middle East.

TAV Holding

<http://www.tavhavalimanlari.com.tr/>

TAV Airports was established as a joint venture between Tepe and Akfen groups in 1997 to build and operate Istanbul Atatürk Airport. Today, the company has undertaken airport operations in Turkey, Saudi Arabia, Tunisia, Macedonia, Georgia, Croatia, and Latvia. More specifically, TAV Airports Holding operates four major airports in Turkey; the Tbilisi and Batumi airports in Georgia; the Monastir Habib Bourguiba International Airport and the Enfidha Zine Abidine Ben Ali Airport in Tunisia; and Skopje Alexander the Great Airport and Ohrid St Paul the Apostle International Airport in Macedonia. The company also operates the commercial areas in Latvia's Riga Airport and Zagreb Airport in Croatia.

TAV also operates duty-free stores, food and beverage services, ground handling services, information technologies, and security services. TAV Airports served 575,000 flights and 72 million passengers in 2012. The company shares have been listed on the Istanbul Stock Exchange since February 2007.

Turkcell

<http://www.turkcell.com.tr/>

GSM-based mobile communication began in Turkey when Turkcell started its operations in February 1994. By June 2010, Turkcell had invested US\$ 8.7 billion in Turkey. Turkcell is not

only the leading operator in Turkey but also the third largest GSM operator in Europe. Turkcell's shares have been traded on the Istanbul Stock Exchange (IMKB) and the New York Stock Exchange (NYSE) since July 2000 and it is the only Turkish company ever to have been listed on the NYSE. Turkcell's operations in Azerbaijan, Kazakhstan, Georgia and Moldova (through Fintur) had reached 14.6 million subscribers as of June 2010. The Astelit Company, majority-owned by Turkcell in Ukraine, began operating in February 2005. Its brand Life had reached 11.7 million subscribers by June 2010.

Borusan Holding

<http://www.borusan.com.tr/>

The origins of Borusan Holding date back to 1944. Its primary business interests include steel, automobile trade, logistics, energy, and telecommunications. In all business areas in which Borusan is actively engaged, management has set a target of becoming a market leader or a close follower. In 2006, the Group signed the United Nations' Global Compact and it supports and adheres to the principles of 'good corporate governance' and 'sustainability' as prerequisites of long-term success. Borusan established micro-financing operations to support women entrepreneurship in 2009.

Sabancı Holding

<http://www.sabanci.com/>

Sabancı Holding is the parent company of the Sabancı Group, Turkey's leading industrial and financial conglomerate. Sabancı Group companies are market leaders in their respective sectors, which include financial services, energy, cement, retail and industrials. Listed on the Istanbul Stock Exchange (ISE), Sabancı Holding has controlling interest in 10 companies that are also listed on the ISE. Sabancı Group companies currently operate in 18 countries and market their products in regions across Europe, the Middle East, Asia, North Africa and North and South America. Sabancı Holding's multinational business partners include such prominent companies as Ageas, Aviva, Bridgestone, Carrefour, Citi, Dia, Heidelberg Cement, Philip Morris and E.ON.

Çalık Holding

<http://www.calik.com/>

Çalık Holding's foundation was laid in 1981, with commercial activities dating back to the 1930s. Today, the Group employs approximately 20,000 people in 17 countries within the energy, telecommunications, textile, construction, finance, media, and mining sectors. With consolidated assets of nearly US\$ 8 billion, the Holding is currently working on project portfolios valued at US\$ 20 billion. Çalık Holding, which is among the top 10 premium denim producers in the world, continued to be the number one denim exporter in metric production in 2012. Çalık Holding is involved in business collaborations with global companies and organizations such as Rosneft, Initec Energia, Eni, Mitsubishi, EBRD, EWE, General Electric, Alacer Gold, and Qatar Holding.

Hayat Holding

<http://www.hayat.com.tr/>

Established in 1937, Hayat Holding is a leading Turkish enterprise with a highly successful track record. The holding consists of 25 companies that operate in various industries including FMCG, port operations, construction, wood and energy. Hayat Holding possesses high-quality brands and dynamic teams in the various sectors in which it operates. The holding's brands enjoy steady growth, not only in Turkey but also in regional and global markets. Exporting to 101 countries, the holding is taking confident steps toward becoming a regional leader.

Gübre Fabrikaları T.A.Ş. (Gübretaş)

<http://www.gubretas.com.tr/>

The minister's assembly of the period approved the inauguration of the Gübretaş, however the company officially started its operations in 1953. Gübretaş was founded on the idea to provide chemical fertilizers to the Turkish farmer so that they could produce high-yielding quality products. Gübretaş proceeds on its way with the vision to become "a giant and a leading company in Turkey and establish itself as a well-known brand in the world". In order to reach this objective, it has adopted an investment strategy in countries that have raw material resources; and in 2008, the consortium, led by Gübretaş, purchased Iran's Razi Petrochemical Company. GÜBRETAŞ entered into the international maritime transportation sector right after its investment abroad.

Alarko Group

<http://www.alarko.com.tr/>

Beginning in a single room with two employees in 1954, the ALARKO Group of companies is today one of Turkey's foremost enterprises, employing more than 6,000 people. The Group's activities are to be found in manufacturing, trading, engineering contracting, tourism, land development, construction, and energy.

Orhan Holding

<http://www.orhanholding.com.tr/>

Teknik Malzeme, established in 1972, constitutes the foundation of what is now today, Orhan Holding. Orhan Holding is a group of companies that mostly operate in the automotive industry, with manufacturing plants and technical centers employing 7,400 workers across 3 continents and 13 countries. In 1989 Orhan Holding established its first partnership with General Motors (GM). Thanks to partnerships with other international firms like Aunde (Germany), Faurecia (France) and Magnetti Marelli (Italy), the Holding has had the opportunity to keep up with current trends. Fluid transfer and exhaust systems, precision springs, stainless steel tubes, metal forms - assemblies, automotive seating and components, flexible control cables, gear shifters and polyurethane foam are main products produced by the group companies.

