

Main results of pawnshop survey (2013 year)

According to the survey results, at the end of 2013 the number of active pawnshops¹ in Georgia amounted to 1031, of which 45.8 percent are located in Tbilisi, 13,5 percent in Imereti, 12,3 percent in Adjara, 10,6 percent in Samegrelo-Zemo Svaneti region and 17,8 percent in other regions.

The volume of cash assets in pawnshops at the end of 2013 was equal to GEL 13.4 million, of which 71 percent was in national currency and 29 percent in foreign currency (see table №1).

Main indicators of pawnshops

table №1

| Indicator | № | Total | Of which: | |
|---------------------------------------|----|----------|----------------------|---------------------|
| | | | In national currency | In foreign currency |
| Assets (thousand GEL) | | | | |
| Cash | 01 | 13434,5 | 9519,4 | 3915,1 |
| Currency in banks | 02 | 3730,5 | 2874,6 | 855,9 |
| Of which: | | | | |
| In resident banks | 03 | 3730,5 | 2874,6 | 855,9 |
| In non-resident banks | 04 | 0,0 | 0,0 | 0,0 |
| Extended loans | 05 | 310669,1 | 135035,1 | 175634,1 |
| Of which: | | | | |
| To the Households | 06 | 299104,8 | 134357,8 | 164747,0 |
| Fixed assets and intangible assets | 07 | 10305,2 | 10255,6 | 49,6 |
| Other assets | 08 | 1453,4 | 1008,9 | 444,6 |
| Liabilities (thousand GEL) | | | | |
| Contracted loans | 09 | 209862,9 | 52908,1 | 156954,8 |
| Of which: | | | | |
| From residents | 10 | 207883,5 | 52727,0 | 155156,5 |
| From nonresidents | 11 | 1979,4 | 181,1 | 1798,3 |
| Securities | 12 | 0,0 | 0,0 | 0,0 |
| Other liabilities | 13 | 1664,4 | 1122,3 | 542,1 |
| Equity (thousand GEL) | | | | |
| Profit/losses in the reporting period | 14 | 21589,8 | 20579,6 | 1010,2 |
| Other equity | 15 | 4245,8 | 4187,0 | 58,8 |
| Additional information | | | | |

¹ Excluding banks and micro-finance institutions.

| Indicator | № | Total | Of which: | |
|---|----|--------|----------------------|---------------------|
| | | | In national currency | In foreign currency |
| Number of borrowers (unit) | 16 | 681988 | - | - |
| Of which: | | | | |
| Households (unit) | 17 | 680950 | - | - |
| Annual weighted average interest rate on loans, % | 18 | 54,1 | 61,7 | 48,3 |

The volume of the pawnshop's monetary assets (currency) in banks at the end of 2013 amounted to GEL 3.7 million, of which 77 percent was in national currency and 23 percent in foreign currency.

The volume of extended loans during 2013 year equaled GEL 310,7 million (of which 43 percent in national currency and 57 percent - in foreign currency). Physical persons account for 96 percent of the overall extended loans. and legal entities - for the remaining 4 percent.

