



საქართველოს ბანკი
BANK OF GEORGIA

GROWTH AT THE RIGHT PRICE
LSE: BGEO / GSE: GEB

JSC Bank of Georgia Q4 and Full - Year 2009 results overview

February 2010

Introduction to Bank of Georgia

The leading universal bank in Georgia

- ☑ No.1 by assets (33.0%), ⁽¹⁾ loans (31.8%), ⁽¹⁾ client deposits (28.3%) ⁽¹⁾ and equity (38.6%) ⁽¹⁾
- ☑ Leading retail banking, with top brand, best distribution network and broadest range of services of any bank in Georgia

	December 2009	September 2009	December 2008
☑ Retail Accounts	999,000+	895,000+	866,000+
☑ Cards Outstanding	537,000+	569,000+	639,000+
☑ Branches	141	140	151
☑ ATMs	382	394	416

- ☑ Leading corporate bank with approximately 82,000 legal entities and over 153,000 current accounts
- ☑ Leading card-processing, leasing, insurance, wealth management and asset management services provider
- ☑ The only Georgian entity with credit ratings from all three global rating agencies
 - ☑ S&P: 'B/B' – at the sovereign ceiling
 - ☑ Fitch Ratings: 'B/B'
 - ☑ Moody's: 'B3/NP (FC)' & 'Ba3/NP (LC)'
- ☑ Listed on the London Stock Exchange (GDRs) and Georgian Stock Exchange
 - ☑ Market Cap (LSE) US\$ 313 mln as of 25 February 2010
 - ☑ Approximately 95% free float
- ☑ Issue of the first ever Eurobonds in Georgia
 - ☑ Bloomberg: BKGE0; 5 year, 9%, US\$200 mln
 - ☑ B/Ba2/B (composite B+)

Investment highlights

- ☑ Undisputed leader of Georgian financial services industry with market-leading retail and corporate banking franchise
- ☑ Strongly positioned to benefit from US\$4.5 bln international assistance package pledged to Georgia by international donors in the aftermath of Russia-Georgia conflict in August 2008
- ☑ Disciplined capital management, low leverage, conservative liquidity position, no exposure to sub-prime
- ☑ Sophisticated management team with Western banking & finance background
- ☑ Transparency and good governance, over 89% institutionally owned. Supervisory Board includes two large institutional shareholders and two independent directors

⁽¹⁾ All data according to the NBG as of 31 December 2009



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JSC Bank of Georgia Q4 2009 & Full - Year 2009 results overview

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Q4 2009 & Full - Year 2009 P&L results highlights

Millions unless otherwise noted

Bank of Georgia (Consolidated, IFRS Based)

	Q4 2009		Q3 2009		Growth Q-O-Q	Q4 2008		Growth ¹ Y-O-Y
	GEL (Unaudited)	US\$	GEL (Unaudited)	US\$		GEL (Unaudited)	US\$	
Net Interest Income	48.4	28.7	48.9	29.2	-1.1%	56.4	33.8	-14.2%
Net Non-Interest Income	31.1	18.4	30.4	18.1	2.3%	30.2	18.1	-2.9%
Total Operating Income (Revenue) ²	79.5	47.1	79.3	47.3	0.2%	86.6	51.9	-8.2%
Recurring Operating Costs	47.0	27.9	45.0	26.8	4.5%	47.9	28.8	-2.0%
Normalized Net Operating Income ³	32.5	19.3	34.3	20.5	-5.5%	38.7	23.2	-16.0%
Net Non-Recurring Income (Costs)	(108.6)	(64.4)	(1.9)	(1.1)	NMF	(30.0)	(18.0)	NMF
Profit Before Provisions	(76.2)	(45.2)	32.4	19.3	NMF	8.7	5.2	NMF
Net Provision Expense	27.6	16.4	30.0	17.9	-8.0%	10.9	6.5	153.7%
Net Income/ (Loss)	(102.4)	(60.7)	2.6	1.6	NMF	(1.1)	(0.7)	NMF
Tier I Capital Adequacy Ratio (BIS)	22.2%		25.4%			22.5%		
Total Capital Adequacy Ratio (BIS)	33.7%		34.6%			27.3%		
Tier I Capital Adequacy Ratio (NBG)	19.7%		20.4%			16.6%		
Total Capital Adequacy Ratio (NBG)	16.8%		21.2%			13.5%		

Millions, unless otherwise noted

Bank of Georgia (Consolidated, IFRS Based)

	Full - Year 2009		Full - Year 2008		Growth ¹ Y-O-Y
	GEL (Unaudited)	US\$	GEL	US\$	
Net Interest Income	199.2	118.1	220.8	132.5	-9.8%
Net Non-Interest Income	121.9	72.3	118.7	71.2	2.7%
Total Operating Income (Revenue) ²	321.1	190.4	339.5	203.7	-5.4%
Recurring Operating Costs	182.9	108.5	190.9	114.5	-4.2%
Normalized Net Operating Income ³	138.1	81.9	148.6	89.2	-7.0%
Net Non-Recurring Income (Costs)	(111.0)	(65.9)	(20.7)	(12.4)	435.9%
Profit Before Provisions	27.1	16.1	127.9	76.7	-78.8%
Net Provision Expense	130.4	77.3	128.7	77.2	1.3%
Net Income/ (Loss)	(99.0)	(58.7)	0.2	0.1	NMF
Tier I Capital Adequacy Ratio (BIS)	22.2%		22.5%		
Total Capital Adequacy Ratio (BIS)	33.7%		27.3%		
Tier I Capital Adequacy Ratio (NBG)	19.7%		16.6%		
Total Capital Adequacy Ratio (NBG)	16.8%		13.5%		

¹ Compared to the same period in 2008; growth calculations based on GEL values.

