

Texas Foreign Direct Investment

- Texas is a top-ranked global destination for foreign direct investment (FDI). The state's vibrant economy, excellent business climate, central location, and relatively low production costs have lured many foreign multinationals. Texas also boasts a diversified industrial base and technological sophistication.

- According to consulting firm FDI Intelligence, in 2008 Texas ranked No. 2 nationally by FDI investment, with \$7 billion (B) invested into the state that year. Texas was No. 1 in 2006 and 2007.

- In 2008, Texas ranked third nationally for the number of "insourcing" jobs, according to the Organization for International Investment, with 418,500 Texans employed by foreign-owned companies. Foreign investment in Texas was responsible for 4.75% of the state's total private- industry employment. Almost 25% – or 104,400 jobs – were in manufacturing.

- Some of the world's top-ranked companies doing business in Texas include Toyota Motor Manufacturing (Japan), IKEA (Sweden), BP (UK), Samsung (South Korea), Royal Dutch Shell Group (The Netherlands), and BASF (Germany).

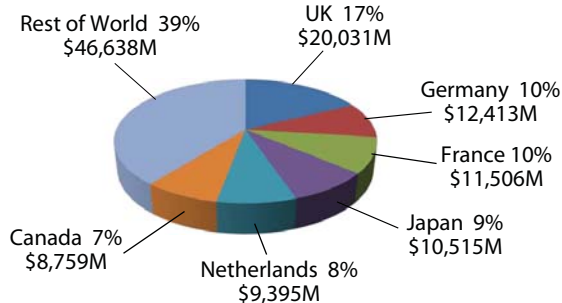
- The U.S. Bureau of Economic Analysis' 2007 FDI benchmark survey, the most cumulative recent data available, indicated that Texas ranked No. 1 nationally with over \$119 billion in FDI assets. The majority of the state's FDI assets came from Europe, led by the UK, Germany, and France. Texas ranked No. 3 for FDI employment with 418,500. Top FDI employment industries were manufacturing wholesale trade, and science/technology and professional. See the charts above for more 2007 Texas FDI details.

- If Texas were a nation, it would be ranked eleventh based on the 2009 Gross Domestic Product (GDP), ahead of the countries Russia, India, Australia, Mexico and South Korea. See the chart on the following page for details.

2007 Texas FDI Assets* by Country**

(in Millions (M) of Dollars)

Texas Total = \$119,255M



* Gross Property, Plant, and Equipment of Majority-Owned U.S. Affiliates, State by Country of Ultimate Beneficial Owner, 2007

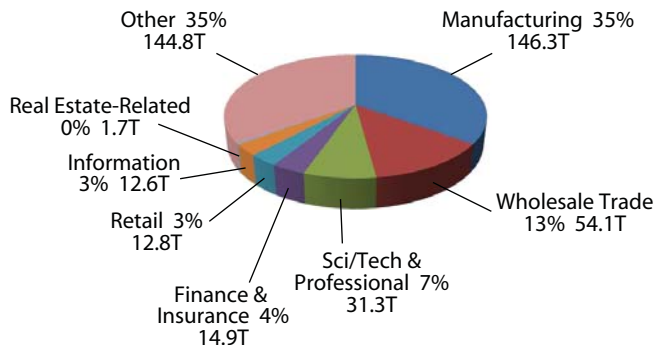
** Top 6 countries

Source: <https://www.bea.gov/international/di1fdiop.htm>

2007 Texas FDI Employment* by Industry

(in Thousands (T) of Employees)

Texas Total = \$418.5T



* Employment of Majority-Owned U.S. Affiliate, 2007

Source: <https://www.bea.gov/international/di1fdiop.htm>



MAJOR TEXAS FDI PROJECTS

- In August 2009, Toyota announced that Tacoma pickups will begin production at its San Antonio manufacturing facility sometime after March 2010.
- In June 2007, Samsung Austin Semiconductor's manufacturing plant held the grand opening of the largest state-of-the-art 300mm NAND flash memory wafer plant expansion. Parent company Samsung Electronics invested \$3.5B in the project, making it the largest single foreign investment in Texas and one of the largest in the United States. Previously, the largest foreign investment in Texas was the existing Samsung memory plant, which cost about \$1.4B in 1996. The new plant will create thousands of new jobs, encompasses more than one million square feet of manufacturing and office space, and will produce flash memory chips used by MP3 players and similar hand-held devices.
- In June 2006, Motiva Enterprises LLC, a joint venture formed by Saudi Refining Inc. (a subsidiary of Saudi Arabian Oil and Shell Oil) was awarded \$2M from the TEF for the \$3.5B expansion of Motiva's oil refinery in Port Arthur, TX. When it is completed in 2010, it will be the largest oil refinery in the nation, creating more than 300 new permanent jobs.
- In 2003, Toyota selected San Antonio as the site of a truck assembly plant expected to add \$2.4B to the Texas economy over the next decade. In November 2006, Toyota Motor Manufacturing, Texas (TMMTX) officially opened its \$1.28B dollar plant and began production of its Tundra full-sized pickups. The 2,000 acre site also houses 21 suppliers who have cumulatively invested about \$300M. Altogether, the TMMTX site employs more than 4,000 and represents a \$1.6B investment.

Gross Domestic Product, 2009

Rank	Nation	Million \$
1	United States*	14,258,700
2	Japan	5,071,800
3	China	4,909,200
4	Germany	3,343,900
5	France	2,672,100
6	United Kingdom	2,186,100
7	Italy	2,132,300
8	Brazil	1,562,500
9	Spain	1,460,300
10	Canada	1,339,300
11	TEXAS**	1,233,558

* U.S., including Texas ** If Texas were a nation

Note: Dollar conversions to GDP are based on average annual exchange rates to the U.S. dollar in 2009.
Source: IHS Global Insight, Inc. (World Overview: 1st Quarter 2010) and Texas Comptroller's Office

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