



M-O-M CPI IN APRIL 2008 ROSE BY 0.3%, Y-O-Y PERIOD AVERAGE CPI AT 9.7%

GEL/US\$: 1.4510 GEL/EUR: 2.2633
Galt & Taggart Index: 721

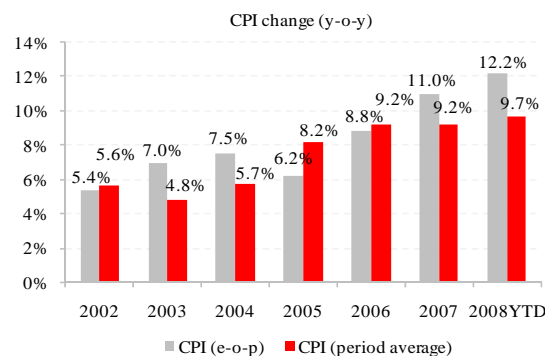
CPI	April 2008	March 2008	April 2007	2007	2006
Month-on-month	0.3%	0.1%	0.3%	-	-
Year-on-year (e-o-p)	12.2%	12.3%	8.1%	11.0%	8.8%
Year-on-year (period average)	9.7%	9.5%	10.7%	9.2%	9.2%

The Department of Statistics of the Ministry of Economic Development of Georgia reported that the consumer price index (CPI) rose by 0.3% m-o-m in April 2008, up from a 0.1% m-o-m increase in March 2008. The end-of-period CPI for the twelve months ended 30 April 2008 increased by 12.2% from 12.3% at the end of the previous month. The annual period-average CPI in April 2008 rose by 9.7% from 9.5% in March 2008.

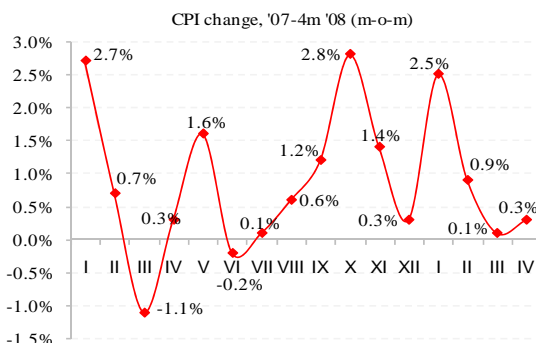
The e-o-p CPI change by 12.2% in Georgia compares favorably to 30.2% in Ukraine, 25.1% in Kyrgyzstan, 19.1% in Kazakhstan, 18.5% in Azerbaijan, 14.2% in Russia and 13.1% in Bulgaria and is broadly in line with Georgia's other regional peers.

The National Bank of Georgia maintained its key policy rate at 12% at the Monetary Policy Committee meeting held on 14 May 2008.

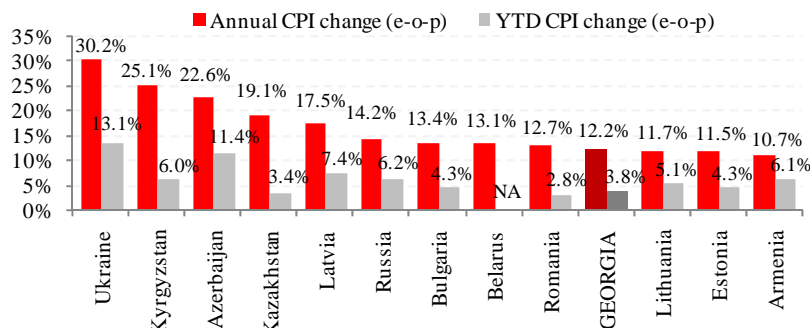
"Inflationary pressure remains very high, but we are working together with the National Bank to employ an optimal combination of monetary and fiscal measures to contain inflation", commented **Nika Gilauri**, Minister of Finance.



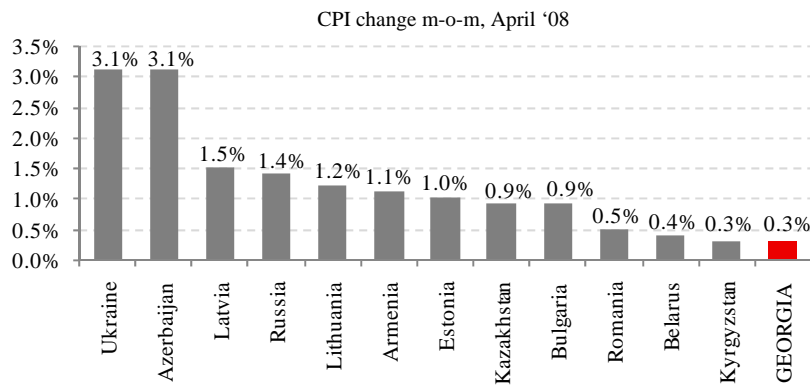
Source: Department of Statistics of Georgia



Source: Department of Statistics of Georgia



Source: Renaissance Capital, National Bank of Georgia



Source: Renaissance Capital, National Bank of Georgia

Sectors and Commodity Groups	Y-o-y CPI change (e-o-p) April, '08
Cooking oil	45.3%
Fruits	43.1%
Bread products	30.4%
Transportation	19.0%
Housing, water, electricity and gas	17.1%
Dairy products	15.6%
Fast food products	15.3%
Food and non-alcoholic beverages	14.9%
Furnishings and household equipment	12.7%
Healthcare	12.7%
Meat and meat products	10.3%
Recreation and entertainment	8.5%
Other foodstuffs	8.2%
Miscellaneous goods and services	7.4%
Communications	4.3%
Other non-alcoholic beverages	3.4%
Hotels, cafes and restaurants	2.5%
Education	1.5%
Alcoholic beverages and tobacco	0.8%
Confectionery	-1.0%
Fish products	-0.2%
Clothing and footwear	-4.4%
Vegetables	-16.5%

Source: Department of Statistics of Georgia

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	1,682
Current Account Deficit as % of GDP	-6.6%	-10.8%	-15.3%	-20.2%
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+/B'	Positive
FitchRatings	Long Term Issuer Default Rating/Short Term Issuer Default Rating/Country Ceiling	'BB-/BB-'	Stable

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