² Revenue includes Net Interest Income and Net Non-Interest Income.

³ Normalized for Net Non-Recurring Costs.

December 2009 Balance Sheet results highlights

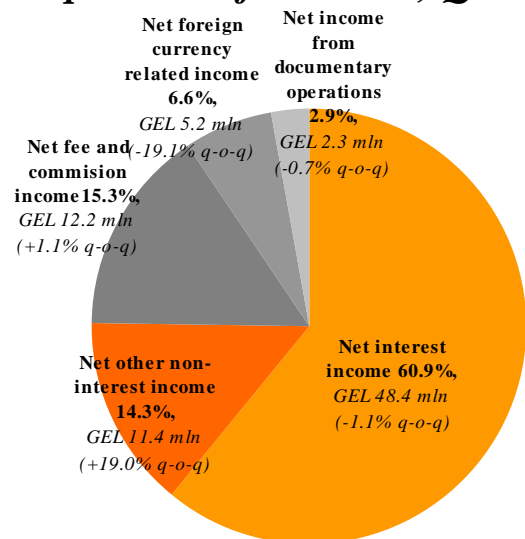
Millions, unless otherwise noted

Bank of Georgia (Consolidated, IFRS Based)	YE 2009		Q3 2009		YE 2008	
	GEL	US\$	GEL	US\$	GEL	US\$
	(Unaudited)		(Unaudited)			
Net Loans	1,680.9	997.1	1,659.3	989.4	2,080.6	1,248.1
Total Assets	2,938.5	1,743.1	2,980.2	1,777.0	3,258.9	1,955.0
Total Deposits	1,321.0	783.6	1,225.9	731.0	1,272.1	763.1
Borrowed Funds	913.0	541.6	918.6	547.7	1,137.8	682.5
Total Liabilities	2,344.1	1,390.5	2,261.6	1,348.5	2,540.1	1,523.7
Shareholders' Equity	594.3	352.6	718.5	428.4	718.8	431.2
Book Value Per Share, GEL & US\$	19.0	11.3	23.0	13.7	23.0	13.8

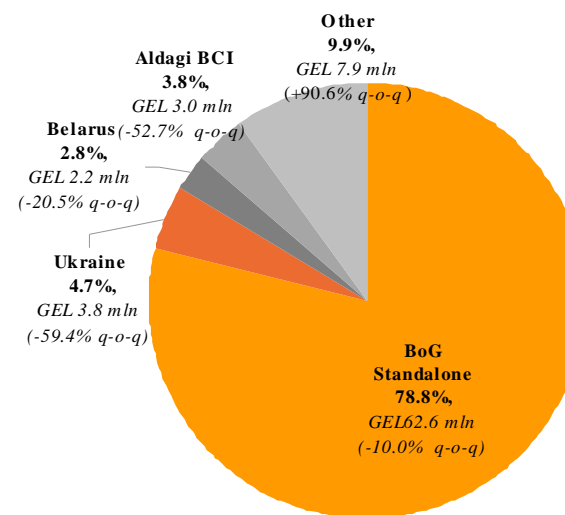
	Change YE 09/Q3 09	Change YE 09/YE 08
Net Loans	1.3%	-19.2%
Total Assets	-1.4%	-9.8%
Total Deposits	7.8%	3.8%
Borrowed Funds	-0.6%	-19.8%
Total Liabilities	3.6%	-7.7%
Shareholders' Equity	-17.3%	-17.3%
Book Value Per Share,	-17.3%	-17.5%

