



საქართველოს ბანკი  
BANK OF GEORGIA

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## *Bank of Georgia Q4 2009 & Full - Year 2009 financials*

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*February 2010*

# Bank of Georgia consolidated Q4 2009 Income Statement

Period ended	Q4 2009		Q3 2009		Growth <sup>4</sup>	Q4 2008		Growth <sup>4</sup>
	US\$ <sup>1</sup>	GEL	US\$ <sup>2</sup>	GEL		US\$ <sup>3</sup>	GEL	
Consolidated, IFRS based	(Unaudited)		(Unaudited)		Q-O-Q	(Unaudited)		Y-O-Y
000s Unless otherwise noted								
Interest Income	55,611	93,749	55,874	93,707	0.00%	59,258	98,784	-5.10%
Interest Expense	26,918	45,379	26,703	44,783	1.30%	25,433	42,396	7.00%
<b>Net Interest Income</b>	<b>28,693</b>	<b>48,370</b>	<b>29,172</b>	<b>48,924</b>	<b>-1.10%</b>	<b>33,826</b>	<b>56,388</b>	<b>-14.20%</b>
Fees & Commission Income	9,015	15,197	9,002	15,097	0.70%	5,978	9,965	52.50%
Fees & Commission Expense	1,788	3,015	1,819	3,050	-1.10%	(575)	(959)	-414.50%
<b>Net Fees &amp; Commission Income</b>	<b>7,226</b>	<b>12,182</b>	<b>7,183</b>	<b>12,047</b>	<b>1.10%</b>	<b>6,553</b>	<b>10,924</b>	<b>11.50%</b>
Income From Documentary Operations	1,683	2,837	1,669	2,799	1.40%	1,323	2,205	28.70%
Expense On Documentary Operations	317	534	286	480	11.30%	470	784	-31.90%
<b>Net Income From Documentary Operations</b>	<b>1,366</b>	<b>2,303</b>	<b>1,383</b>	<b>2,319</b>	<b>-0.70%</b>	<b>852</b>	<b>1,421</b>	<b>62.10%</b>
<b>Net Foreign Currency Related Income</b>	<b>3,107</b>	<b>5,237</b>	<b>3,858</b>	<b>6,471</b>	<b>-19.10%</b>	<b>8,938</b>	<b>14,900</b>	<b>-64.90%</b>
Net Insurance Income / (Loss)	2,971	5,008	2,935	4,923	1.70%	1,910	3,184	57.30%
Brokerage And Investments Banking Income	1,126	1,898	1,138	1,908	-0.50%	254	423	348.30%
Asset Management Income	94	158	125	210	-24.80%	1,093	1,822	-91.30%
Net Investment Gains / (Losses)	268	451	(314)	(526)	NMF	(2,059)	(3,432)	NMF
Other	2,280	3,844	1,807	3,030	26.90%	576	960	NMF
<b>Net Other Non-Interest Income</b>	<b>6,738</b>	<b>11,359</b>	<b>5,691</b>	<b>9,545</b>	<b>19.00%</b>	<b>1,774</b>	<b>2,957</b>	<b>284.10%</b>
<b>Net Non-Interest Income</b>	<b>18,437</b>	<b>31,081</b>	<b>18,116</b>	<b>30,382</b>	<b>2.30%</b>	<b>18,117</b>	<b>30,202</b>	<b>2.90%</b>
<b>Total Operating Income (Revenue)</b>	<b>47,130</b>	<b>79,451</b>	<b>47,288</b>	<b>79,306</b>	<b>0.20%</b>	<b>51,943</b>	<b>86,590</b>	<b>-8.20%</b>
Personnel Costs	13,506	22,768	13,306	22,315	2.00%	13,832	23,057	-1.30%
Selling, General & Administrative Expenses	6,913	11,654	6,278	10,529	10.70%	6,387	10,648	9.40%
Procurement & Operations Support Expenses	1,757	2,962	1,762	2,955	0.20%	2,040	3,401	-12.90%
Depreciation And Amortization	3,579	6,034	3,762	6,310	-4.40%	3,827	6,380	-5.40%
Other Operating Expenses	2,115	3,565	1,700	2,851	25.00%	2,670	4,450	-19.90%
<b>Total Recurring Operating Costs</b>	<b>27,870</b>	<b>46,983</b>	<b>26,808</b>	<b>44,960</b>	<b>4.50%</b>	<b>28,756</b>	<b>47,936</b>	<b>-2.00%</b>
<b>Normalized Net Operating Income / (Loss)</b>	<b>19,260</b>	<b>32,468</b>	<b>20,479</b>	<b>34,346</b>	<b>-5.50%</b>	<b>23,187</b>	<b>38,654</b>	<b>-16.00%</b>
Net Non-Recurring Income / (Costs)	(64,434)	(108,623)	(1,136)	(1,906)	NMF	(17,984)	(29,980)	NMF
<b>Profit / (Loss) Before Provisions</b>	<b>(45,174)</b>	<b>(76,155)</b>	<b>19,343</b>	<b>32,440</b>	<b>NMF</b>	<b>5,203</b>	<b>8,674</b>	<b>NMF</b>
Net Provision Expense	16,377	27,609	17,889	30,001	-8.00%	6,528	10,882	153.70%
<b>Pre-Tax Income / (Loss)</b>	<b>(61,552)</b>	<b>(103,764)</b>	<b>1,454</b>	<b>2,439</b>	<b>NMF</b>	<b>(1,324)</b>	<b>(2,208)</b>	<b>NMF</b>
Income Tax Expense / (Benefit)	(829)	(1,397)	(113)	(189)	NMF	(652)	(1,087)	NMF
<b>Net Income / (Loss)</b>	<b>(60,723)</b>	<b>(102,367)</b>	<b>1,567</b>	<b>2,628</b>	<b>NMF</b>	<b>(672)</b>	<b>(1,121)</b>	<b>NMF</b>

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6858 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2009

3 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6670 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2008