Doğan Holding

<http://www.doganholding.com.tr/>

Foundations of Doğan Holding were laid in 1959. Today, having strategic alliances with 7 international business focuses, the Group serves a broad consumer demographic with its approximately 25,000 direct and indirect employees in 17 countries. Doğan Holding is active in six major business areas, among which energy and media receive special focus. Nine members of the Group are listed on the Istanbul Stock Exchange.

Türk Telekom

<http://www.turktelekom.com.tr/>

Türk Telekomünikasyon A.Ş. was established on June 30, 1994. Türk Telekom's privatization process was completed on November 14, 2005 and 55% of Türk Telekom shares were transferred to Oger Joint Venture Group. Türk Telekom provides high quality and uninterrupted internet connection to a total of 7 million subscribers, and telephone service to 14.3 million subscribers.

Turkish Airlines

<http://www.turkishairlines.com/>

The "State Airlines Administration" was established on May 20, 1933. The first fleet comprised 2 King Birds (having 5 seats), 2 Junkers F-13 (4 seats) and an ATH-9 (10 seats). The first international voyage "Ankara-Istanbul-Athens" was flown in 1947. Turkish Airlines Inc. was established on March 1, 1956 with a capital stock of 60 million TL. As of the end of 2012 Turkish Airlines flies to 36 domestic and 181 foreign airports, or a total of 217 destinations. Turkish Airlines carried 23 million international passengers in 2012. Fifty-one percent of Turkish Airlines shares are open to the public, whereas 49% is held by the state.

Ekol Logistics

<http://www.ekol.com/>

Ekol logistics was founded as an international forwarder providing road transportation services. Ekol opened its first overseas branch in Germany in 1996. In 2009, Invest AD became a minority shareholder in the company. As of 2012 Ekol Logistics is considered to be the fastest growing Turkish logistics company in Europe, providing services in Germany, Romania, Italy, Bosnia, France, Greece, Hungary and Ukraine.

Eczacıbaşı Holding

<http://www.eczacibasi.com/>

Founded in 1942, Eczacıbaşı is a prominent Turkish Industrial Group with 41 companies, 11,730 employees and a combined turnover of more than US\$ 3.5 billion in 2012. Over the next four decades, it expanded its production capacity to include a full range of pharmaceutical products.

Eczacıbaşı's core sectors are building products, healthcare products and consumer products. In addition, the group is active in finance, information technology, welding technology, property development, and mining. Internationally, Eczacıbaşı is best known for its flagship Vitra brand, a contender in the global bathroom and tile markets. It is also a major exporter of tissue paper, welding electrodes, electronic smart cards and industrial raw materials such as clay and feldspar. The company has nine international joint ventures and numerous cooperation agreements with leading international enterprises.

Kürüm Holding

<http://www.kurumholding.com.tr/>

Foundations of Kürüm Holding were laid in 1975, Its main sphere of activity is iron and steel production. The holding operates both in Turkey and the Balkans with more than 1,000 employees at its production facilities. Kürüm Iron, the group's leading company, is ranked high in the list of "Turkey's Top 500 Industrial Enterprises". Kürüm International, headquartered in Albania, is one of the most important steel and construction iron production investments in the Balkans. Kürüm also produces hydrated lime and nitrogen-oxygen, processes scrap, provides insurance services, performs metallic mining operations, generates hydraulic energy and operates the Durres Port container terminal.

Teklas

<http://www.teklas.com.tr/>

Teklas started activities with rubber extrusion and injection processes in a small workshop in Istanbul in 1971. Production facilities were moved to Kocaeli in 1987. Research and development activities started in 2006. As of 2012, Teklas produces a variety of automotive products ranging from engine mounts to sealing parts, and many others. Teklas supplies global auto manufacturers like Renault, Volkswagen and General Motors.

Çelebi Holding

<http://www.celebi.com.tr/>

The foundations of the Çelebi Group were laid in 1958 with Çelebi Ground Handling, Turkey's first privately-owned ground handling services company. The Holding was formed in 1995. Çelebi Holding is active in five countries and has more than 11,000 employees. Çelebi Holding coordinates the financial and administrative functions of the companies operating under its umbrella, which are active in a wide range of fields including aviation ground handling services, terminal and port management, private security services, food services, travel agency services, and vehicle fleet leasing.

Erođlu Holding

<http://www.erogluholding.com/>

Erođlu confectionary was found in 1983. Exports to Eastern European countries started in 1994. A construction company was established in 1997. Erođlu became the first Turkish company to manufacture textiles in Russia in 2003. Both of the Holding's businesses experienced rapid

growth starting in 2003. As of 2006, Egypt has become an important manufacturing center for Erođlu. As of 2007, its construction business started to take on international projects in Russia, and as of 2012, the apparel section of Erođlu Holding was listed as the 314th biggest company on the Fortune 500 Turkey list.

Evyap

<http://www.Evyap.com.tr/>

Evyap started its soap production in 1927 in Erzurum. Today, Evyap's production extends from soap to shower gels, from shampoos to shaving products, from skin care to fine fragrance, from baby diapers to toothpaste, and many other categories of products in over 100 countries. Evyap is one of the leading soap and personal care product manufacturers in the world. Evyap is also among the 100 Top Turkish industrial firms. The company is growing steadily in order to meet the demands of the market. Aside from facilities in Turkey, Evyap has a factory in Egypt that became operational in 2002.