Composition of revenue in Q4 2009 & Full - Year 2009

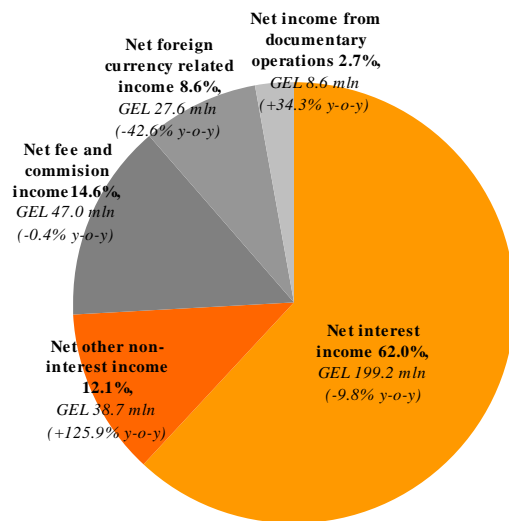
Composition of Revenue, Q4 2009



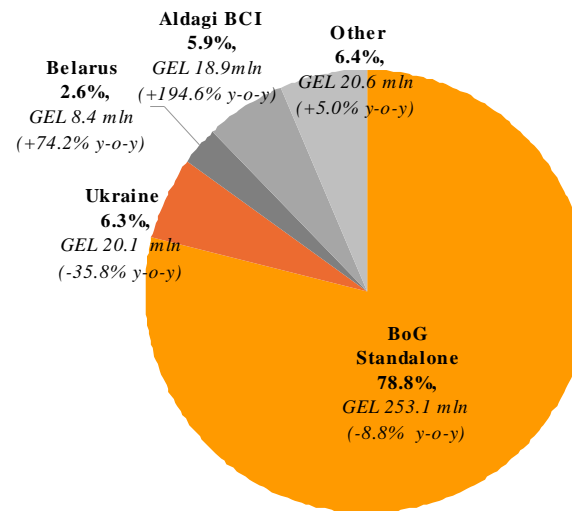
Revenue by segments, Q4 2009



Composition of Revenue, Full - Year 2009



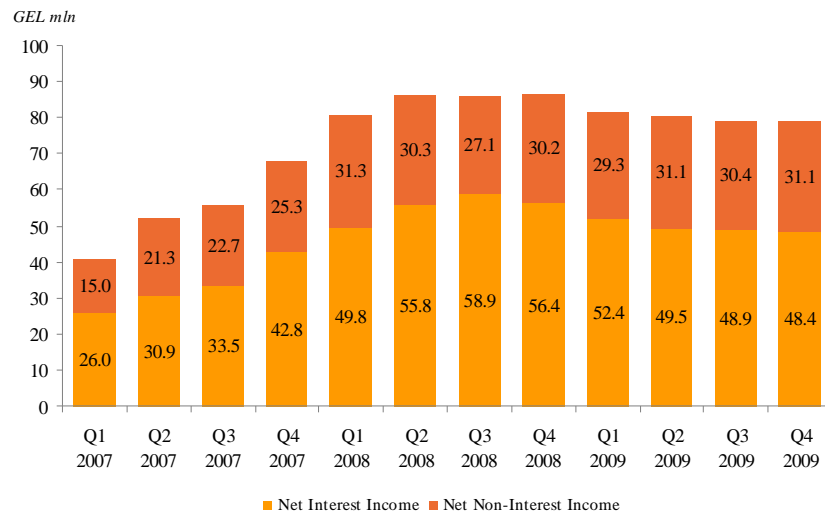
Revenue by segments, Full - Year 2009



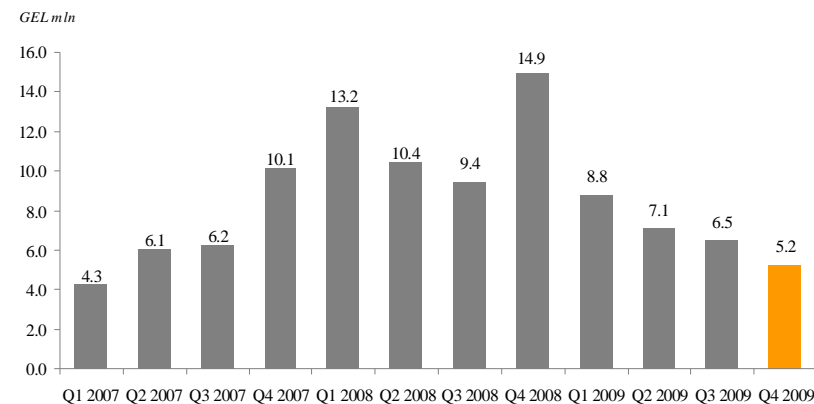
Total Revenue: GEL 79.5 million in Q4 2009 and GEL 321.1 million in Full - Year 2009

