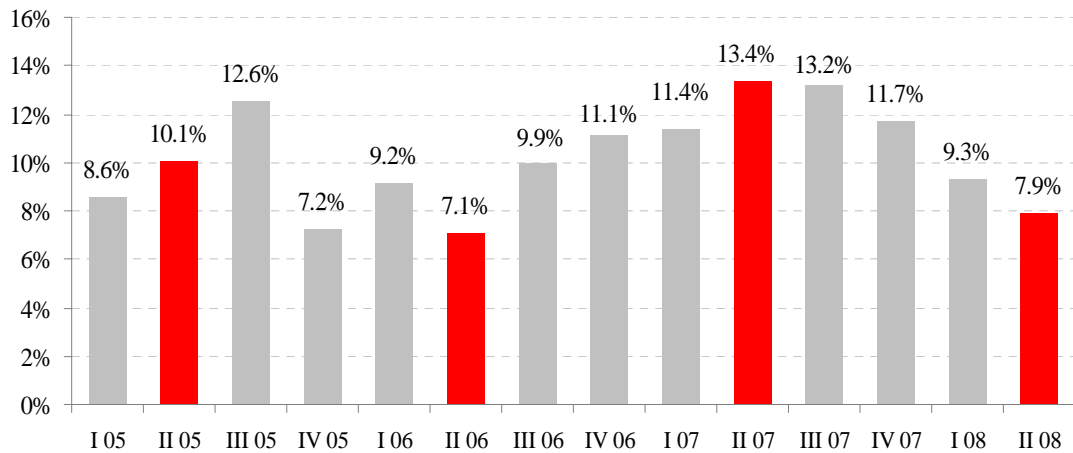


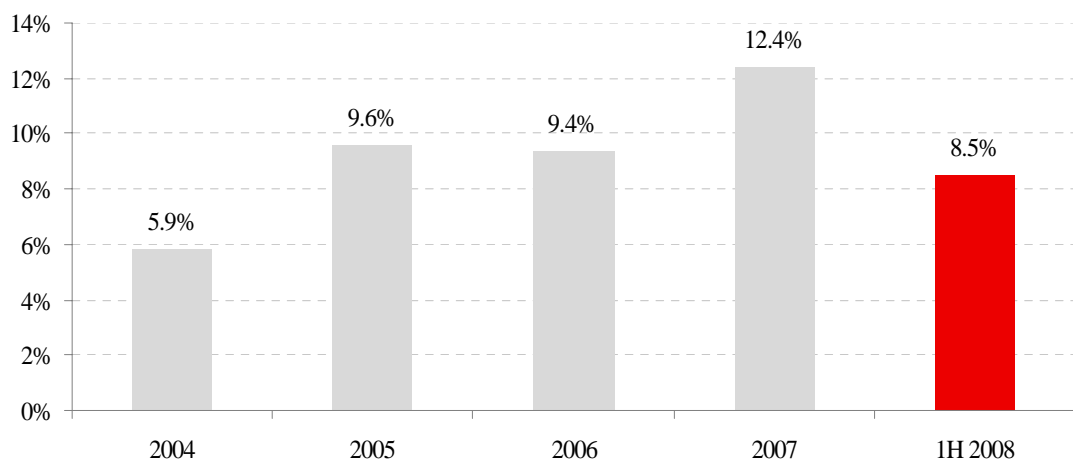


- In Q2 2008, the real GDP growth rate in Georgia was 7.9%, with growth accelerating (compared to Q1 2008) in Industry, Transportation, Communications, Financial Intermediation, Real Estate, Education and Healthcare.
- GDP deflator index increased in Q2 2008 by 13%.