4 Change calculations based on GEL values

# Bank of Georgia consolidated 2009 Income Statement

Period ended	2009		2008		Growth <sup>3</sup> y-o-y
	US\$ <sup>1</sup>	GEL	US\$ <sup>2</sup>	GEL	
<b>Consolidated, IFRS based</b>	<i>(Unaudited)</i>				
<i>000s Unless otherwise noted</i>					
Interest Income	227,688	383,836	242,315	403,939	-5.00%
Interest Expense	109,543	184,668	109,838	183,100	0.90%
<b>Net Interest Income</b>	<b>118,145</b>	<b>199,168</b>	<b>132,477</b>	<b>220,839</b>	<b>-9.80%</b>
Fees & Commission Income	34,403	57,996	31,364	52,284	10.90%
Fees & Commission Expense	6,549	11,041	3,090	5,152	114.30%
<b>Net Fees &amp; Commission Income</b>	<b>27,853</b>	<b>46,955</b>	<b>28,273</b>	<b>47,132</b>	<b>-0.40%</b>
Income From Documentary Operations	6,352	10,708	5,206	8,679	23.40%
Expense On Documentary Operations	1,229	2,072	1,349	2,249	-7.90%
<b>Net Income From Documentary Operations</b>	<b>5,123</b>	<b>8,636</b>	<b>3,857</b>	<b>6,430</b>	<b>34.30%</b>
<b>Net Foreign Currency Related Income</b>	<b>16,342</b>	<b>27,550</b>	<b>28,775</b>	<b>47,968</b>	<b>-42.60%</b>
Net Insurance Income / (Loss)	10,692	18,025	5,409	9,017	99.90%
Brokerage And Investments Banking Income	3,257	5,491	2,027	3,379	62.50%
Asset Management Income	466	786	1,717	2,862	-72.50%
Net Investment Gains / (Losses)	135	228	(3,194)	(5,324)	NMF
Other	8,432	14,214	4,329	7,216	97.00%
<b>Net Other Non-Interest Income</b>	<b>22,983</b>	<b>38,744</b>	<b>10,288</b>	<b>17,150</b>	<b>125.90%</b>
<b>Net Non-Interest Income</b>	<b>72,301</b>	<b>121,885</b>	<b>71,194</b>	<b>118,680</b>	<b>2.70%</b>
<b>Total Operating Income (Revenue)</b>	<b>190,445</b>	<b>321,053</b>	<b>203,671</b>	<b>339,519</b>	<b>-5.40%</b>
Personnel Costs, Of Which:	53,542	90,261	62,639	104,419	-13.60%
Selling, General & Administrative Expenses	26,010	43,847	26,809	44,690	-1.90%
Procurement & Operations Support Expenses	7,570	12,762	7,973	13,291	-4.00%
Depreciation And Amortization	14,299	24,105	12,317	20,532	17.40%
Other Operating Expenses	7,081	11,937	4,781	7,970	49.80%
<b>Total Recurring Operating Costs</b>	<b>108,502</b>	<b>182,912</b>	<b>114,518</b>	<b>190,902</b>	<b>-4.20%</b>
<b>Normalized Net Operating Income / (Loss)</b>	<b>81,944</b>	<b>138,141</b>	<b>89,152</b>	<b>148,617</b>	<b>-7.00%</b>
Net Non-Recurring Income / (Costs)	(65,872)	(111,047)	(12,431)	(20,723)	435.90%
<b>Profit / (Loss) Before Provisions</b>	<b>16,072</b>	<b>27,094</b>	<b>76,721</b>	<b>127,894</b>	<b>-78.80%</b>
Net Provision Expense	77,329	130,361	77,203	128,698	1.30%
<b>Pre-Tax Income / (Loss)</b>	<b>(61,257)</b>	<b>(103,267)</b>	<b>(482)</b>	<b>(804)</b>	<b>NMF</b>
Income Tax Expense / (Benefit)	(2,541)	(4,283)	(587)	(978)	NMF
<b>Net Income / (Loss)</b>	<b>(58,716)</b>	<b>(98,984)</b>	<b>104</b>	<b>174</b>	<b>NMF</b>

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4 Change calculations based on GEL values

# Bank of Georgia consolidated 2009 Balance Sheet

Period ended	31-Dec-09		30-Sep-09		31-Dec-08		Change	Change
Consolidated, IFRS based	US\$	GEL	US\$	GEL	US\$	GEL	31-Dec	31-Dec-09
000s Unless otherwise noted	(Unaudited)		(Unaudited)				/Sep 30	/Dec 31, 2008
Cash And Cash Equivalents	108,812	183,436	98,714	165,553	238,507	397,591	10.80%	-53.90%
Loans And Advances To Credit Institutions	159,231	268,432	228,380	383,016	59,768	99,633	-29.90%	169.40%
Mandatory Reserves With NBG / NBU / NBRB	24,791	41,792	22,795	38,230	23,787	39,653	9.30%	5.40%
Other Accounts With NBG / NBU / NBRB	26,151	44,086	52,408	87,893	25,791	42,993	-49.80%	2.50%
Balances With And Loans To Other Banks	108,289	182,554	153,177	256,893	10,190	16,987	-28.90%	974.70%
Investment Securities: Available-For-Sale & Trading	13,002	21,919	17,909	30,036	20,238	33,737	-27.00%	-35.00%
Treasuries And Equivalents	147,821	249,196	21,826	36,605	4,963	8,274	NMF	NMF
Other Fixed Income Instruments	-	-	40,043	67,156	8,741	14,571	NMF	NMF
Loans To Clients, Gross	1,105,848	1,864,239	1,093,003	1,833,075	1,313,372	2,189,391	1.70%	-14.90%
Less: Reserve For Loan Losses	(108,751)	(183,332)	(103,588)	(173,727)	(65,245)	(108,764)	5.50%	68.60%
Loans To Clients, Net	997,098	1,680,907	989,415	1,659,348	1,248,127	2,080,627	1.30%	-19.20%
Insurance Related Assets	15,378	25,925	27,177	45,578	25,189	41,990	-43.10%	-38.30%
Investments In Other Business Entities, Net	51,138	86,208	45,010	75,486	38,398	64,009	14.20%	34.70%
Property And Equipment Owned, Net	166,430	280,567	178,840	299,933	181,034	301,784	-6.50%	-7.00%
Intangible Assets Owned, Net	12,115	20,424	7,271	12,194	10,930	18,220	67.50%	12.10%
Goodwill	38,851	65,495	80,931	135,729	80,527	134,238	-51.70%	-51.20%
Tax Assets, Current And Deferred	13,040	21,982	7,695	12,906	7,670	12,786	70.30%	71.90%
Prepayments And Other Assets	20,144	33,959	33,761	56,621	30,862	51,447	-40.00%	-34.00%
<b>Total Assets</b>	<b>1,743,060</b>	<b>2,938,450</b>	<b>1,776,973</b>	<b>2,980,161</b>	<b>1,954,953</b>	<b>3,258,907</b>	<b>-1.40%</b>	<b>-9.80%</b>
Client Deposits	757,306	1,276,666	705,097	1,182,519	715,731	1,193,124	8.00%	7.00%
Deposits And Loans From Banks	26,313	44,359	25,877	43,398	47,362	78,952	2.20%	-43.80%
Borrowed Funds	541,595	913,021	547,746	918,625	682,525	1,137,770	-0.60%	-19.80%
Issued Fixed Income Securities	392	660	405	680	-	-	-2.90%	NMF
Insurance Related Liabilities	19,796	33,372	31,114	52,182	33,237	55,406	-36.00%	-39.80%
Tax Liabilities, Current And Deferred	15,616	26,325	13,610	22,825	14,633	24,394	15.30%	7.90%
Accruals And Other Liabilities	29,489	49,713	24,696	41,418	30,241	50,412	20.00%	-1.40%
<b>Total Liabilities</b>	<b>1,390,507</b>	<b>2,344,116</b>	<b>1,348,546</b>	<b>2,261,647</b>	<b>1,523,730</b>	<b>2,540,058</b>	<b>3.60%</b>	<b>-7.70%</b>
Share Capital - Ordinary Shares	18,570	31,306	18,660	31,295	18,748	31,253	0.00%	0.20%
Share Premium	284,108	478,950	280,198	469,920	281,183	468,732	1.90%	2.20%
Treasury Shares	(995)	(1,677)	(1,078)	(1,808)	(1,211)	(2,018)	-7.20%	-16.90%
Retained Earnings	78,169	131,777	84,908	142,399	82,540	137,594	-7.50%	-4.20%
Revaluation And Other Reserves	15,418	25,992	13,033	21,857	15,717	26,201	18.90%	-0.80%
Net Income For The Period	(58,716)	(98,984)	2,017	3,383	104	174	NMF	NMF
<b>Shareholders Equity Excluding Minority Interest</b>	<b>336,555</b>	<b>567,364</b>	<b>397,737</b>	<b>667,045</b>	<b>397,082</b>	<b>661,936</b>	<b>-14.90%</b>	<b>-14.30%</b>
Minority Interest	15,998	26,970	30,689	51,468	34,141	56,913	-47.60%	-52.60%
<b>Total Shareholders Equity</b>	<b>352,553</b>	<b>594,334</b>	<b>428,426</b>	<b>718,514</b>	<b>431,223</b>	<b>718,849</b>	<b>-17.30%</b>	<b>-17.30%</b>
<b>Total Liabilities And Shareholders Equity</b>	<b>1,743,060</b>	<b>2,938,450</b>	<b>1,776,973</b>	<b>2,980,161</b>	<b>1,954,953</b>	<b>3,258,907</b>	<b>-1.40%</b>	<b>-9.80%</b>

