The aim of this paper is to describe the spread of Foreign Direct Investment (FDI) and domestic investment according to its location, sector; and labour absorption. Analysis is based on secondary data published by Indonesia Investment Coordinating Board (BKPM). There are three main findings in this study: First, this study found that in the period 2002-2008, the largest past of FDI and domestic investment concentrated Java and Sumatra Island. Meanwhile, the provinces in the east of Indonesia received a small part of either FDI or domestic investment. This uneven investment concentration occurred because in the eye of investors, Java and Sumatra is more attractive than other Island in Indonesia in term of better infrastructure, wider potential market and higher quality of human resources. Second, the majority of foreign and domestic investor selected secondary sector (manufacturing) for their investment. Interestingly, there was a trend that those investments shifted from secondary sector to tertiary sector. Third, labour absorption both FDI and domestic investment, particularly invested in the secondary sector tend to increase. However, there is a tendency that investment in secondary and tertiary sectors moved to less labour intensive industries.