#### Quarterly real GDP y-o-y growth rate



#### Annual real GDP growth rate



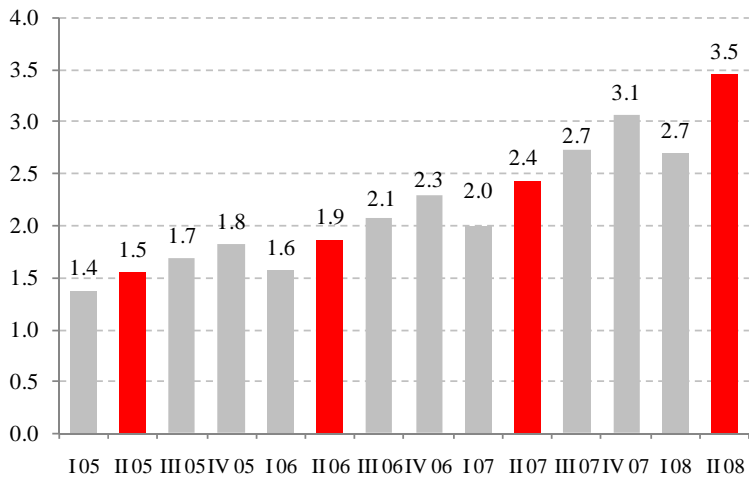


## Real GDP growth by sectors

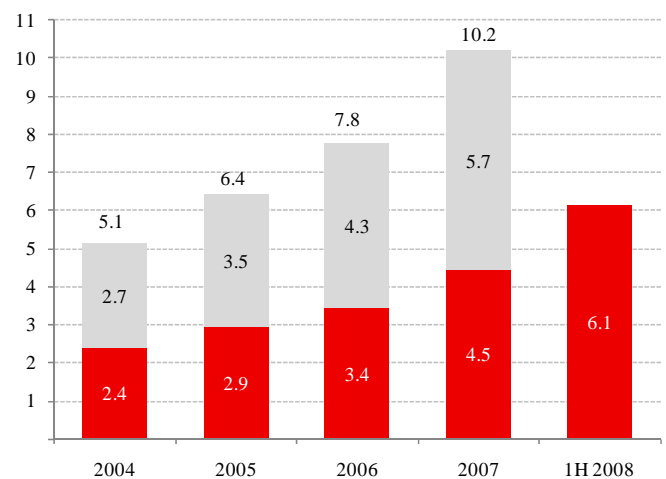
	2004	2005	2006	2007	Q1 2008	Q2 2008	1H 2008
Agriculture	-7.9%	12.0%	-11.7%	8.8%	9.2%	1.5%	5.0%
Mining and quarrying	-19.9%	-7.8%	18.7%	20.2%	28.5%	0.3%	10.0%
Industry	11.6%	14.1%	22.3%	13.7%	0.7%	8.9%	5.9%
Electricity, gas and water supply	-4.0%	5.1%	13.4%	5.5%	24.8%	5.7%	15.7%
Processing products by household	-1.6%	12.4%	3.0%	15.6%	10.7%	4.8%	7.0%
Construction	35.9%	14.1%	8.5%	14.3%	11.4%	1.1%	6.2%
Trade and repair services	8.2%	9.4%	19.7%	11.8%	16.9%	9.4%	13.1%
Restaurant and hotel services	3.2%	17.1%	10.5%	13.5%	15.3%	5.0%	9.3%
Transportation	3.7%	3.9%	16.8%	14.4%	-7.9%	1.5%	-3.1%
Communications	17.0%	28.7%	13.4%	9.3%	15.0%	21.5%	18.6%
Financial intermediation	12.8%	52.8%	36.9%	14.7%	15.8%	40.4%	28.1%
Real estate	28.1%	10.6%	17.4%	14.8%	6.2%	15.6%	11.2%
Inputted rent of own occupied dwellings	0.6%	0.9%	0.2%	5.6%	1.8%	3.9%	2.8%
Public administration	9.7%	-6.3%	-2.4%	14.4%	16.1%	14.5%	15.3%
Education	1.8%	13.8%	12.0%	7.6%	5.9%	9.5%	7.9%
Healthcare	4.2%	7.6%	15.4%	11.1%	-2.2%	1.2%	-0.2%
Other community, social and personal service activities	6.5%	18.3%	7.1%	5.4%	17.8%	15.5%	16.5%
Private households with employed persons	20.5%	-18.8%	8.5%	6.8%	17.5%	2.1%	9.8%
<b>Real GDP growth</b>	<b>5.9%</b>	<b>9.6%</b>	<b>9.4%</b>	<b>12.4%</b>	<b>9.3%</b>	<b>7.9%</b>	<b>8.5%</b>
<b>GDP deflator</b>	<b>8.1%</b>	<b>7.9%</b>	<b>8.5%</b>	<b>9.6%</b>	<b>12.3%</b>	<b>13.0%</b>	<b>12.6%</b>

- In Q2 2008, nominal GDP amounted to US\$3,454.4 million, up 42.1% y-o-y.

