



GEORGIA'S GDP GREW 2.1% IN REAL TERMS IN 2008

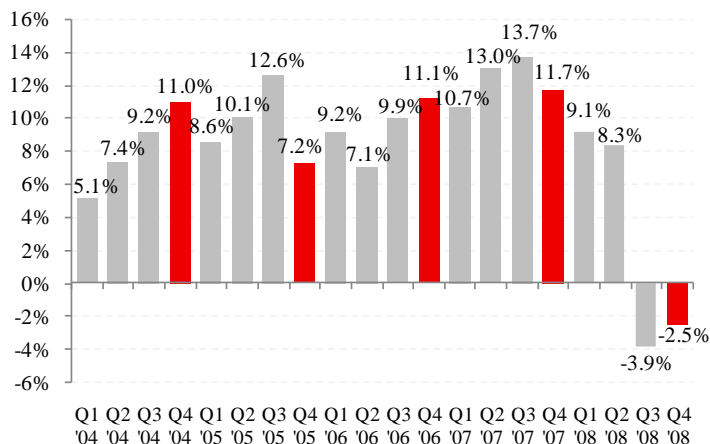
GEL/US\$: 1.6700

GEL/EUR: 2.2064

Galt & Taggart Index: 160

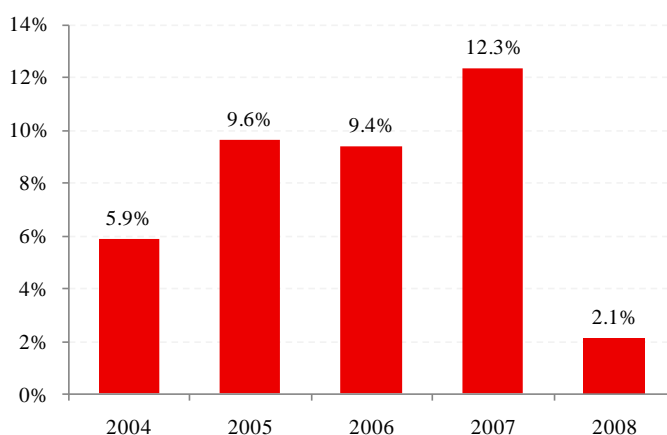
- In 2008, the real GDP growth rate in Georgia was 2.1%, slightly above the forecast rate of 2%.
- The average annual real GDP growth rate since 2004 is 7.8%, whereas cumulative growth of real GDP since 2004 is as high as 45%.
- Nominal GDP has increased since 2004 by approximately 150% in US\$ terms, and by approximately 94% in GEL terms.
- The GDP deflator index increased in 2008 by 0.2% to 9.9%.

Quarterly real GDP y-o-y growth rate



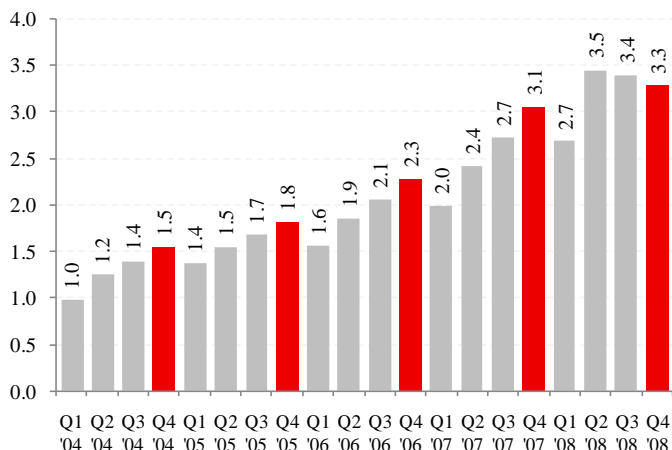
Source: Department of Statistics of Georgia

