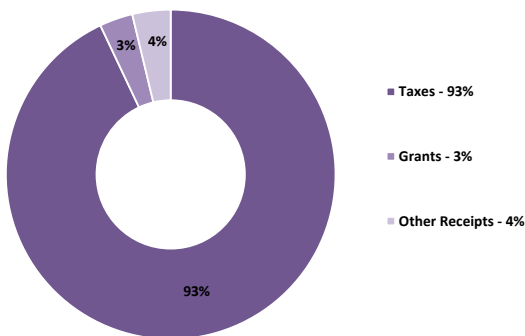


During the first three quarters of 2015, the tax revenues of the state budget increased by 11.2% compared to the corresponding indicator of 2014. In this period, 75.8% of the planned annual tax revenue for state budget has been realized.

The structure of state budget tax revenues has remained similar to the corresponding indicator in 2015. The revenues so far are composed as follows: value added tax (VAT) - 46.2%; income tax - 26.2%; profit tax - 15.3%; import tax - 11.2%; and excise tax - 0.9%. Compared with the same period in the previous year, the revenues increased for VAT (6.7%), profit (30.0%), income (15.1%) and excise (5.5%) taxes, while it declined for import tax (-30.2%).

State Budget Revenues, I-III Quarters, 2015



Source: Ministry of Finance of Georgia

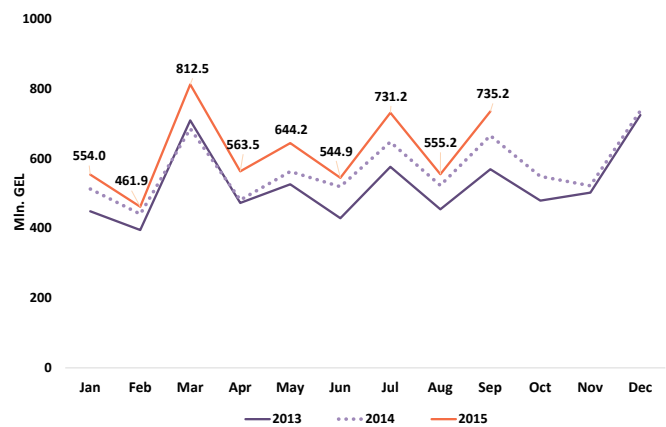
In the first three quarters of 2015, state budget revenues increased by 12.4% compared to the corresponding period of the previous year and amounted 6,426 mln. GEL.

In this period, the structure of the state budget revenues remained the same. Taxes are responsible for 93.0% of the state budget revenues, while 3.3% comes from grants, and 3.7% come from other receipts (including revenues from interests, dividends, rents, realization of goods and services, license and permit fees and transfers). All three components have increased in the first three quarters of 2015 compared to the same period in the previous year. Specifically, tax revenues rose - by 11.2%, grants rose - by 56.1% and other receipts rose - by 14.7%.

Tax revenues increased in each of the three quarters of 2015 compared to the corresponding period in 2014. The first quarter saw an increase of 11.5%, while the second quarter rose by 12.1% and the third quarter experienced a 10.1% rise.

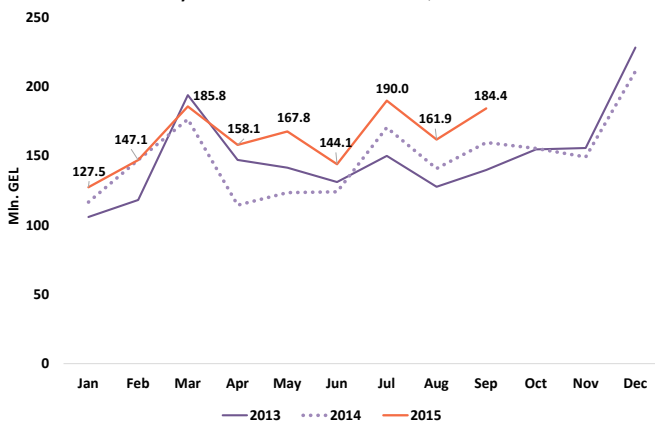
Looking at monthly figures, the highest rate of growth of tax revenues was recorded in March (18.5%), while the lowest was - in February (4.8%).

Dynamics of Tax Revenues, 2013-15



Source: Ministry of Finance of Georgia

Dynamics of Income Tax Revenues, 2013-15

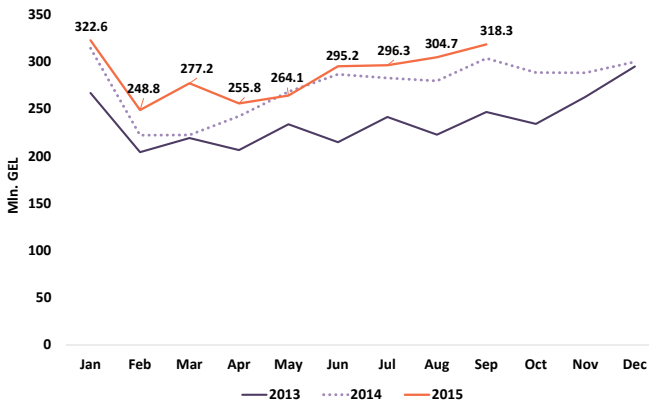


During the first three quarters of 2015, 26.2% of the tax revenues comes from income tax. Income tax revenues increased by 15.1% compared to the corresponding indicator of the previous year and amounted 1,467 mln. GEL. The indicator of income tax compliance is 75.2%.