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4 Change calculations based on GEL values

# Bank of Georgia standalone Q4 2009 Income Statement

Period ended	Q4 2009		Q3 2009		Growth <sup>3</sup> Q-O-Q	Q4 2008		Growth Y-O-Y
	US\$ <sup>1</sup>	GEL	US\$ <sup>2</sup>	GEL		US\$ <sup>4</sup>	GEL	
<i>000s Unless otherwise noted</i>	<i>(Unaudited)</i>		<i>(Unaudited)</i>			<i>(Unaudited)</i>		
Consolidated, IFRS based								
Interest Income	50,626	85,346	50,461	84,628	0.80%	55,928	93,232	-8.50%
Interest expense	23,880	40,256	23,911	40,101	0.40%	25,300	42,175	-4.50%
<b>Net interest income</b>	<b>26,747</b>	<b>45,089</b>	<b>26,550</b>	<b>44,527</b>	<b>1.30%</b>	<b>30,629</b>	<b>51,058</b>	<b>-11.70%</b>
Fee & commission income	6,832	11,517	6,176	10,358	11.20%	6,883	11,474	0.40%
Fee & commission expenses	1,717	2,895	1,361	2,283	26.80%	1,587	2,645	9.40%
<b>Net fee &amp; commission income</b>	<b>5,115</b>	<b>8,622</b>	<b>4,815</b>	<b>8,075</b>	<b>6.80%</b>	<b>5,297</b>	<b>8,829</b>	<b>-2.30%</b>
Income from documentary operations	1,639	2,763	1,668	2,798	-1.30%	1,323	2,205	25.30%
Expense on documentary operations	317	534	286	480	11.20%	470	783	-31.90%
<b>Net income from documentary operations</b>	<b>1,322</b>	<b>2,229</b>	<b>1,382</b>	<b>2,318</b>	<b>-3.80%</b>	<b>853</b>	<b>1,421</b>	<b>56.80%</b>
<b>Net income from FX &amp; translation operations</b>	<b>3,680</b>	<b>6,203</b>	<b>3,577</b>	<b>5,998</b>	<b>3.40%</b>	<b>4,552</b>	<b>7,588</b>	<b>-18.30%</b>
<b>Net other non-interest income</b>	<b>290</b>	<b>488</b>	<b>352</b>	<b>590</b>	<b>-17.30%</b>	<b>402</b>	<b>670</b>	<b>-27.10%</b>
<b>Net non-interest income</b>	<b>10,406</b>	<b>17,543</b>	<b>10,126</b>	<b>16,982</b>	<b>3.30%</b>	<b>11,103</b>	<b>18,509</b>	<b>-5.20%</b>
<b>Total operating income (revenue)</b>	<b>37,153</b>	<b>62,632</b>	<b>36,676</b>	<b>61,509</b>	<b>1.80%</b>	<b>41,732</b>	<b>69,567</b>	<b>-10.00%</b>
Personnel cost	9,255	15,602	8,770	14,707	6.10%	8,628	14,383	8.50%
Selling, general & administrative expense	4,712	7,943	3,852	6,461	22.90%	4,411	7,353	8.00%
Procurement & operations support expenses	1,695	2,858	1,503	2,521	13.40%	1,940	3,234	-11.60%
Depreciation and amortization	3,131	5,279	3,109	5,214	1.20%	2,913	4,856	8.70%
Other operating expenses	643	1,084	699	1,173	-7.60%	(27)	(46)	NMF
<b>Recurring operating costs</b>	<b>19,437</b>	<b>32,766</b>	<b>17,934</b>	<b>30,077</b>	<b>8.90%</b>	<b>17,865</b>	<b>29,780</b>	<b>10.00%</b>
<b>Normalized net operating income</b>	<b>17,716</b>	<b>29,866</b>	<b>18,742</b>	<b>31,432</b>	<b>-5.00%</b>	<b>23,867</b>	<b>39,786</b>	<b>-24.90%</b>
Net non-recurring income / (costs)	(1,977)	(3,333)	(583)	(978)	240.80%	(7,398)	(12,332)	-73.00%
<b>Profit / (loss) before provisions</b>	<b>15,739</b>	<b>26,533</b>	<b>18,159</b>	<b>30,454</b>	<b>-12.90%</b>	<b>16,469</b>	<b>27,454</b>	<b>-3.40%</b>
Net provision expense	10,304	17,371	10,561	17,712	-1.90%	(2,691)	(4,487)	NMF
<b>Pre-tax income / (loss)</b>	<b>5,435</b>	<b>9,162</b>	<b>7,598</b>	<b>12,743</b>	<b>-28.10%</b>	<b>19,161</b>	<b>31,941</b>	<b>-71.30%</b>
Income tax expense / (benefit)	815	1,374	1,140	1,911	-28.10%	1,873	3,123	-56.00%
<b>Net income / (loss)</b>	<b>4,620</b>	<b>7,788</b>	<b>6,458</b>	<b>10,831</b>	<b>-28.10%</b>	<b>17,287</b>	<b>28,818</b>	<b>-73.00%</b>