Nominal GDP (quarterly figures, US\$ bn)



Nominal GDP (US\$ bn)





## Nominal GDP by Sectors, US\$ mln

	2004	2005	2006	2007	Q1 2008	Q2 2008	1H 2008
Agriculture	840.2	946.9	869.2	955.8	258.5	307.1	565.6
Mining and quarrying	40.2	50.4	78.1	97.7	22.6	24.1	46.7
Industry	419.3	550.9	672.2	859.1	204.1	283.0	487.1
Electricity, gas and water supply	158.7	180.0	211.1	247.8	83.3	64.4	147.7
Processing products by household	207.0	224.4	190.7	220.9	52.1	52.8	104.9
Construction	413.8	517.4	533.2	680.7	133.2	165.9	299.1
Trade and repair services	650.6	766.1	1057.4	1333.8	362.5	489.4	851.9
Restaurant and hotel services	138.9	182.2	178.7	221.5	52.1	62.3	114.4
Transportation	486.1	537.6	620.7	776.2	224.1	230.3	454.4
Communications	198.9	258.4	276.7	318.1	95.4	108.2	203.6
Financial intermediation	68.0	127.8	164.8	220.4	61.6	96.5	158.1
Real estate	136.9	168.4	256.7	311.7	84.3	129.2	213.5
Inputted rent of own occupied dwellings	160.5	173.9	187.2	221.1	66.1	71.6	137.7
Public administration	299.3	414.0	661.1	1303.0	360.2	556.4	916.6
Education	179.5	212.5	287.7	330.2	75.5	97.7	173.2
Healthcare	180.4	222.9	336.3	427.3	89.3	165.5	254.8
Other community, social and personal service activities	145.6	205.9	253.3	314.3	117.2	118.2	235.4
Private households with employed persons	4.6	5.3	5.8	6.7	2.0	2.6	4.6
<b>Nominal GDP</b>	<b>5,124.7</b>	<b>6,411.0</b>	<b>7,761.7</b>	<b>10,174.8</b>	<b>2,688.3</b>	<b>3,454.4</b>	<b>6142.7</b>