Annual real GDP growth rate



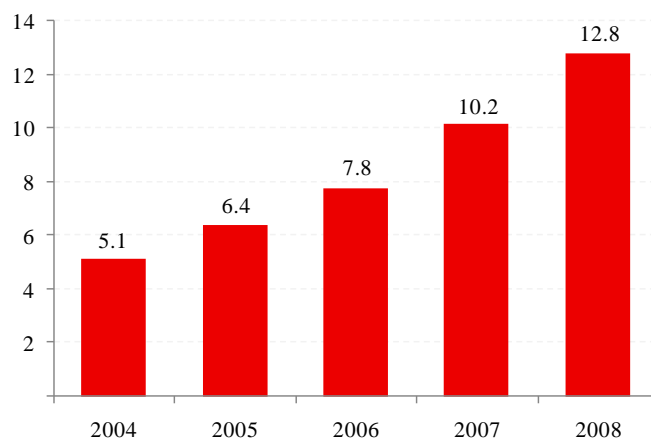
Source: Department of Statistics of Georgia

Nominal GDP (quarterly figures, US\$ bn)



Source: Department of Statistics of Georgia

Nominal GDP (US\$ bn)



Source: Department of Statistics of Georgia

Georgia: Key Economic Data	2004A	2005A	2006A	2007A	2008A
Nominal GDP (GEL mln)	9,824.3	11,620.9	13,789.9	16,993.8	19,069.6
Real GDP Growth (y-o-y; %)	5.9%	9.6%	9.4%	12.3%	2.1%
GDP per Capita (US\$)	1,187.6	1,483.5	1,763.5	2,314.6	2,920.3
CPI (e-o-p; %)	7.5%	6.2%	8.8%	11.0%	5.5%
Net FDI (US\$ mln)	483	542	1,076	2,014.8	1,293.7
Current Account Deficit as % of GDP	-6.6%	-10.7%	-14.9%	-18.9%	-22.3%
GEL/US\$ (e-o-p)	1.83	1.79	1.71	1.59	1.66
GEL/EUR (e-o-p)	2.49	2.12	2.26	2.33	2.34
Galt & Taggart Index (e-o-p)	194	320	790	1,041	197

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	
FitchRatings	Long Term Issuer Default Rating/Short Term Issuer Default Rating/Country Ceiling	'B/ Stable/B' 'B+/ Negative /B/B+'

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Real GDP growth by sectors (%)

	2004	2005	2006	2007	2008
Agriculture	-7.9%	12.0%	-11.7%	3.3%	-2.1%
Mining and quarrying	-19.9%	-7.8%	18.7%	19.9%	17.0%
Industry	11.6%	14.1%	22.3%	11.5%	-1.0%
Electricity, gas and water supply	-4.0%	5.1%	13.4%	6.8%	-2.7%
Processing products by household	-1.6%	12.4%	3.0%	28.1%	-4.6%
Construction	35.9%	14.1%	8.5%	14.6%	-11.0%
Trade and repair services	8.2%	9.4%	19.7%	9.6%	10.4%
Restaurant and hotel services	3.5%	16.6%	10.5%	11.4%	5.0%
Transportation	3.7%	3.9%	16.8%	11.9%	-10.1%
Communications	16.9%	28.7%	13.4%	8.7%	14.5%
Financial intermediation	12.8%	52.8%	36.9%	15.3%	3.3%
Real estate	28.1%	10.6%	17.4%	23.1%	1.5%
Inputted rent of own occupied dwellings	0.6%	0.9%	0.2%	5.4%	3.1%
Public administration	9.7%	-6.3%	-2.4%	15.9%	10.3%
Education	1.8%	13.8%	12.1%	9.5%	13.7%
Healthcare	4.2%	7.6%	15.4%	10.4%	5.9%
Other community, social and personal service activities	6.5%	18.3%	7.1%	24.0%	-0.2%
Private households with employed persons	20.5%	-18.8%	8.5%	7.5%	5.4%
FISIM adjustment*	-7.9%	57.5%	-15.0%	42.5%	26.3%
Real GDP growth	5.9%	9.6%	9.4%	12.3%	2.1%
GDP deflator	8.4%	7.9%	8.5%	9.7%	9.9%