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6858 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2009

3 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6670 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2008

4 Change calculations based on GEL values

# Bank of Georgia standalone 2009 Income Statement

Period ended	2009		2008		Growth <sup>3</sup>
	US\$ <sup>1</sup>	GEL	US\$ <sup>2</sup>	GEL	Y-O-Y
<b>Consolidated, IFRS based</b>					
<i>000s Unless otherwise noted</i>	<i>(Unaudited)</i>				
Interest Income	205,563	346,537	215,504	359,245	-3.50%
Interest expense	95,541	161,064	96,358	160,628	0.30%
<b>Net interest income</b>	<b>110,021</b>	<b>185,474</b>	<b>119,146</b>	<b>198,617</b>	<b>-6.60%</b>
Fee & commission income	25,239	42,548	26,672	44,462	-4.30%
Fee & commission expenses	5,706	9,620	5,374	8,958	7.40%
<b>Net fee &amp; commission income</b>	<b>19,533</b>	<b>32,928</b>	<b>21,298</b>	<b>35,504</b>	<b>-7.30%</b>
Income from documentary operations	6,305	10,629	5,206	8,679	22.50%
Expense on documentary operations	1,228	2,070	1,349	2,249	-7.90%
<b>Net income from documentary operations</b>	<b>5,077</b>	<b>8,559</b>	<b>3,858</b>	<b>6,431</b>	<b>33.10%</b>
<b>Net income from FX &amp; translation operations</b>	<b>14,341</b>	<b>24,177</b>	<b>21,725</b>	<b>36,215</b>	<b>-33.20%</b>
<b>Net other non-interest income</b>	<b>1,146</b>	<b>1,932</b>	<b>402</b>	<b>670</b>	<b>188.50%</b>
<b>Net non-interest income</b>	<b>40,097</b>	<b>67,596</b>	<b>47,282</b>	<b>78,820</b>	<b>-14.20%</b>
<b>Total operating income (revenue)</b>	<b>150,119</b>	<b>253,070</b>	<b>166,429</b>	<b>277,436</b>	<b>-8.80%</b>
Personnel cost	35,497	59,841	40,895	68,172	-12.20%
Selling, general & administrative expense	15,840	26,703	14,249	23,754	12.40%
Procurement & operations support expenses	6,332	10,675	7,039	11,735	-9.00%
Depreciation and amortization	11,757	19,820	9,666	16,114	23.00%
Other operating expenses	2,541	4,283	1,623	2,706	58.30%
<b>Recurring operating costs</b>	<b>71,967</b>	<b>121,322</b>	<b>73,473</b>	<b>122,480</b>	<b>-0.90%</b>
<b>Normalized net operating income</b>	<b>78,151</b>	<b>131,748</b>	<b>92,955</b>	<b>154,956</b>	<b>-15.00%</b>
Net non-recurring income / (costs)	(4,026)	(6,787)	(8,000)	(13,336)	-49.10%
<b>Profit / (loss) before provisions</b>	<b>74,125</b>	<b>124,961</b>	<b>84,955</b>	<b>141,620</b>	<b>-11.80%</b>
Net provision expense	52,623	88,712	68,754	114,613	-22.60%
<b>Pre-tax income / (loss)</b>	<b>21,502</b>	<b>36,248</b>	<b>16,201</b>	<b>27,007</b>	<b>34.20%</b>
Income tax expense / (benefit)	3,225	5,437	1,429	2,383	128.20%
<b>Net income / (loss)</b>	<b>18,277</b>	<b>30,811</b>	<b>14,771</b>	<b>24,624</b>	<b>25.10%</b>

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6858 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6670 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2008

4 Change calculations based on GEL values

# Bank of Georgia standalone Q4 2009 Balance Sheet

Period ended	31-Dec-09		30-Sep-09		31-Dec-08		Change	Change
Consolidated, IFRS based	<i>(Unaudited)</i>		<i>(Unaudited)</i>				31-Dec	31-Dec-09
000s Unless otherwise noted	US\$	GEL	US\$	GEL	US\$	GEL	/Sep 30	/Dec 31, 2008
Cash	83,819	141,301	74,866	125,557	93,298	155,528	12.50%	-9.10%
Balances with NBG	34,441	58,060	71,886	120,559	44,330	73,898	-51.80%	-21.40%
Balances With And Loans To Other Banks	110,935	187,014	158,404	265,660	149,502	249,219	-29.60%	-25.00%
Treasuries And Equivalents	147,820	249,196	21,826	36,605	4,963	8,274	580.80%	2911.80%
Other Fixed Income Instruments	-	-	39,137	65,636	8,741	14,571	NMF	NMF
Loans To Clients, Gross	1,030,555	1,737,309	984,619	1,651,305	1,189,616	1,983,090	5.20%	-12.40%
Reserve For Loan Losses	(77,517)	(130,678)	(73,597)	(123,430)	(58,868)	(98,133)	5.90%	33.20%
Loans To Clients, Net	953,038	1,606,631	911,022	1,527,875	1,130,748	1,884,957	5.20%	-14.80%
Investments In Other Business Entities, Net	198,110	333,973	181,484	304,367	177,138	295,290	9.70%	13.10%
Property And Equipment Owned, Net	134,327	226,448	142,965	239,767	139,239	232,112	-5.60%	-2.40%
Intangible Assets Owned, Net	9,040	15,239	3,891	6,526	8,034	13,393	133.50%	13.80%
Goodwill	13,494	22,748	13,846	23,221	13,646	22,748	-2.00%	0.00%
Tax Assets, Current And Deferred	3,617	6,097	-	-	3,974	6,624	NMF	-8.00%
Prepayments And Other Assets	13,740	23,163	21,920	36,762	18,463	30,778	-37.00%	-24.70%
<b>Total Assets</b>	<b>1,702,379</b>	<b>2,869,870</b>	<b>1,641,247</b>	<b>2,752,536</b>	<b>1,792,077</b>	<b>2,987,392</b>	<b>4.30%</b>	<b>-3.90%</b>
Deposits And Loans From Banks	20,324	34,262	6,913	11,594	35,854	59,768	195.50%	-42.70%
Client Deposits	670,980	1,131,138	630,570	1,057,529	626,992	1,045,195	7.00%	8.20%
Borrowed Funds	541,595	913,021	545,181	914,322	682,525	1,137,770	-0.10%	-19.80%
Tax Liabilities, Current And Deferred	14,642	24,684	11,526	19,330	12,064	20,110	27.70%	22.70%
Accruals And Other Liabilities	16,509	27,830	12,995	21,796	16,289	27,153	27.70%	2.50%
<b>Total Liabilities</b>	<b>1,264,050</b>	<b>2,130,935</b>	<b>1,207,185</b>	<b>2,024,571</b>	<b>1,373,723</b>	<b>2,289,996</b>	<b>5.30%</b>	<b>-6.90%</b>
Share Capital - Ordinary Shares	18,571	31,306	18,660	31,295	18,748	31,253	0.00%	0.20%
Share Premium	283,879	478,562	284,741	477,539	281,746	469,670	0.20%	1.90%
Treasury Shares	(848)	(1,430)	(890)	(1,493)	(676)	(1,128)	-4.20%	26.80%
Retained Earnings	89,515	150,904	95,707	160,509	75,752	126,279	-6.00%	19.50%
Revaluation And Other Reserves	28,937	48,782	22,117	37,092	28,013	46,698	31.50%	4.50%
Net Income / (Loss) For The Period	18,277	30,811	13,728	23,023	14,771	24,624	33.80%	25.10%
<b>Total Shareholders Equity</b>	<b>438,329</b>	<b>738,935</b>	<b>434,062</b>	<b>727,965</b>	<b>418,354</b>	<b>697,396</b>	<b>1.50%</b>	<b>6.00%</b>
<b>Total Liabilities And Shareholders Equity</b>	<b>1,702,379</b>	<b>2,869,870</b>	<b>1,641,247</b>	<b>2,752,536</b>	<b>1,792,077</b>	<b>2,987,392</b>	<b>4.30%</b>	<b>-3.90%</b>