During the assessed period, revenues from income tax increased every month except March (-0.1%). The highest growth was recorded in April (38.1%) and May (35.8%).

Source: Ministry of Finance of Georgia

Dynamics of VAT Revenues, 2013-15

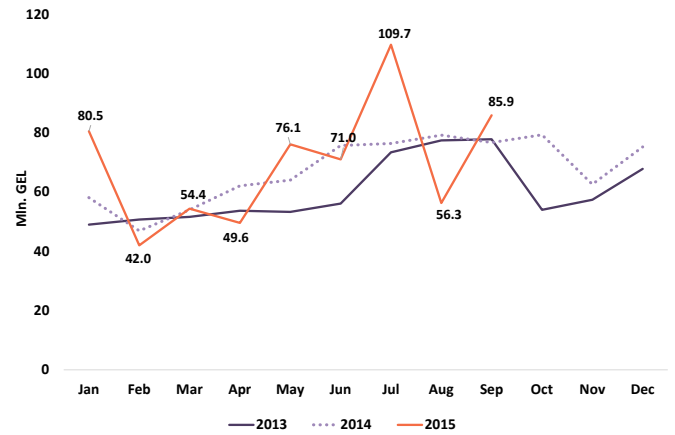


Source: Ministry of Finance of Georgia

During the opening three quarters of 2015, excise tax revenues represented 11.2% of the total tax revenues. Compared to the corresponding period in 2014, the volume of excise tax revenues increased by 5.5% and amounted 625.5 mln. GEL. The indicator of excise tax compliance is 69.5%, compared to the annual plan.

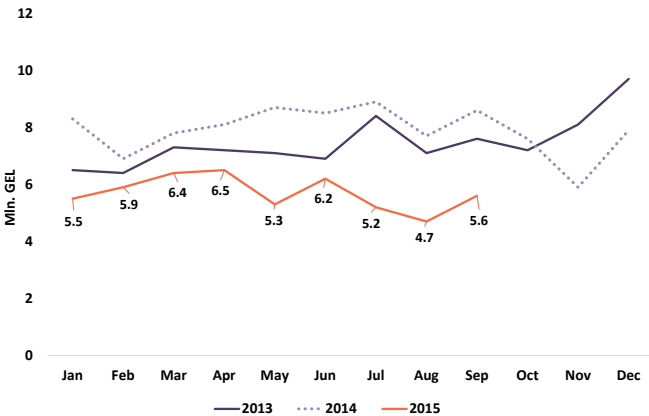
During the first three quarters of 2015, the excise tax revenue increased in the first (11.3%) and third quarters (8.4%), while it declined in the second quarter (-2.5%).

Dynamics of Excise Tax Revenues, 2013-15



Source: Ministry of Finance of Georgia

Dynamics of Import Tax Revenues, 2013-15



Source: Ministry of Finance of Georgia

During the first three quarters of 2015, compared to the first three quarters of 2014, the volume of import tax revenues declined by 30.2% and amounted to 51.3 mln. GEL. The share of import tax in the total tax revenues also declined (-0.5% point). Compared to the annual plan, the indicator of import tax compliance is 75.4%.

During this period, revenues reduced in every month. The highest reduction was recorded in June (-41.6%), May (-39.1%) and August (-39.0%), which is due to the decline of imports in the corresponding period.

Basic Economic Indicators	2012	2013	I 2014	II 2014	III 2014	IV 2014	2014	I 2015	II 2015
Nominal GDP (mln USD)	15846.8	16139.9	3605.3*	4064.1*	4320.4*	4527.8*	16528.5*	3298.9*	3406.5*
Per capita GDP (USD)	3523.4	3599.6	802.9*	905.0*	962.1*	1 008.3*	3680.8*	884.5*	913.4*
GDP real growth (%)	6.4%	3.3%	7.2%*	5.2%*	5.6%*	1.8%*	4.8%*	3.2%*	2.5*
Consumer Price Index (annual average)	99.1	99.5					103.1		
Foreign Direct Investment (USD)	911.6	941.9	309.5	196.2	726.0	526.7	1 758.4	175.3*	354.7*
Unemployment Rate (%)	15%	14.6%					12.4%		
External Public Debt (mln USD)	4739	4202	4145	4082	4074		4200	3989	4181
Poverty level (registered)	9.7%	9.7%					11.6%		

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

\* Forecasted