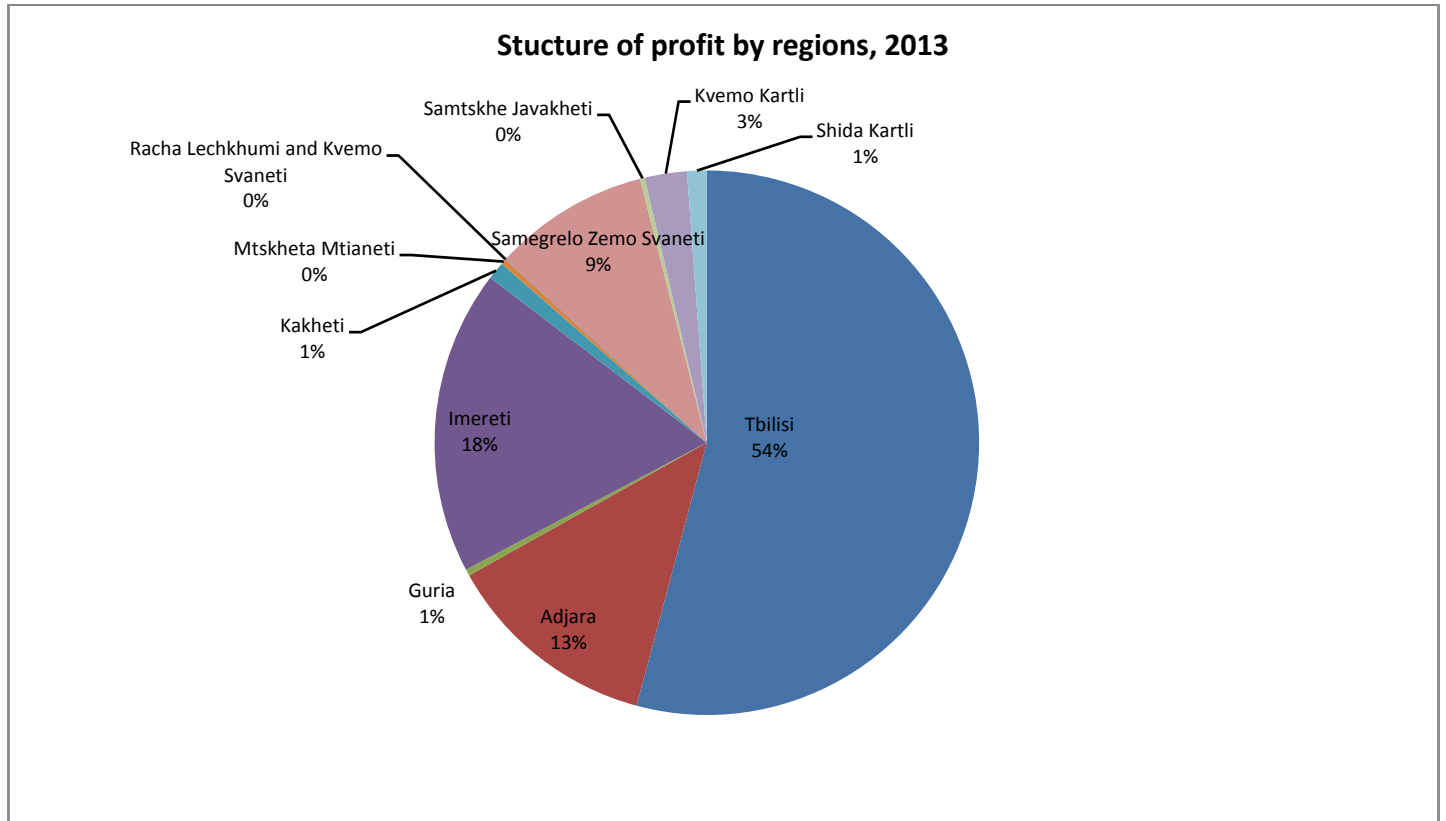
The volume of pawnshops' fixed and intangible assets at the end of 2013 totaled GEL 10.3 million.

Analysis of liabilities provides interesting results. In particular, the volume of the contracted loans in 2013 amounted to GEL 209.9 million, of which 75 percent is denominated in national currency, while residents represent the source of 99 percent of overall contracted loans.

The value of the annual profit² of the pawnshops stood at GEL 21.6 million, of which 54,2 percent falls on the pawnshops, operating in Tbilisi while the rest are distributed to various regions:

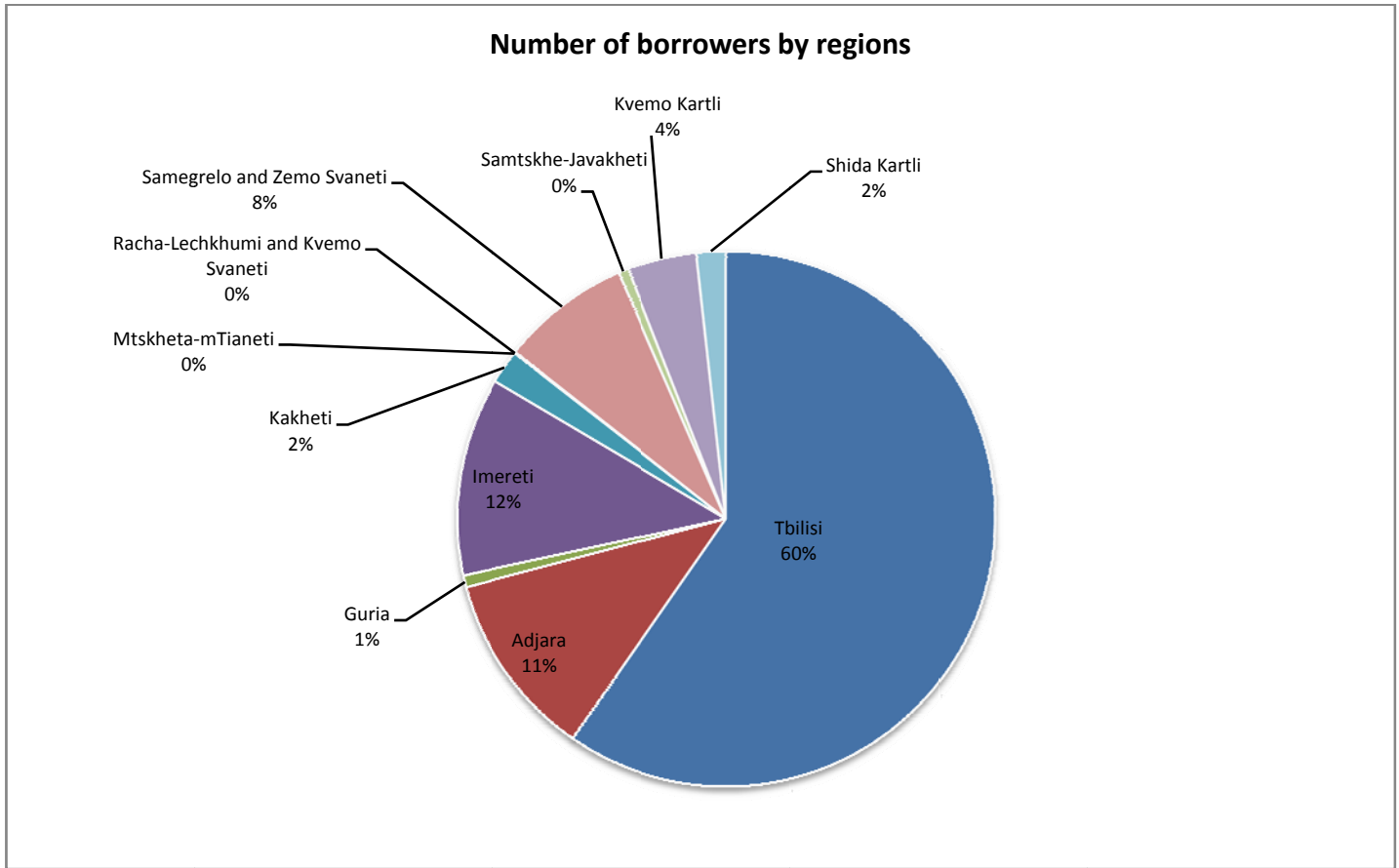
- Tbilisi - 54,2 percent;
- Imereti - 18,1 percent;
- Adjara - 12,7 percent;
- Samegrelo-Zemo Svaneti - 9,3 percent;

² Profit before paying tax and extraordinary costs.