Analysis of revenue

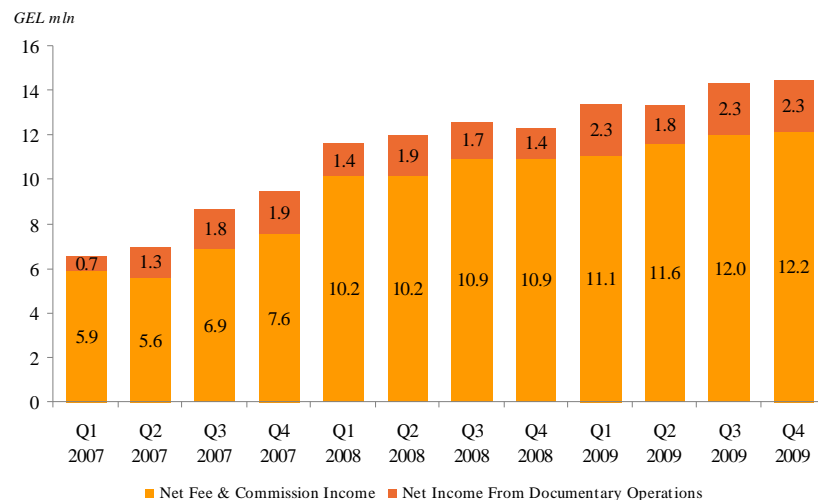
Revenue growth



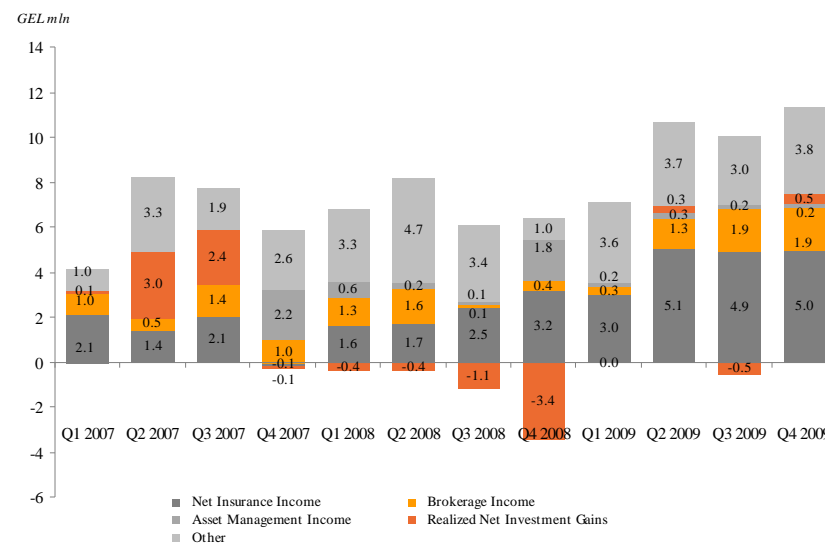
Net foreign currency related income



Net fee & commission income & Income from documentary operations

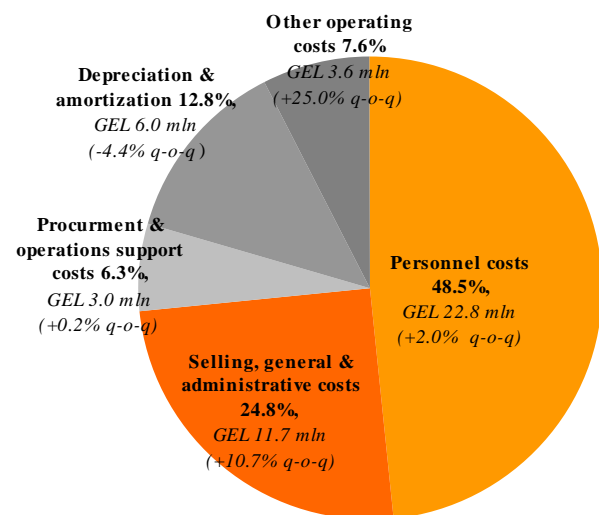


Other non-interest income

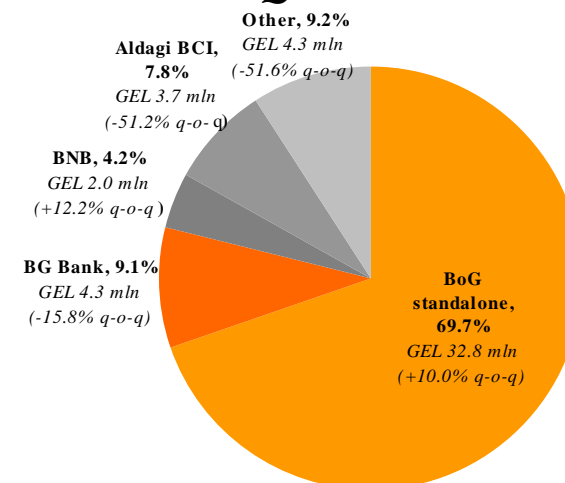


Analysis of recurring operating costs

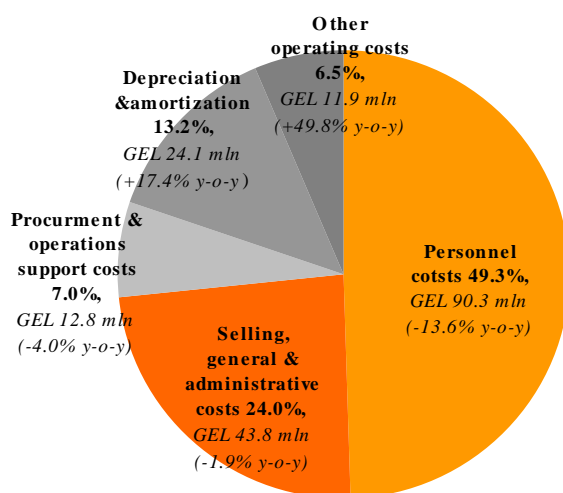
Recurring operating cost structure, Q4 2009



