



As evidenced by the key indicators, performance of the real sector in Georgia continued to improve in July 2010, building on the positive momentum of 1H'10.

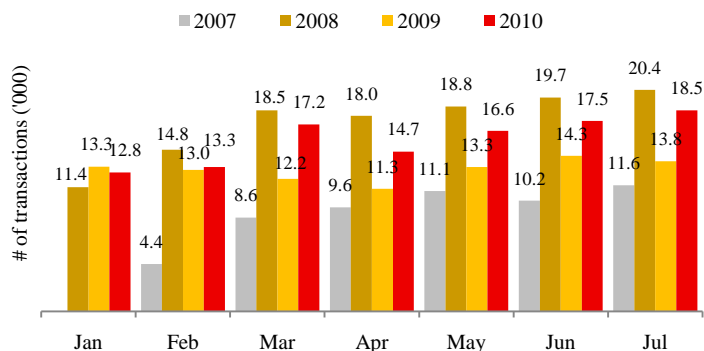
The number of total **vehicles registered** in July 2010 reached 18,460, up 33.9% y-o-y and up 5.5% m-o-m. YTD increase is 21.2% to 2009. **Initial registration** reached 5,054, up 55.7% y-o-y and up 3.4% m-o-m. The number of **pre-owned vehicle purchases** (13,406) is up 27.3% y-o-y, 6.4% m-o-m, and even 3.9% higher than July 2008, when the real sector growth was high.

Total transactions in **real estate** market in July 2010 reached 35,045, up 16.8% y-o-y and up 30.5% on YTD basis. **Initial registration** totaled 6,227, down 6.1% y-o-y and up 10.9% on YTD basis. The number of **secondary real estate transactions** in July (i.e. excluding purchases of newly-built properties) reached 28,818, up 23.2% y-o-y and up 36.5% on a YTD basis. Compared to July 2008, secondary real estate transactions were 10.1% higher in July 2010.

The number of **mortgages** issued in July 2010 reached 8,971 up 50.8% y-o-y and 63.5% on a YTD basis. Moreover, it is 24.3% higher than in July 2008.

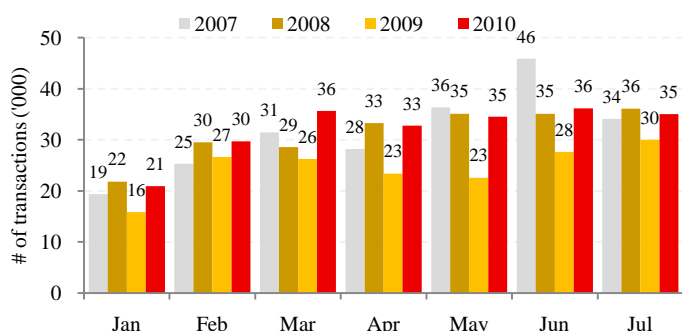
The number of **construction permits** issued by Tbilisi City Hall in July 2010 reached 269, up 20.6% y-o-y and 73.2% on a YTD basis.

Vehicle Registrations



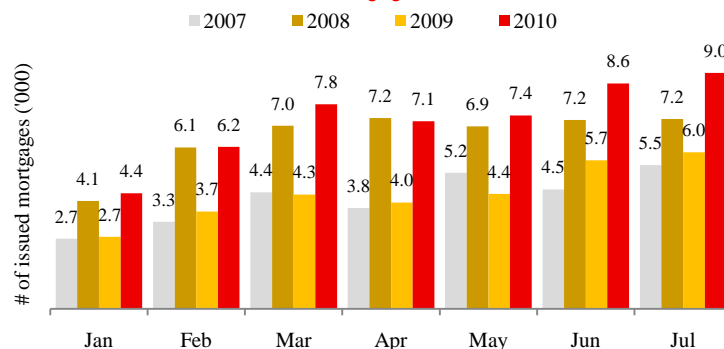
Source: Ministry of Internal Affairs of Georgia

Total Transactions in the Real Estate Market



Source: National Agency of Public Registry

Mortgages



Source: National Agency of Public Registry

Georgia: Key Economic Data	2004A	2005A	2006A	2007A	2008A	2009A
Nominal GDP (GEL mln)	9,824.3	11,620.9	13,789.9	16,993.8	19,074.9	17,948.6
Real GDP Growth (y-o-y; %)	5.9%	9.6%	9.4%	12.3%	2.3%	-3.9%
GDP per Capita (US\$)	1,187.6	1,483.5	1,763.5	2,314.6	2,921.3	2,450.1
CPI (e-o-p; %)	7.5%	6.2%	8.8%	11.0%	5.5%	3.0%
Net FDI (US\$ mln)	483	542	1,185.9	1,674.9	1,523.0	759.1
Current Account Deficit as % of GDP	-6.6%	-10.7%	-14.9%	-18.9%	-22.3%	-11.9%
GEL/US\$ (e-o-p)	1.83	1.79	1.71	1.59	1.66	1.69
GEL/EUR (e-o-p)	2.49	2.12	2.26	2.33	2.34	2.42

Source: National Statistics Office of Georgia - GeoStat, 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	'B+/ Stable/B+'
FitchRatings	Long Term Issuer Default Rating/Short Term Issuer Default Rating/Country Ceiling	'B+/ Stable /B/BB-'

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