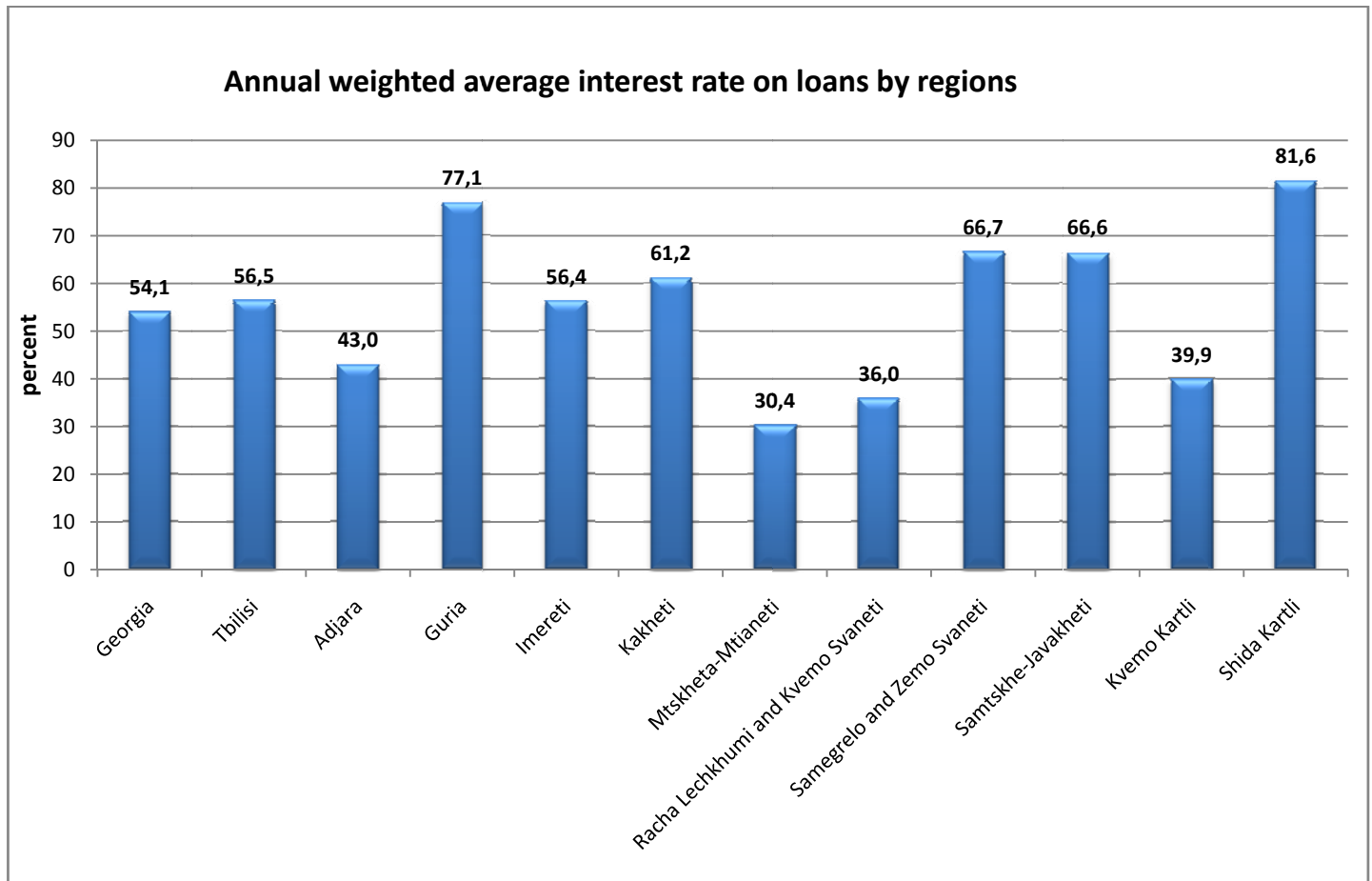


The number of borrowers in the pawnshops in 2013 equaled 682 thousand persons, of which the majority (approximately 99,8 percent) are physical entities (households).

The diagram below shows the percentage distribution of borrowers by regions:



The annual weighted average interest rate on loans equaled 54,1%. The rate was much higher in the national currency (61,7%) than in the foreign currency (48,3%). The highest annual weighted average interest rate on loans was in Shida Kartli (81,6%), but the lowest - in Mtskheta-Mtianeti (30,8%).



In terms of the volume of extended loans, the regional distribution was as follows:

- Tbilisi - 62,1 percent;
- Adjara - 17,7 percent;
- Imereti - 8,0 percent;
- Samegrelo-Zemo Svaneti - 5,8 percent;
- Kvemo Kartli - 3,8 percent.

The analogous picture is present for contracted loans by regions: :

- Tbilisi - 63,7 percent;
- Adjara - 13,5 percent;
- Imereti - 9,9 percent;
- Samegrelo-Zemo Svaneti - 5,3 percent;
- Kvemo Kartli - 4,9 percent.

The diagram below shows the volume of extended and contracted loans of the pawnshops by regions (except Tbilisi) in 2013.