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6858 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2009

3 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6670 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2008

4 Change calculations based on GEL values

# BG Bank standalone 2009 Income Statement

Period ended	2009		2008		Growth <sup>3</sup> Y-O-Y
	US\$ <sup>1</sup>	GEL	US\$ <sup>2</sup>	GEL	
<b>Consolidated, IFRS based</b>					
<i>000s Unless otherwise noted</i>	<i>(Unaudited)</i>				
Interest Income	19,732	33,264	27,848	46,423	-28.30%
Interest Expense	10,461	17,635	15,560	25,938	-32.00%
<b>Net Interest Income</b>	<b>9,271</b>	<b>15,628</b>	<b>12,289</b>	<b>20,485</b>	<b>-23.70%</b>
Fees & Commission Income	1,987	3,349	2,975	4,960	-32.50%
Fees & Commission Expense	289	487	699	1,165	-58.20%
<b>Net Fees &amp; Commission Income</b>	<b>1,697</b>	<b>2,861</b>	<b>2,276</b>	<b>3,794</b>	<b>-24.60%</b>
Income From Documentary Operations	44	74	-	-	NMF
Expense On Documentary Operations	0	0	-	-	NMF
<b>Net Income From Documentary Operations</b>	<b>44</b>	<b>74</b>	<b>-</b>	<b>-</b>	<b>NMF</b>
<b>Net Foreign Currency Related Income</b>	<b>896</b>	<b>1,510</b>	<b>4,158</b>	<b>6,931</b>	<b>-78.20%</b>
<b>Net Other Non-Interest Income</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>33</b>	<b>NMF</b>
<b>Net Non-Interest Income</b>	<b>2,637</b>	<b>4,445</b>	<b>6,454</b>	<b>10,759</b>	<b>-58.70%</b>
<b>Total Operating Income (Revenue)</b>	<b>11,908</b>	<b>20,074</b>	<b>18,742</b>	<b>31,244</b>	<b>-35.80%</b>
Personnel Costs	6,934	11,689	9,554	15,927	-26.60%
Selling, General & Administrative Expenses	1,841	3,104	5,355	8,927	-65.20%
Procurement & Operations Support Expenses	1,082	1,823	-	-	NMF
Depreciation And Amortization	593	1,001	576	960	4.20%
Other Operating Expenses	489	825	152	254	224.90%
<b>Total Recurring Operating Costs</b>	<b>10,939</b>	<b>18,441</b>	<b>15,638</b>	<b>26,068</b>	<b>-29.30%</b>
<b>Normalized Net Operating Income / (Loss)</b>	<b>969</b>	<b>1,633</b>	<b>3,105</b>	<b>5,176</b>	<b>-68.50%</b>
Net Non-Recurring Income / (Costs)	(915)	(1,543)	-	-	NMF
<b>Profit / (Loss) Before Provisions</b>	<b>53</b>	<b>90</b>	<b>3,105</b>	<b>5,176</b>	<b>-98.30%</b>
Net Provision Expense	24,570	41,421	10,712	17,857	132.00%
<b>Pre-Tax Income / (Loss)</b>	<b>(24,517)</b>	<b>(41,330)</b>	<b>(7,607)</b>	<b>(12,681)</b>	<b>225.90%</b>
Income Tax Expense / (Benefit)	(5,216)	(8,793)	(1,585)	(2,642)	232.80%
<b>Net Income / (Loss)</b>	<b>(19,301)</b>	<b>(32,537)</b>	<b>(6,022)</b>	<b>(10,039)</b>	<b>224.10%</b>

<sup>1</sup> Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6858 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2009

<sup>2</sup> Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6670 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2008

