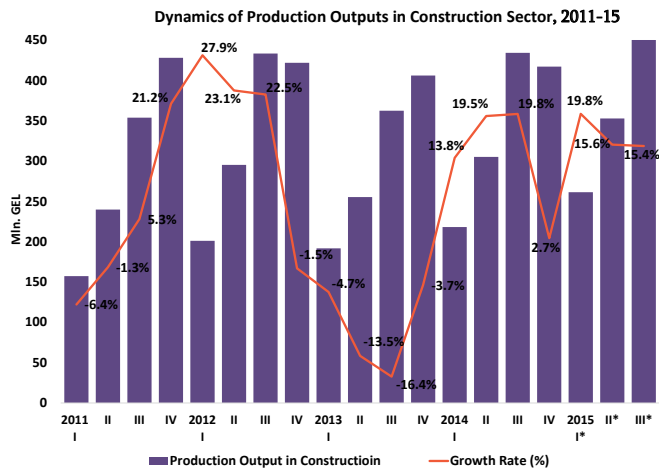


In the first three quarters of 2015, the share of construction sector in GDP is 6.9%.

In this period, compared to the same period in 2014, the volume of construction output, as well as its turnover increased respectively by 22.5% and 30.8%. The volume of loans to this sector increased also (35.8%).

In the first three quarters of 2015, the volume of FDI in construction sector declined by 47.5% compared to the corresponding indicator of the previous year.

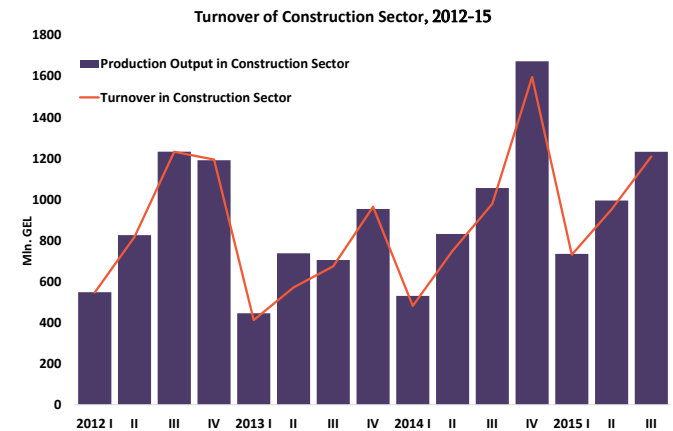


Source: GeoStat

In the first three quarters of 2015, the production value in the construction sector increased by 22.5% compared to the corresponding period in 2014 and equals to 2 961.6 mln. GEL. The growth recorded during all three quarters. The structure of the production value of the construction sector by the size of the enterprises is the following: large (80.7%), medium (11.1%) and small (8.2%).

In this period, the volume of turnover in construction sector also increased (by 30.8%) and recorded 2 892.3 mln. GEL. The turnover in this sector by the size of enterprises is as follows: large (81.5%), medium (10.8%) and small (7.6%).

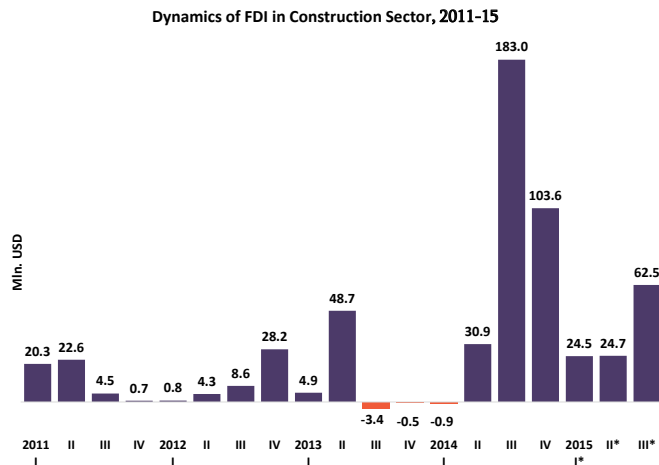
During the first three quarters of 2015, construction increased by 16.5% compared to the corresponding indicator of 2014 and amounted 1 115.4 mln. GEL. The construction sector was increasing in each of the three quarters of 2015 in comparison with the corresponding periods in 2014. The growth rate in the first quarter was 19.8%, in the second quarter 15.6% and in the third quarter 15.4%.



Source: GeoStat

During the first three quarters of 2015, the share of FDI in construction sector in total FDI is the second largest (11.0%) after the share of FDI in the transport and communication sector (56.1%). This indicator declined by 6.3% point compared to the indicator of 2014.