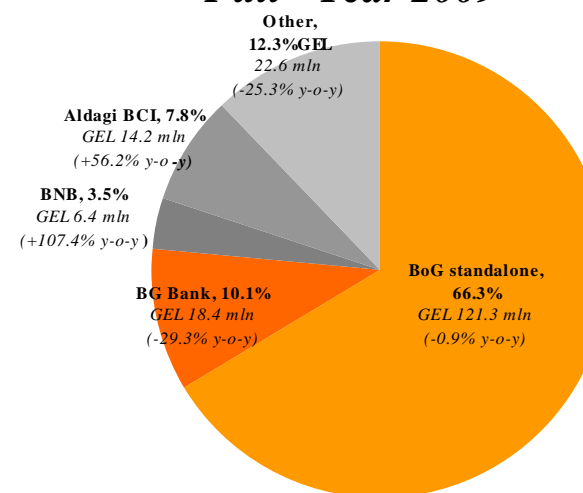
Recurring operating cost structure by segments, Q4 2009



Recurring operating cost structure, Full - Year 2009



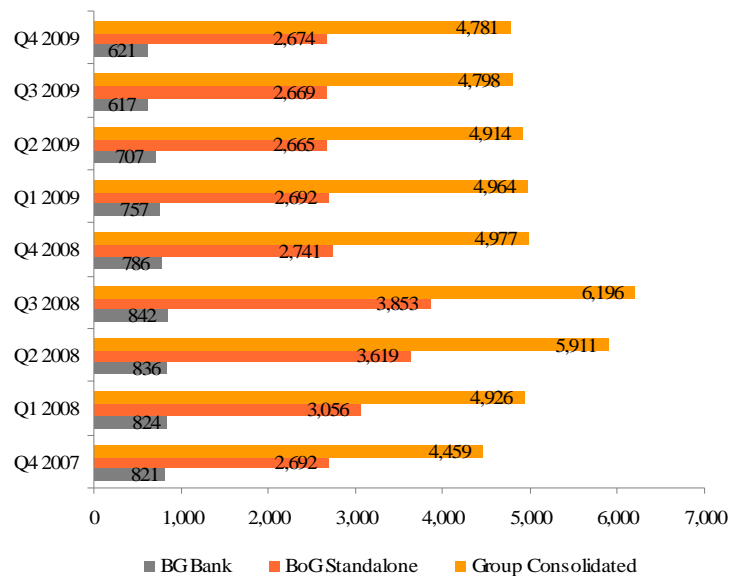
Recurring operating cost structure by segments, Full - Year 2009



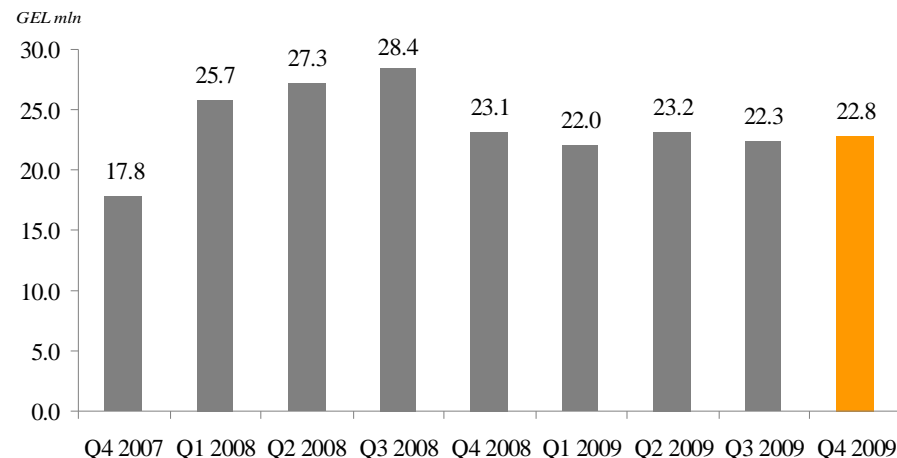
Total recurring operating costs: GEL 47.0 million in Q4 2009 (+4.5% q-o-q) and GEL 182.9 mln in Full - Year 2009 (-4.2% y-o-y)