<sup>4</sup> Change calculations based on GEL values



# BG Bank standalone Q4 2009 Income Statement

Period ended	Q4 2009		Q3 2009		Growth Q-O-Q
	US\$	GEL	US\$	GEL	
<b>Consolidated, IFRS based</b>					
<i>000s Unless otherwise noted</i>	<i>(Unaudited)</i>		<i>(Unaudited)</i>		
Interest Income	2,802	4,724	4,942	8,288	-43.00%
Interest Expense	159	267	2,573	4,315	-93.80%
<b>Net Interest Income</b>	<b>2,644</b>	<b>4,457</b>	<b>2,369</b>	<b>3,973</b>	<b>12.20%</b>
Fees & Commission Income	(266)	(448)	1,132	1,898	-123.60%
Fees & Commission Expense	(381)	(643)	420	704	-191.30%
<b>Net Fees &amp; Commission Income</b>	<b>116</b>	<b>195</b>	<b>712</b>	<b>1,194</b>	<b>-83.70%</b>
Income From Documentary Operations	44	74	-	-	NMF
Expense On Documentary Operations	-	0	-	-	-
<b>Net Income From Documentary Operations</b>	<b>44</b>	<b>74</b>	<b>-</b>	<b>-</b>	<b>NMF</b>
<b>Net Foreign Currency Related Income</b>	<b>(567)</b>	<b>(956)</b>	<b>50</b>	<b>84</b>	<b>NMF</b>
<b>Net Other Non-Interest Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Non-Interest Income</b>	<b>(407)</b>	<b>(687)</b>	<b>762</b>	<b>1,278</b>	<b>NMF</b>
<b>Total Operating Income (Revenue)</b>	<b>2,237</b>	<b>3,771</b>	<b>3,131</b>	<b>5,252</b>	<b>-28.20%</b>
Personnel Costs	1,561	2,631	1,542	2,586	1.80%
Selling, General & Administrative Expenses	349	588	433	727	-19.00%
Procurement & Operations Support Expenses	330	556	110	185	NMF
Depreciation And Amortization	129	217	177	297	-27.00%
Other Operating Expenses	164	276	81	136	102.80%
<b>Total Recurring Operating Costs</b>	<b>2,533</b>	<b>4,269</b>	<b>2,344</b>	<b>3,931</b>	<b>8.60%</b>
<b>Normalized Net Operating Income / (Loss)</b>	<b>(296)</b>	<b>(499)</b>	<b>788</b>	<b>1,321</b>	<b>NMF</b>
Net Non-Recurring Income / (Costs)	(716)	(1,206)	3	6	NMF
<b>Profit / (Loss) Before Provisions</b>	<b>(1,012)</b>	<b>(1,705)</b>	<b>791</b>	<b>1,327</b>	<b>NMF</b>
Net Provision Expense	4,807	8,103	7,698	12,910	-37.20%
<b>Pre-Tax Income / (Loss)</b>	<b>(5,818)</b>	<b>(9,808)</b>	<b>(6,907)</b>	<b>(11,584)</b>	<b>NMF</b>
Income Tax Expense / (Benefit)	(541)	(913)	(3,612)	(6,058)	NMF
<b>Net Income / (Loss)</b>	<b>(5,277)</b>	<b>(8,896)</b>	<b>(3,295)</b>	<b>(5,526)</b>	<b>NMF</b>

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6858 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6670 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2008

4 Change calculations based on GEL values

# BNB standalone 2009 Income Statement

Period ended	2009		2008		Growth Y-O-Y
	US\$ <sup>1</sup>	GEL	US\$ <sup>2</sup>	GEL	
<b>Consolidated, IFRS based</b>					
<i>000s Unless otherwise noted</i>	<i>(Unaudited)</i>				
Interest Income	4,218	7,111	4,292	7,154	-0.60%
Interest Expense	1,247	2,102	1,494	2,490	-15.60%
<b>Net Interest Income</b>	<b>2,971</b>	<b>5,009</b>	<b>2,798</b>	<b>4,664</b>	<b>7.40%</b>
Fees & Commission Income	1,040	1,754	1,137	1,895	-7.40%
Fees & Commission Expense	161	271	162	269	0.60%
<b>Net Fees &amp; Commission Income</b>	<b>880</b>	<b>1,483</b>	<b>975</b>	<b>1,626</b>	<b>-8.80%</b>
Income From Documentary Operations	2	4	-	-	NMF
Expense On Documentary Operations	1	2	-	-	NMF
<b>Net Income From Documentary Operations</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>NMF</b>
<b>Net Foreign Currency Related Income</b>	<b>1,049</b>	<b>1,768</b>	<b>1,834</b>	<b>3,058</b>	<b>-42.20%</b>
<b>Net Other Non-Interest Income</b>	<b>100</b>	<b>169</b>	<b>200</b>	<b>334</b>	<b>-49.40%</b>
<b>Net Non-Interest Income</b>	<b>2,030</b>	<b>3,422</b>	<b>3,010</b>	<b>5,017</b>	<b>-31.80%</b>
<b>Total Operating Income (Revenue)</b>	<b>5,001</b>	<b>8,431</b>	<b>5,808</b>	<b>9,681</b>	<b>-12.90%</b>
Personnel Costs	1,902	3,206	1,742	2,904	10.40%
Selling, General & Administrative Expenses	472	796	1,048	1,747	-54.40%
Procurement & Operations Support Expenses	631	1,064	-	-	NMF
Depreciation And Amortization	310	522	552	920	-43.30%
Other Operating Expenses	482	813	360	601	35.40%
<b>Total Recurring Operating Costs</b>	<b>3,797</b>	<b>6,401</b>	<b>3,703</b>	<b>6,173</b>	<b>3.70%</b>
<b>Normalized Net Operating Income / (Loss)</b>	<b>1,204</b>	<b>2,030</b>	<b>2,105</b>	<b>3,509</b>	<b>-42.10%</b>
<b>Net Non-Recurring Income / (Costs)</b>	<b>61</b>	<b>102</b>	<b>-</b>	<b>-</b>	<b>NMF</b>
<b>Profit / (Loss) Before Provisions</b>	<b>1,265</b>	<b>2,132</b>	<b>2,105</b>	<b>3,509</b>	<b>-39.20%</b>
Net Provision Expense	657	1,108	774	1,289	-14.10%
<b>Pre-Tax Income / (Loss)</b>	<b>607</b>	<b>1,024</b>	<b>1,331</b>	<b>2,219</b>	<b>-53.90%</b>
Income Tax Expense / (Benefit)	196	330	358	596	-44.70%
<b>Net Income / (Loss)</b>	<b>412</b>	<b>694</b>	<b>973</b>	<b>1,623</b>	<b>-57.20%</b>

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6858 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6670 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2008