Nominal GDP by Sectors (US\$ mln)

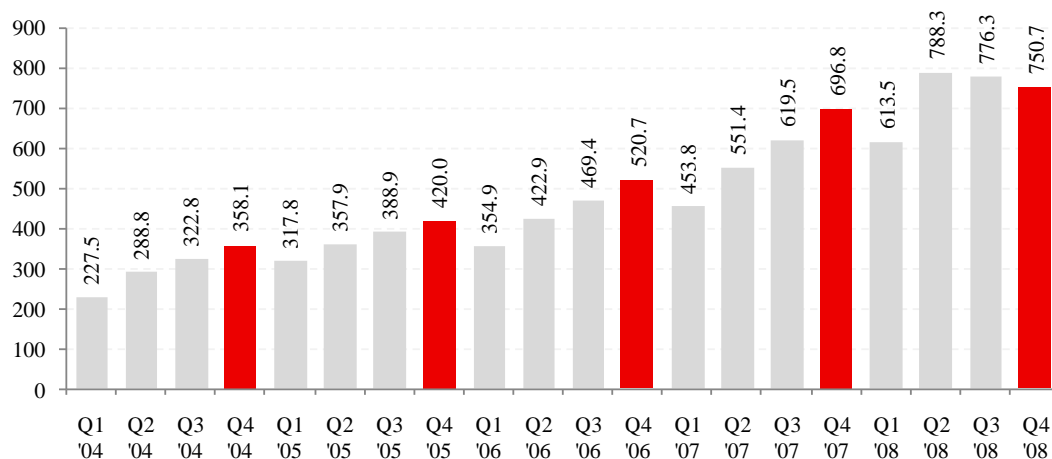
	2004	2005	2006	2007	2008
Agriculture	840.2	946.9	869.2	935.4	1,143.5
Mining and quarrying	40.2	50.4	78.1	83.3	88.8
Industry	419.3	550.9	672.2	838.0	1,055.6
Electricity, gas and water supply	158.7	180.0	211.1	245.9	280.9
Processing products by household	207.0	224.4	190.7	275.6	308.3
Construction	413.8	517.4	533.2	683.2	676.7
Trade and repair services	650.6	766.1	1,057.4	1,297.2	1,779.9
Restaurant and hotel services	138.9	182.2	178.7	211.2	268.6
Transportation	486.1	537.6	620.7	736.9	842.7
Communications	198.9	258.4	276.7	319.8	440.0
Financial intermediation	68.0	127.8	164.8	220.4	268.4
Real estate	136.9	168.4	256.7	349.3	440.7
Inputted rent of own occupied dwellings	160.5	173.9	187.2	221.1	288.0
Public administration	299.3	414.0	661.1	1,303.0	1,912.6
Education	179.5	212.5	287.7	328.8	441.8
Healthcare	180.4	222.9	336.3	412.2	520.5
Other community, social and personal service activities	145.6	205.9	253.3	375.6	466.6
Private households with employed persons	4.6	5.3	5.8	6.7	9.6
FISIM adjustment*	-39.0	-71.6	-60.4	-97.8	-149.3
Nominal GDP	5,124.7	6,411.0	7,761.7	10,171.9	12,797.0

*Financial Intermediation Services Indirectly Measured. "FISIM" refers to the total property income receivable by financial intermediaries minus their total interest payable, excluding the value of any property income receivable from the investment of their own funds, as such income does not arise from financial intermediation.



- GDP per capita continues its steady growth - In 2008, GDP per capita increased by 26.2% y-o-y to US\$2,920.3.
- Nominal GDP per capita has increased by approximately 146% since 2004

Quarterly GDP per capita, US\$



Annual GDP per capita, US\$