Analysis of recurring operating costs cont'd

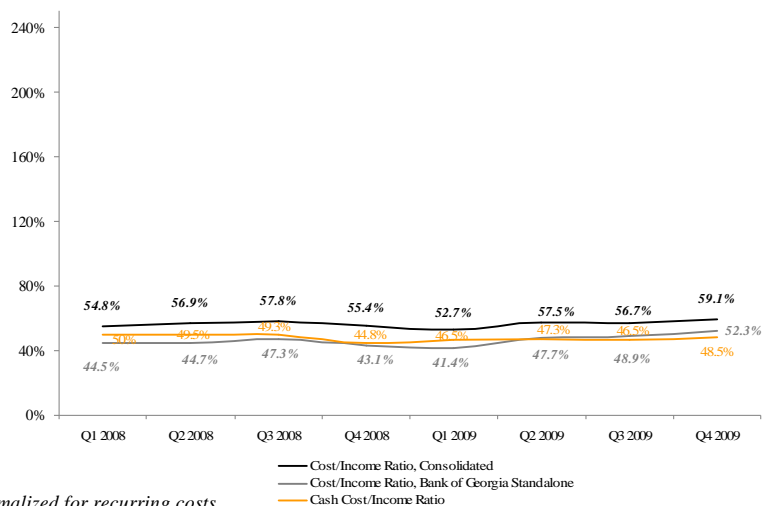
Employees



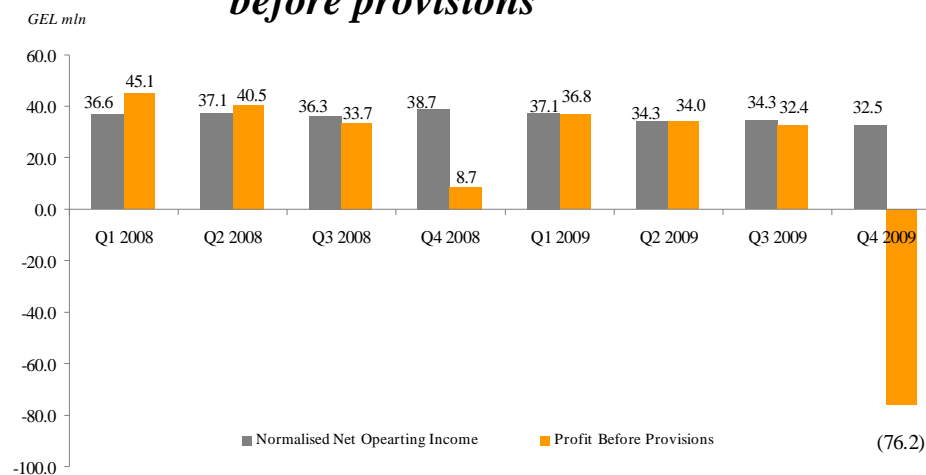
Personnel costs



Cost/Income ratio*



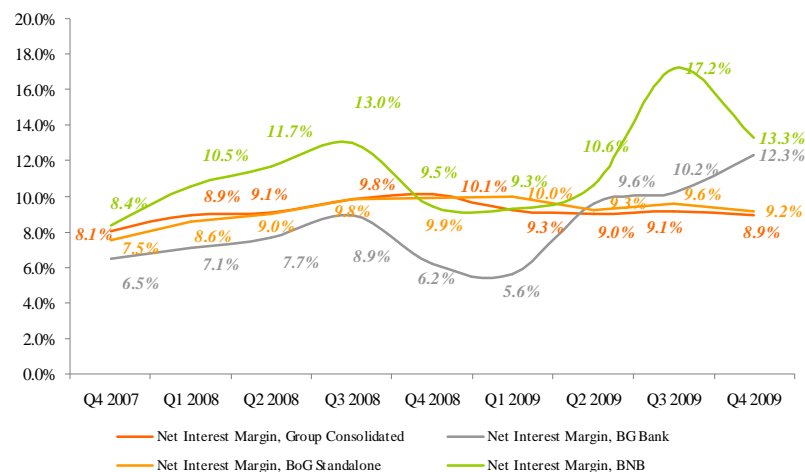
Normalized net operating income, Profit before provisions



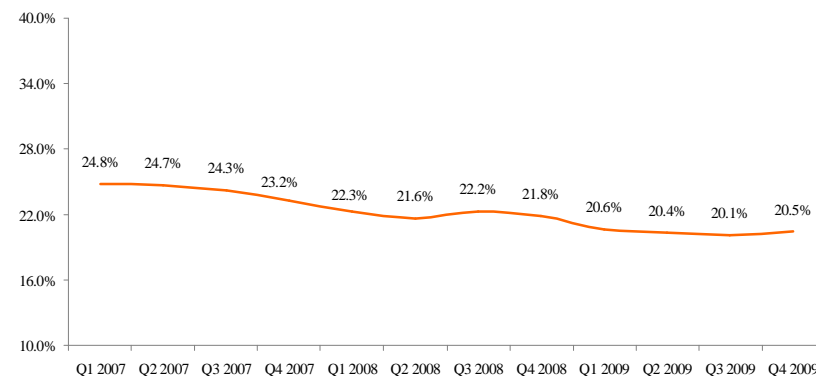
*Normalized for recurring costs

NIM & loan yields

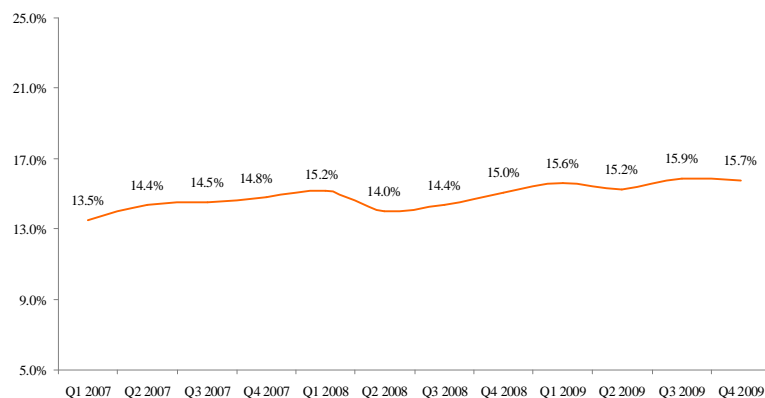
Net Interest Margin (annualized)