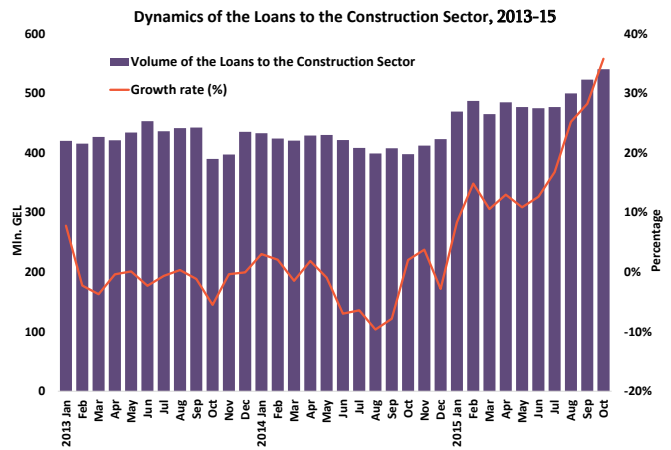
The volume of FDI in construction sector declined significantly (47.5%), compared to the corresponding period in 2014 due to the decline of total FDI in the country in this period (17.3%). This indicator was increasing during the first quarter of 2015 by 27.5 times, while it was declining during the second (20.1%) and third quarters (3 times).



Source: GeoStat

In October 2015, the loans to the construction sector (540.7 mln. GEL) is 7.0% of the total loans to the national economy both in the national and foreign currencies. This indicator declined by 0.1% point compared to the corresponding period in 2014.

In this period, the loans to the construction sector increased by 35.8% compared to the indicator of October in the previous year. The growth recorded in all month, among them the largest growth recorded in August (25.3%), in September (28.3%) and in October (35.8%).



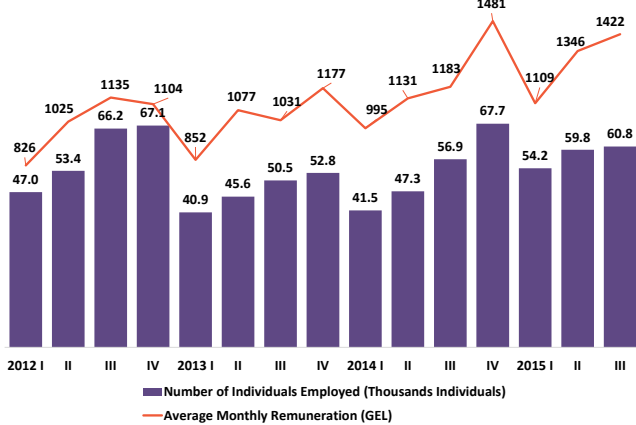
Source: National Bank of Georgia

In 2012-2014 the growth of volume of the construction sector had a positive impact, both on the number of individuals employed in this sector as well as on their average monthly remuneration.

In the first three quarters of 2015, the share of individuals employed in construction is 10.7% of total employees in business sector. In this period, number of individuals employed in the construction sector equals to 60 800 which is 6.8% (3 900 people) higher than the indicator of the corresponding period in 2014.

In the first three quarters of 2015, the average monthly remuneration in the construction sector has increased (238.8 GEL), compared to the same period of 2014, as well as compared to the second quarter of 2015 (76.1 GEL) and equals to 1 421.9 GEL.

Number of Employed Individuals in Construction Sector and their Average Monthly Remuneration, 2011-15

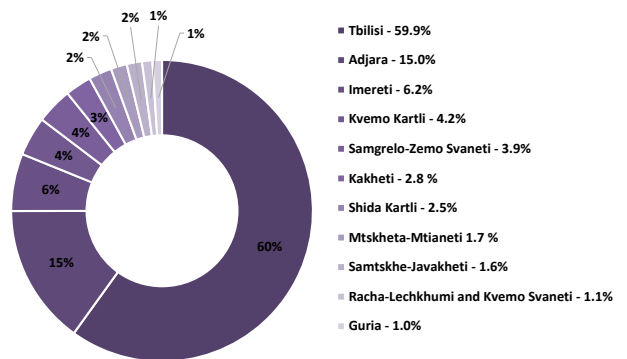


Source: GeoStat

In 2014, the first five region in the construction sector by number of individuals employed are as follows: Tbilisi (59.9%), Adjara (15.0%), Imereti (6.2%), Kvemo Kartli (4.2%) and Samegrelo-Zemo Svaneti (3.9%).

In this period, the number of individuals employed in the construction sector by regions increased in Adjara (16.1%), in Shida Kartli (13.1%), in Imereti (8.8%), in Tbilisi (2.0%) and Kvemo Kartli (0.7%), while declined in Racha-Lechkhumi and Kvemo Svaneti (23.3%), in Kakheti (19.9%), in Samtskhe-Javakheti (7.7%), in Mtskheta-Mtianeti (6.2%), in Guria (4.8%) and in Samegrelo-Zemo Svaneti (0.7%).

Number of Individuals Employed in Construction Sector by Regions, 2014



Source: GeoStat

| Basic Economic Indicators             | 2012    | 2013    | I 2014  | II 2014 | III 2014 | IV 2014  | 2014     | I 2015  | II 2015 | III 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*  | 489.0*   |
| Unemployment Rate (%)                 | 15%     | 14.6%   |         |         |          |          | 12.4%    |         |         |          |
| External Public Debt (mln USD)        | 4739    | 4202    | 4145    | 4082    | 4074     | 4200     | 4200     | 3989    | 4181    | 4195     |
| Poverty level (relative)              | 22.4%   | 21.4%   |         |         |          |          | 21.4%    |         |         |          |

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

Forecasted \*