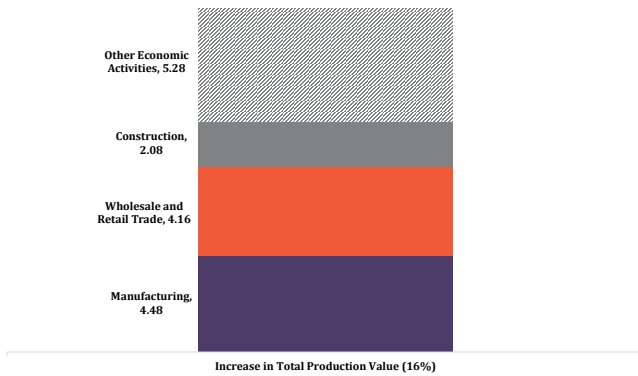


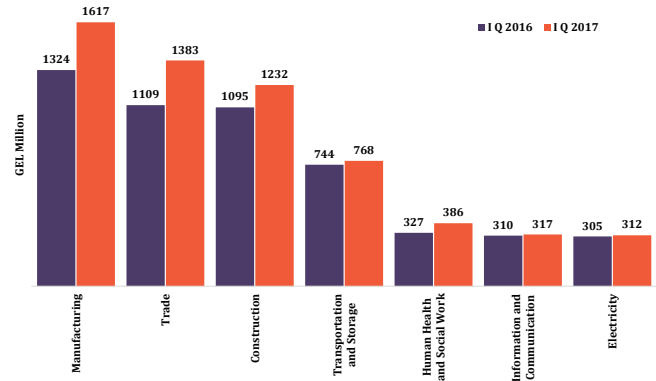
In the first quarter of 2017, compared to the corresponding period of 2016:

- The production value of the business sector significantly increased (16%);
- A 19.1% increase in total turnover was observed;
- The number of persons employed in the business sector increased (4.7%; 27,000 persons);
- The average monthly remuneration of persons employed in the business sector increased (11%; GEL 101.6).

Structure of Increase in Production Value of Business Sector, I Quarter 2017



Production Value of Business Sector by Economic Activity, I Quarter 2016-17

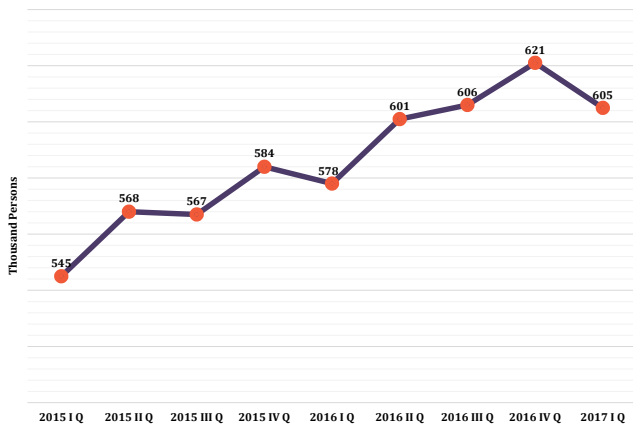


Source: National Statistics Office of Georgia

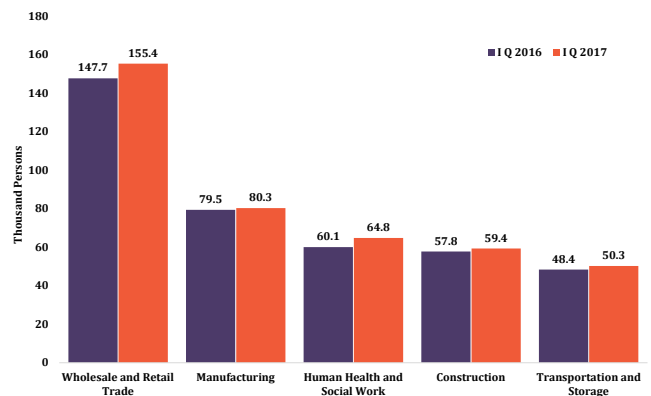
In the first quarter of 2017, compared to the corresponding period of 2016, the production value of the business sector significantly increased (16%). Crucially, in this period the production value increased in all economic activities. The biggest increases here were in manufacturing (28%; GEL 292.5 mln), wholesale and retail trade (26%; GEL 273.7 mln), and construction (13%; GEL 137 mln).

In the first quarter of 2017, compared to the corresponding period of 2016, there was a 19.1% increase in total turnover, leaving a total of GEL 19.2 bln. In this period, the gap between the total turnover of the business sector and total production value of the business sector was GEL 7.7 bln. This can be explained by accelerated economic activity in the first quarter of 2017.

Amount Employed in Business Sector, 2016-17



Number of Persons Employed in Business Sector by Economic Activity, I Quarter 2016-17