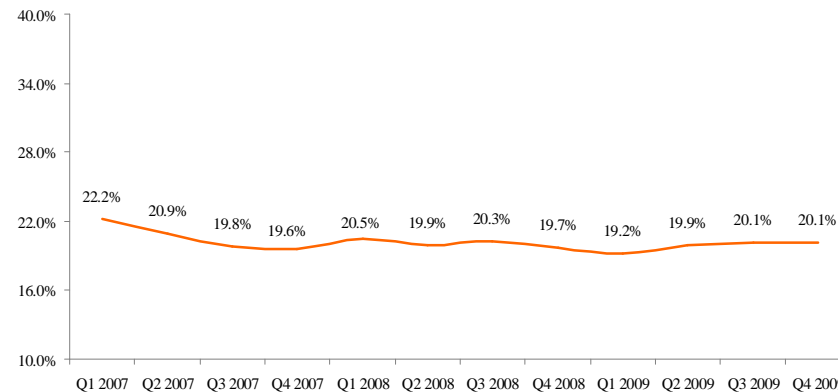
**RB & WM loan yield (annualized)
(Adjusted for provisions)**



**CB loan yield (annualized)
(Adjusted for provisions)**

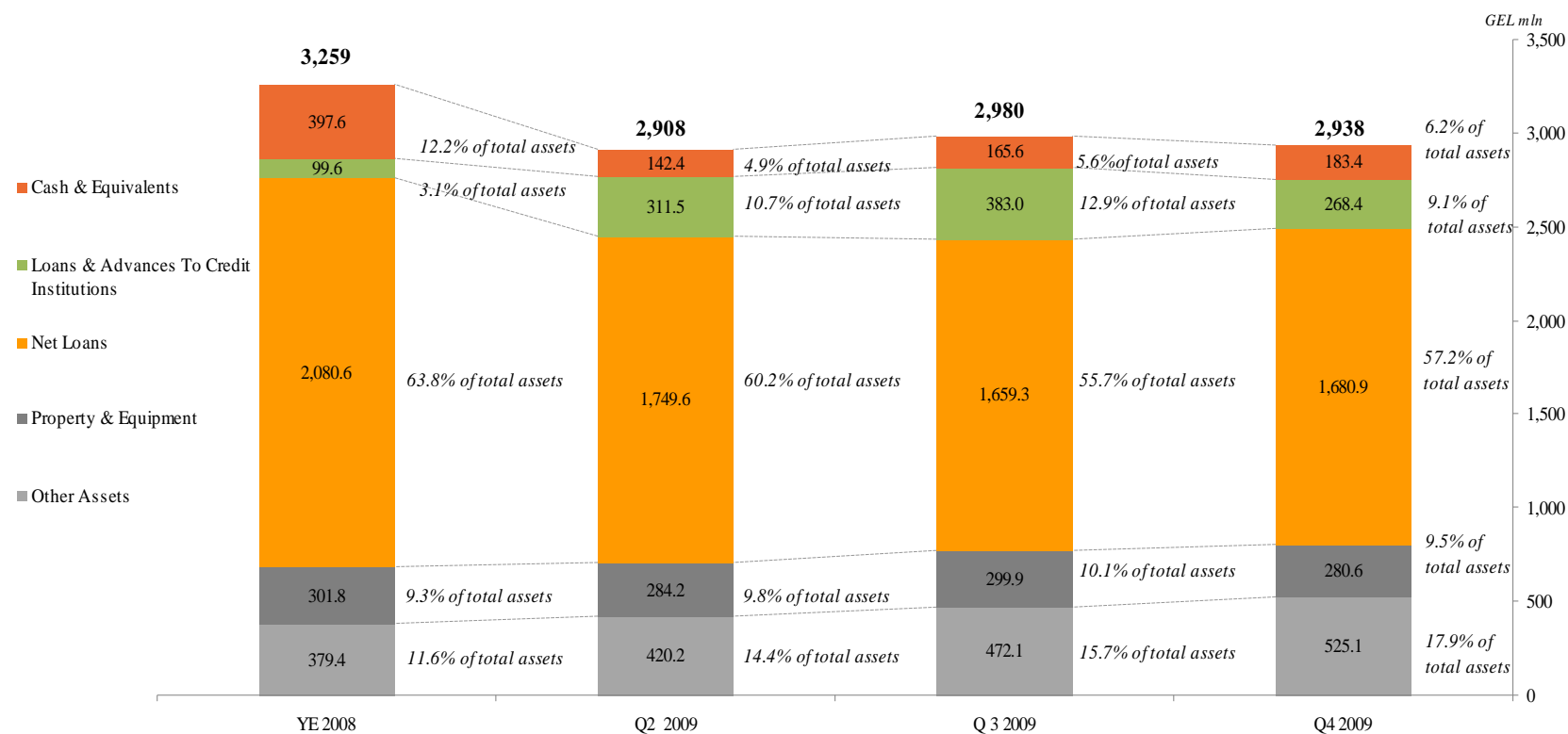


**Blended loan yield (annualized)*
(Adjusted for provisions)**



* Based on consolidated data, including Corporate Center where all loan recoveries are allocated