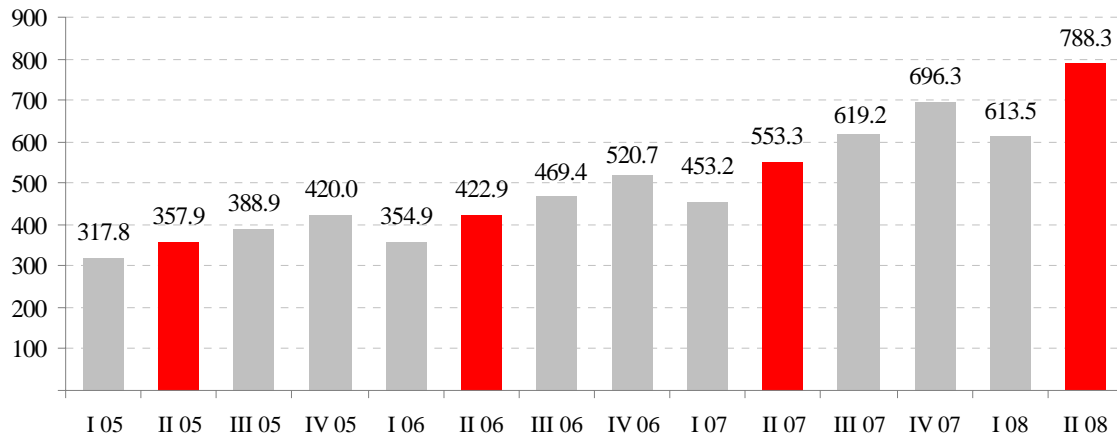
## Nominal GDP by Sectors, GEL mln

	2004	2005	2006	2007	Q1 2008	Q2 2009	1H 2009
Agriculture	1,610.7	1,716.4	1,544.3	1,596.8	402.1	444.1	846.2
Mining and quarrying	77.0	91.3	138.8	163.3	35.2	34.8	70.0
Industry	803.9	998.7	1,194.3	1,435.3	317.6	409.2	726.8
Electricity, gas and water supply	304.2	326.2	375.1	413.9	129.6	93.2	222.8
Processing products by household	396.8	406.8	338.9	369.1	81.0	76.4	157.4
Construction	793.2	937.9	947.3	1,137.3	207.2	239.9	447.1
Trade and repair services	1,247.2	1,388.8	1,878.6	2,228.4	563.9	707.7	1,271.6
Restaurant and hotel services	266.2	330.3	317.4	370.1	81.0	90.1	171.1
Transportation	931.8	974.6	1,102.8	1,296.8	348.6	333.0	681.6
Communications	381.3	468.4	491.7	531.4	148.4	156.5	304.9
Financial intermediation	130.3	231.7	292.8	368.2	95.8	139.5	235.3
Real estate	262.4	305.3	456.0	520.7	131.1	186.9	318.0
Inputted rent of own occupied dwellings	307.7	315.3	332.6	369.4	102.8	103.5	206.3
Public administration	573.8	750.5	1,174.5	2,176.8	560.5	804.6	1,365.1
Education	344.1	385.2	511.2	551.7	117.5	141.3	258.8
Healthcare	345.8	404.0	597.5	713.9	138.9	239.4	378.3
Other community, social and personal service activities	279.0	373.3	450.1	525.0	182.3	170.9	353.2
Private households with employed persons	8.9	9.6	10.2	11.1	3.1	3.8	6.9
<b>Nominal GDP</b>	<b>9,824.3</b>	<b>11,620.9</b>	<b>13,789.9</b>	<b>16,998.6</b>	<b>4,182.5</b>	<b>4,995.2</b>	<b>9,177.7</b>

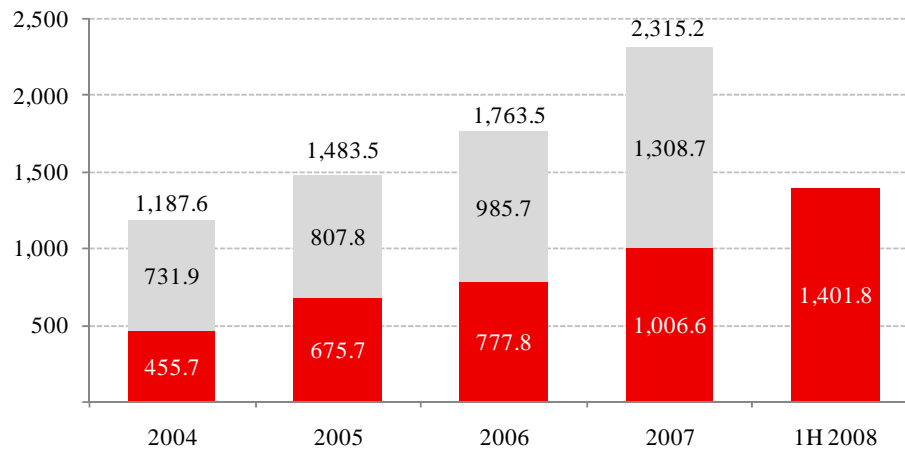


- In Q2 2008, GDP per capita increased by 42.5% y-o-y to US\$788.3.

### Quarterly GDP per capita, US\$



### Annual GDP per capita, US\$



Georgia: Key Economic Data	2004A	2005A	2006A	2007A
Nominal GDP (GEL mln)	9,824.3	11,621.0	13,783.9	16,998.6
Real GDP Growth (y-o-y; %)	5.9%	9.6%	9.4%	12.4%
GDP per Capita (US\$)	1,187.2	1,478.4	1,758.7	2,315.2
CPI (e-o-p; %)	7.5%	6.2%	8.8%	11.0%
Net FDI (US\$ mln)	483	542	1,076	2,014.8
Current Account Deficit as % of GDP	-6.6%	-10.7%	-14.9%	-18.9%
GEL/US\$ (e-o-p)	1.83	1.79	1.71	1.59
GEL/EUR (e-o-p)	2.49	2.12	2.26	2.33
Galt & Taggart Index (e-o-p)	194	320	790	1,041

Source: Department of Statistics, Ministry of Economic Development, Ministry of Finance, National Bank of Georgia

#### Georgia has, as of the date hereof, the following sovereign credit ratings:

Standard & Poor's	Sovereign Credit Rating	'B/ Watch Negative /B'
FitchRatings	Long Term Issuer Default Rating/Short Term Issuer Default Rating/Country Ceiling	'B+/ Negative /B/B+'

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