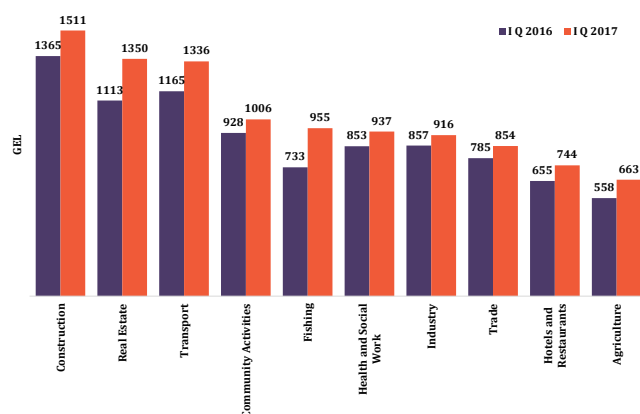


Source: National Statistics Office of Georgia

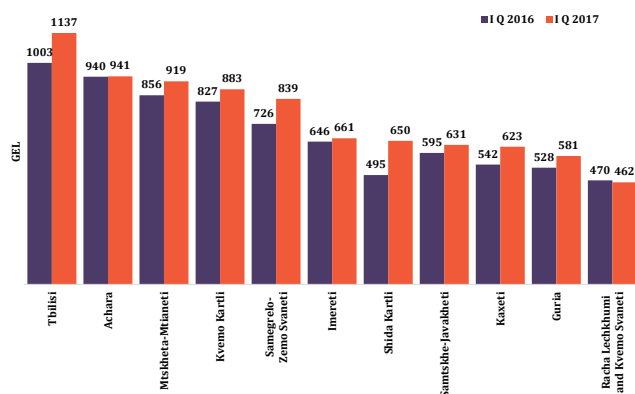
In each quarter of 2016, employment in the business sector increased and rose by 6.3% for the year. In the first quarter of 2017, compared to the fourth quarter of 2016, the number of employed persons in the business sector decreased by 16,000. Nevertheless, the number increased by 4.7% compared to the first quarter of 2016. The biggest increases were in administrative and support service activities (15%; 2,577 persons), professional, scientific and technical activities (17%; 2,817 persons), water supply (12%; 1,536 persons), and mining and quarrying (16%; 1,041 persons). It must be noted that the number of employed persons has increased in all types of economic activities except for information and communications (-8%; -1,494 persons).

In the first quarter of 2017, in the business sector most persons were employed in retail and wholesale trade (155,367 persons) followed by manufacturing (80,387), human health and social work (64,838), construction (59,366), and transportation and storage (50,295).

Average Monthly Remuneration of Persons Employed in Business Sector by Economic Activity, I Quarter 2016-17



Average Monthly Remuneration of Persons Employed in Business Sector by Economic Region, I Quarter 2016-17

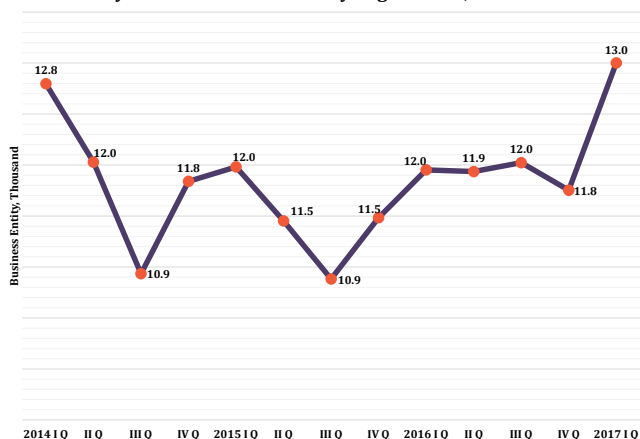


Source: National Statistics Office of Georgia

In the first quarter of 2017, compared to the corresponding period of 2016, the average monthly remuneration of persons employed in the business sector increased (11%; GEL 101.6). It must be noted that remuneration has increased in all types of economic activities. In this period, there were major increases in remuneration in fishing (30%; GEL 222.1), real estate, renting and business activities (21%; GEL 236.8), agriculture, hunting and forestry (19%; GEL 105), and education (16%; GEL 88.2).

Interestingly, monthly remuneration increased in all regions except Racha-Lechkhumi and Kvemo Svaneti (-2%; GEL 8.45). This decrease is minor compared to the significant increases observed in the following regions: Shida Kartli (31%; GEL 154.77), Samegrelo-Zemo Svaneti (16%; GEL 113.14), Kakheti (15%; GEL 80.71), and Tbilisi (13%; GEL 134.7).

Dynamics of Business Entity Registration, 2014-17



In the first quarter of 2017, compared to the corresponding period of 2016, the amount of registered business entities significantly increased (9%; 1,049 units) amounting to a total of 13,001 entities. It must be noted that, compared to the corresponding period of the last three years, an increase in the amount of registered business entities is observed for the first time. In the first quarter of 2017, most business entities were registered in March (5,071 units).

In this period, the structure of registered business entities is as follows: 6,199 limited liability partnerships, 6,049 individual entrepreneurs, 616 non-commercial legal persons, and 137 other types of business entities.

Source: National Agency of Public Registry

Basic Economic Indicators	III 2015	IV 2015	2015	I 2016	II 2016*	III 2016*	IV 2016*	2016*	I 2017*
Nominal GDP (mln USD)	3545.0	6682.3	13988.1	3018.8	3642.6	3767.3	3784.5	14332.8	3195.7
Per capita GDP (USD)	950.5	994.7	3766.6	811.4	979.1	1012.6	1017.2	3852.5	859.5
GDP real growth (%)	2.5%	2.9%	2.9%	2.6%	3.0%	2.3%	2.8%	2.7%	5.1%
Consumer Price Index (annual average)			4.0%					2.1%	
Foreign Direct Investment (USD)	489.0	267.9	1564.5	388.6	445.3	463.3	330.3	1645.4	403.3
Unemployment Rate (%)			12%					11.8%	
External Public Debt (mln USD)	4195	4315	4315	4396	4404	4461	4515	4515	4581
Poverty Rate (relative)			20.1%					20.6	

Source: National Statistics Office of Georgia
National Bank of Georgia
Ministry of Finance

Preliminary data*-