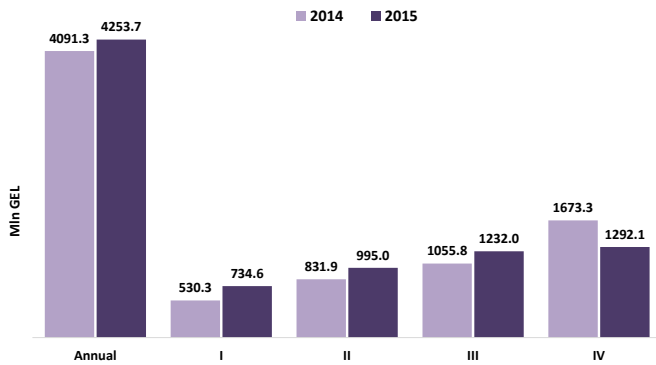


In 2015:

- The volume of construction output increased by 4% compared to the corresponding indicator of 2014 and amounted to 4,254 mln GEL.
- Foreign Direct Investments in the construction sector declined by 59% compared to the previous year.
- The number of individuals employed in the construction sector increased by 4.6% and equaled 64,613. Their average monthly remuneration amounted to 1,531 GEL.

The Dynamics of the Production Output in the Construction Sector, 2014-15

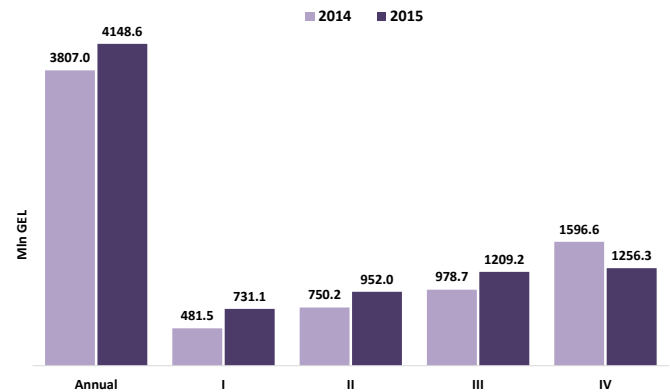


Source: Geostat

In 2015, the production output in the construction sector increased by 4% compared to the previous year and amounted to 4,254 mln GEL. The growth recorded in the first (by 38.5%), second (by 19.6%) and third (by 16.7%) quarters, while this indicator declined (by 22.8%) in the fourth quarter.

The structure of the production output of the construction sector according to size of enterprise is as follows: large (80.6%), medium (11.7%) and small (7.7%).

The Turnover in the Construction Sector, 2014-15



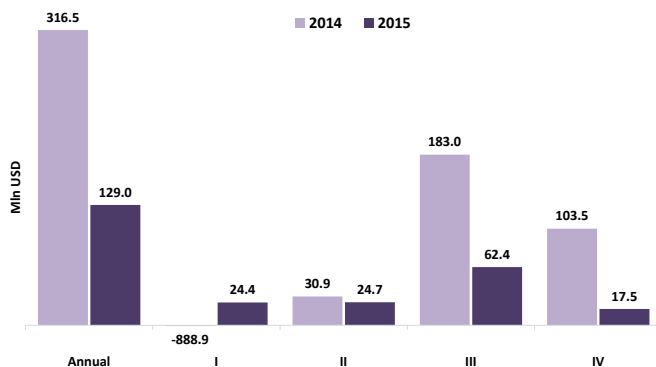
Source: Geostat

In 2015, the volume of turnover in the construction sector also increased (by 9%) and reached 4,149 mln GEL. During the first three quarters, this indicator was increasing (by 51.8%; by 26.9% and by 23.6% respectively), but in the fourth quarter it declined (21.3%).

In 2015, of all destinations of FDI, the share of FDI in the construction sector is the third largest (9%) after the transport and communication (44%) and financial (14%) sectors. This indicator declined by 6.3% compared to the indicator of 2014.

Compared to 2014, the volume of FDI in the construction sector declined significantly (-59%). The highest declines were recorded in the third (-65%) and fourth (-83%) quarters. It should be noted that in this period, the volume of total FDI also declined (in the second quarter -27.3%; in the fourth quarter -49.1%).