4 Change calculations based on GEL values

# BNB standalone Q4 2009 Income Statement

Period ended	Q4 2009		Q3 2009		Growth
Consolidated, IFRS based	<i>(Unaudited)</i>		<i>(Unaudited)</i>		
<i>000s Unless otherwise noted</i>	US\$	GEL	US\$	GEL	Q-O-Q
Interest Income	1,237	2,085	1,179	1,977	5.40%
Interest Expense	273	460	321	538	-14.40%
<b>Net Interest Income</b>	<b>963</b>	<b>1,624</b>	<b>858</b>	<b>1,439</b>	<b>12.80%</b>
Fees & Commission Income	321	542	281	471	15.10%
Fees & Commission Expense	60	101	38	63	60.40%
<b>Net Fees &amp; Commission Income</b>	<b>262</b>	<b>441</b>	<b>243</b>	<b>408</b>	<b>8.10%</b>
Income From Documentary Operations	-	-	0	1	NMF
Expense On Documentary Operations	1	1	-	-	NMF
<b>Net Income From Documentary Operations</b>	<b>(1)</b>	<b>(1)</b>	<b>0</b>	<b>1</b>	<b>NMF</b>
<b>Net Foreign Currency Related Income</b>	<b>20</b>	<b>33</b>	<b>164</b>	<b>276</b>	<b>-87.90%</b>
<b>Net Other Non-Interest Income</b>	<b>54</b>	<b>91</b>	<b>(14)</b>	<b>(24)</b>	<b>NMF</b>
<b>Net Non-Interest Income</b>	<b>335</b>	<b>564</b>	<b>394</b>	<b>660</b>	<b>-14.60%</b>
<b>Total Operating Income (Revenue)</b>	<b>1,298</b>	<b>2,188</b>	<b>1,252</b>	<b>2,100</b>	<b>4.20%</b>
Personnel Costs	557	940	440	738	27.30%
Selling, General & Administrative Expenses	172	291	114	191	52.50%
Procurement & Operations Support Expenses	206	348	148	249	39.70%
Depreciation And Amortization	82	138	48	80	72.60%
Other Operating Expenses	161	271	115	193	40.80%
<b>Total Recurring Operating Costs</b>	<b>1,179</b>	<b>1,987</b>	<b>865</b>	<b>1,450</b>	<b>37.00%</b>
<b>Normalized Net Operating Income / (Loss)</b>	<b>119</b>	<b>201</b>	<b>387</b>	<b>649</b>	<b>-69.10%</b>
<b>Net Non-Recurring Income / (Costs)</b>	<b>18</b>	<b>31</b>	<b>31</b>	<b>52</b>	<b>-40.60%</b>
<b>Profit / (Loss) Before Provisions</b>	<b>137</b>	<b>232</b>	<b>418</b>	<b>701</b>	<b>-67.00%</b>
Net Provision Expense	759	1,280	(103)	(173)	NMF
<b>Pre-Tax Income / (Loss)</b>	<b>(622)</b>	<b>(1,048)</b>	<b>521</b>	<b>874</b>	<b>NMF</b>
Income Tax Expense / (Benefit)	(159)	(268)	153	257	NMF
<b>Net Income / (Loss)</b>	<b>(463)</b>	<b>(781)</b>	<b>368</b>	<b>617</b>	<b>NMF</b>

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6858 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6670 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2008

4 Change calculations based on GEL values

# Key Ratios, Bank of Georgia Consolidated, unless otherwise noted

	Full Year 2009	Full Year 2008
<b>Profitability Ratios</b>		
ROAA <sup>1</sup> , Annualised	-3.30%	0.00%
ROAE <sup>2</sup> , Annualised	-14.10%	0.00%
Interest Income To Average Interest Earning Assets <sup>3</sup> , Annualized	17.60%	17.70%
Cost Of Funds <sup>4</sup> , Annualised	8.40%	7.90%
Net Spread <sup>5</sup>	9.20%	9.80%
Net Interest Margin <sup>6</sup> , Annualised	9.20%	9.70%
Loan Yield <sup>7</sup> , Annualised	13.30%	13.80%
Interest Expense To Interest Income	48.10%	45.30%
Net Non-Interest Income To Average Total Assets, Annualized	4.00%	3.70%
Net Non-Interest Income To Revenue <sup>8</sup>	38.00%	35.00%
Net Fee And Commission Income To Average Interest Earning Assets <sup>9</sup> , Annualized	2.20%	1.60%
Net Fee And Commission Income To Revenue	14.60%	11.00%
Operating Leverage <sup>10</sup>	-44.30%	-33.10%
Total Operating Income (Revenue) To Total Assets, Annualized	10.90%	10.40%
Recurring Earning Power <sup>11</sup> , Annualised	0.90%	4.00%
Net Income To Revenue	-30.80%	0.10%
<b>Efficiency Ratios</b>		
Operating Cost To Average Total Assets <sup>12</sup> , Annualized	6.10%	6.00%
Cost To Average Total Assets <sup>13</sup> , Annualized	9.70%	6.60%
Cost / Income <sup>14</sup>	91.60%	62.30%
Cost / Income, Normalized <sup>15</sup>	57.00%	56.20%
Cost / Income, Bank of Georgia, Stand-Alone <sup>16</sup>	50.60%	49.20%
Cost / Income, Bank of Georgia, Stand-Alone, Normalized	47.90%	44.50%
Cash Cost / Income	49.50%	56.30%
Total Employee Compensation Expense To Revenue <sup>17</sup>	28.10%	30.80%
Total Employee Compensation Expense To Cost	30.70%	49.30%
Total Employee Compensation Expense To Average Total Assets, Annualized	3.00%	3.30%
<b>Liquidity Ratios</b>		
Net Loans To Total Assets <sup>18</sup>	57.20%	63.80%
Average Net Loans To Average Total Assets	58.10%	60.40%
Interest Earning Assets To Total Assets	74.80%	67.60%
Average Interest Earning Assets To Average Total Assets	72.00%	71.80%
Liquid Assets To Total Assets <sup>19</sup>	23.20%	15.80%
Liquid Assets To Total Short-Term Liabilities, NBG Stand-Alone	35.60%	27.30%
Liquid Assets To Total Liabilities, IFRS Consolidated	30.80%	21.80%
Net Loans To Client Deposits	131.70%	174.40%
Average Net Loans To Average Client Deposits	154.20%	148.50%
Net Loans To Total Deposits <sup>20</sup>	127.20%	163.60%
Net Loans To (Total Deposits + Equity)	87.80%	104.50%
Net Loans To Total Liabilities	71.70%	81.90%
Total Deposits To Total Liabilities	56.40%	50.10%
Client Deposits To Total Deposits	96.60%	93.80%
Client Deposits To Total Liabilities	54.50%	47.00%
Current Account Balances To Client Deposits	38.60%	37.60%
Demand Deposits To Client Deposits	9.50%	9.10%
Time Deposits To Client Deposits	51.90%	53.40%
Total Deposits To Total Assets	45.00%	39.00%
Client Deposits To Total Assets	43.40%	36.60%
Client Deposits To Total Equity (Times) <sup>21</sup>	2.15	1.66
Due From Banks / Due To Banks <sup>22</sup>	605.10%	126.20%
Total Equity To Net Loans	35.40%	34.50%
Leverage (Times) <sup>23</sup>	3.9	3.5