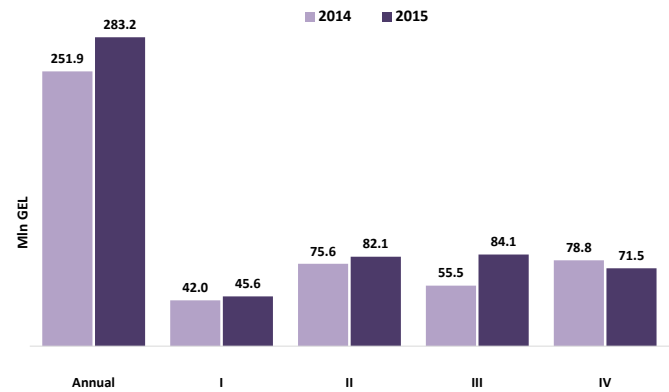
Foreign Direct Investments in the Construction Sector, 2014-15



Source: Geostat

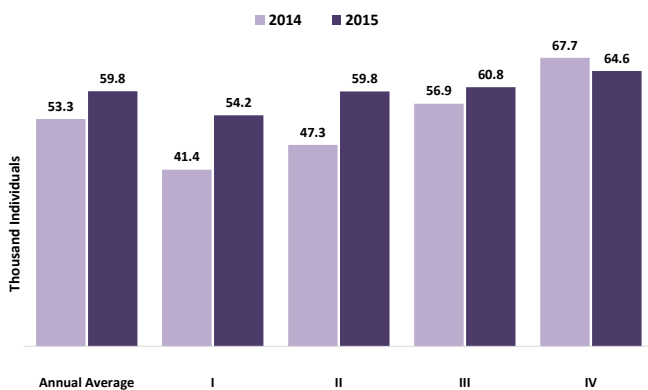
While there was a reduction of foreign investments in the construction sector, the volume of local lending increased in this sector.

In 2015, loans to the construction sector increased significantly (by 12.4%). Growth was recorded in the first three quarters, with the largest growth recorded in the third quarter (51.4%) while in the fourth quarter the loans flow to the construction sector declined (by 9.3%).



Source: Geostat

The Number of Employed Individuals in the Construction Sector, 2014-15

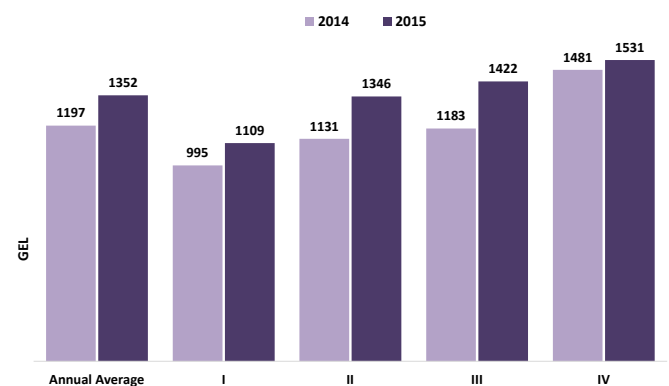


Source: Geostat

In 2015, the share of individuals employed in construction was 10.6% of total employees in the business sector which is 0.8 percentage points lower than for the corresponding indicator in 2014.

In 2015, the number of individuals employed in the construction sector equaled 64,613 which is 4.6% less than the indicator of the previous year.

The Average Monthly Remuneration of the Employed Individuals in the Construction Sector, 2014-15



Source: Geostat

In 2015, the average monthly remuneration in the construction sector increased and amounted to 1,531 GEL. This indicator is 50 GEL more than the corresponding indicator in 2014.

Basic Economic Indicators	2012	2013	2014	I 2015	II 2015	III 2015	IV 2015	2015
Nominal GDP (mIn USD)	15846.8	16139.9	16507.8	3325.0*	3407.6*	3545.0*	6682.3*	13959.9
Per capita GDP (USD)	3523.4	3599.6	3680.8	884.5*	913.4*	950.5*	994.7*	3743.1*
GDP real growth (%)	6.4%	3.3%	4.8%	3.2%*	2.5%*	2.5%*	2.9%*	2.8%*
Inflation	-0.9%	-0.5%	3.1%					4.0%
Foreign Direct Investment (mIn USD)	911.6	941.9	1 758.4	175.3*	354.7*	489.0*	267.9*	1 351.1
Unemployment Rate (%)	15%	14.6%	12.4%					
External Public Debt (mIn USD)	4739	4202	4200	3989	4181	4195	4315	4315
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*