# Key Ratios, cont'd

	Full Year 2009	Full Year 2008
<b>Asset Quality</b>		
NPLs (in GEL) <sup>24</sup>	139,954	64,306
NPLs To Gross Loans To Clients <sup>25</sup>	7.50%	2.90%
Cost of Risk <sup>26</sup> , Annualized	6.80%	6.50%
Cost of Risk Normalized <sup>27</sup> , Annualized	6.80%	6.50%
Reserve For Loan Losses To Gross Loans To Clients <sup>28</sup>	9.80%	5.00%
NPL Coverage Ratio <sup>29</sup>	131.00%	169.10%
Equity To Average Net Loans To Clients	33.90%	37.40%
<b>Capital Adequacy:</b>		
Equity To Total Assets	20.20%	22.10%
BIS Tier I Capital Adequacy Ratio, consolidated <sup>30</sup>	22.20%	22.50%
BIS Total Capital Adequacy Ratio, consolidated <sup>31</sup>	33.70%	27.30%
NBG Tier I Capital Adequacy Ratio <sup>32</sup>	19.70%	16.60%
NBG Total Capital Adequacy Ratio <sup>33</sup>	16.80%	13.50%
<b>Per Share Values:</b>		
Basic EPS (GEL) <sup>34</sup>	-3.16	0.01
Basic EPS (US\$)	(\$1.88)	\$0.00
Fully Diluted EPS (GEL) <sup>35</sup>	-2.85	0.01
Fully Diluted EPS (US\$)	(\$1.69)	\$0.00
Book Value Per Share (GEL) <sup>36</sup>	18.98	23
Book Value Per Share (US\$)	\$11.26	\$13.80
Change y-o-y	-17.50%	11.90%
Ordinary Shares Outstanding - Weighted Average, Basic	31,277,936	30,931,549
Ordinary Shares Outstanding - Period End	31,306,071	31,252,553
Ordinary Shares Outstanding - Fully Diluted	34,780,685	31,252,553
<b>Selected Operating Data:</b>		
Full Time Employees (FTE)	4,781	4,979
FTEs, Bank of Georgia Stand-Alone	2,667	2,741
Total Assets Per FTE (GEL Thousands)	615	655
Total Assets Per FTE, Bank of Georgia Stand-Alone (GEL Thousands)	1,102	1,189
Number Of Active Branches	141	151
Number Of ATMs	382	416
Number Of Cards (Thousands)	537	667
Number Of POS Terminals	1,958	2,693

# Notes to key ratios

- 1 Return On Average Total Assets (ROAA) equals Net Income of the period divided by quarterly Average Total Assets for the same period;
- 2 Return On Average Total Equity (ROAE) equals Net Income of the period divided by quarterly Average Total Equity for the same period;
- 3 Average Interest Earning Assets are calculated on a quarterly basis; Interest Earning Assets include: Loans And Advances To Credit Institutions, Treasuries And Equivalents, Other Fixed Income Instruments and Net Loans to Clients;
- 4 Cost Of Funds equals Interest Expense of the period divided by quarterly Average Interest Bearing Liabilities; Interest Bearing Liabilities Include: Client Deposits, Deposits And Loans From Banks, Borrowed Funds and Issued Fixed Income Securities;
- 5 Net Spread equals Interest Income To Average Interest Earning Assets less Cost Of Funds;
- 6 Net Interest Margin equals Net Interest Income of the period divided by quarterly Average Interest Earning Assets of the same period;
- 7 Loan Yield equals Interest Income, less Net Provision Expense, divided by quarterly Average Gross Loans To Clients;
- 8 Revenue equals Total Operating Income;
- 9 Net Fee And Commission Income includes Net Income From Documentary Operations of the period ;
- 10 Operating Leverage equals percentage change in Revenue less percentage change in Total Costs;
- 11 Recurring Earning Power equals Profit Before Provisions of the period divided by average Total Assets of the same period;
- 12 Operating Cost equals Total Recurring Operating Costs;
- 13 Cost includes Total Recurring Operating Costs and Net Non-Recurring Costs (Income);
- 14 Cost/Income Ratio equals Costs of the period divided by Total Operating Income (Revenue);
- 15 Cost/Income Normalized equals Total Recurring Operating cost (excludes net non-recurring costs) divided by total operating income.
- 16 Cost/ Income, Bank of Georgia, standalone, equals non-consolidated Total Costs of the bank of the period divided by non-consolidated Revenue of the bank of the same period;
- 17 Total Employee Compensation Expense includes Personnel Costs;
- 18 Net Loans equal Net Loans To Clients;
- 19 Liquid Assets include: Cash And Cash Equivalents, Other Accounts With NBG, Balances With And Loans To Other Banks, Treasuries And Equivalents and Other Fixed Income Securities as of the period end and are divided by Total Assets as of the same date;
- 20 Total Deposits include Client Deposits and Deposits And Loans from Banks;
- 21 Total Equity equals Total Shareholders' Equity;
- 22 Due From Banks/ Due To Banks equals Loans And Advances To Credit Institutions divided by Deposits And Loans From Banks;
- 23 Leverage (Times) equals Total Liabilities as of the period end divided by Total Equity as of the same date;
- 24 NPLs (in GEL) equals consolidated total gross non-performing loans as of the period end; non-performing loans are loans that have debts in arrears for more than 90 calendar days;
- 25 Gross Loans equals Gross Loans To Clients;
- 26 Cost Of Risk equals Net Provision For Loan Losses of the period, plus provisions for (less recovery of) other assets, divided by quarterly average Gross Loans To Clients over the same period;
- 27 Cost Of Risk Normalized equals Net Provision For Loan Losses of the period, less provisions for the interest income generated by non-performing loans through the date of their write-off, plus provisions for (less recovery of) other assets, divided by quarterly average Gross Loans To Clients over the same period;
- 28 Reserve For Loan Losses To Gross Loans To Clients equals reserve for loan losses as of the period end divided by gross loans to clients as of the same date;
- 29 NPL Coverage Ratio equals Reserve For Loan losses as of the period end divided by NPLs as of the same date;
- 30 BIS Tier I Capital Adequacy Ratio equals Tier I Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements of Basel Accord I;
- 31 BIS Total Capital Adequacy Ratio equals Total Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements of Basel Accord I;
- 32 NBG Tier I Capital Adequacy Ratio equals Tier I Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements the National Bank of Georgia;
- 33 NBG Total Capital Adequacy Ratio equals Total Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements of the National Bank of Georgia;
- 34 Basic EPS equals Net Income of the period divided by the weighted average number of outstanding ordinary shares over the same period;
- 35 Fully Diluted EPS equals net income of the period divided by the number of outstanding ordinary shares as of the period end plus number of ordinary shares in contingent liabilities;
- 36 Book Value Per Share equals Equity as of the period end, plus Treasury Shares, divided by the total number of Outstanding Ordinary shares as of the same date
- 37 Equals total consolidated assets divided by total number of full-time employees.