Composition of assets as at 31 December 2009

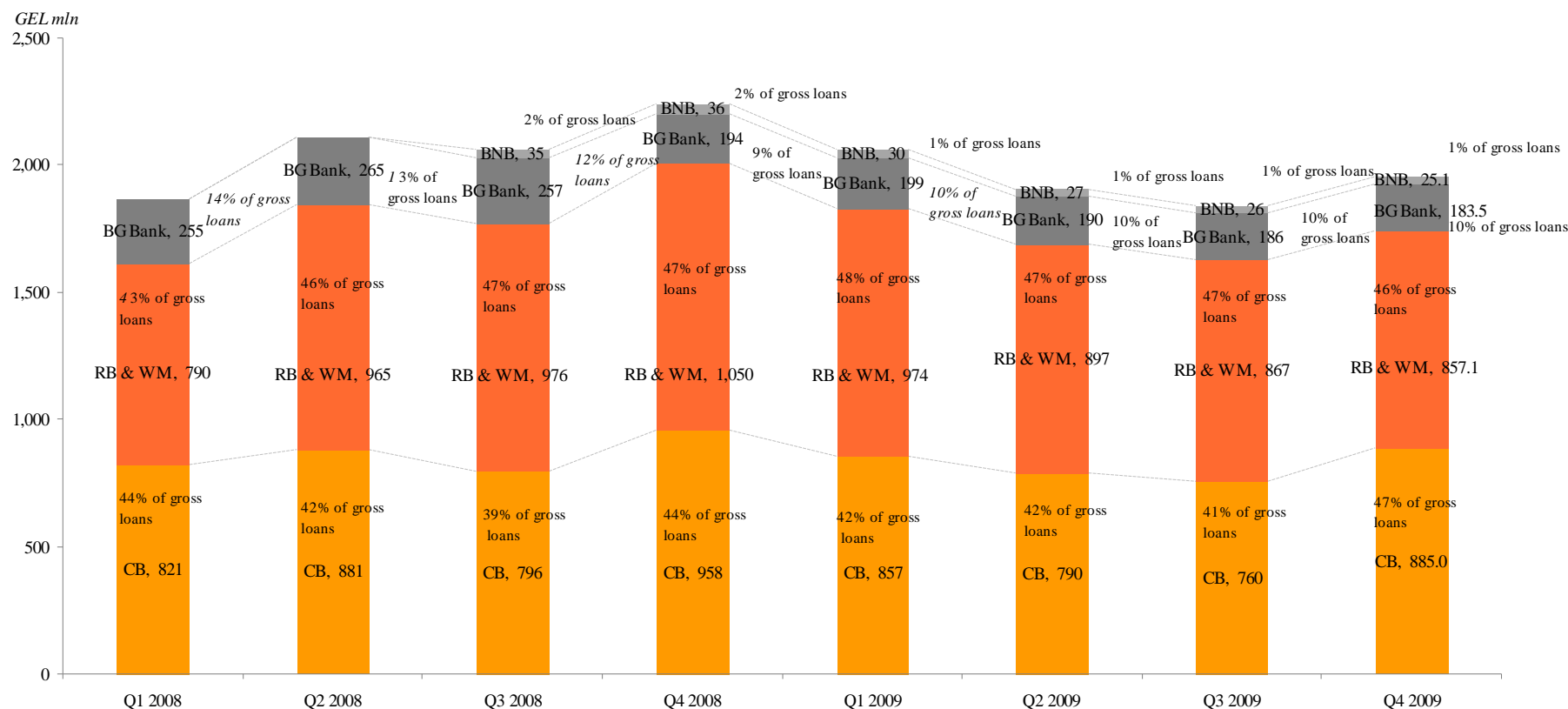


GEL million	YE 2008	30-Jun-09	30-Sep-09	31-Dec-09
Available-For-Sale & Trading Securities	33.7	28.4	30.0	21.9
Treasuries And Equivalents	8.3	-	36.6	249.2
Other Fixed Income Instruments	14.6	59.1	67.1	-
Insurance Related Assets	42.0	47.4	45.6	25.9
Investments In Other Business Entities & Investment Property	64.0	80.9	75.4	86.2
Intangible Assets Owned & Goodwill	152.5	147.2	147.9	85.9
Tax Assets, Current And Deferred	12.8	8.3	12.9	22.0
Prepayments And Other Assets	51.5	48.9	56.6	34.0
Other Assets	379.4	420.2	472.1	525.1

Note: Net loans include Net finance lease receivables

Composition of gross loan book as at 31 December 2009

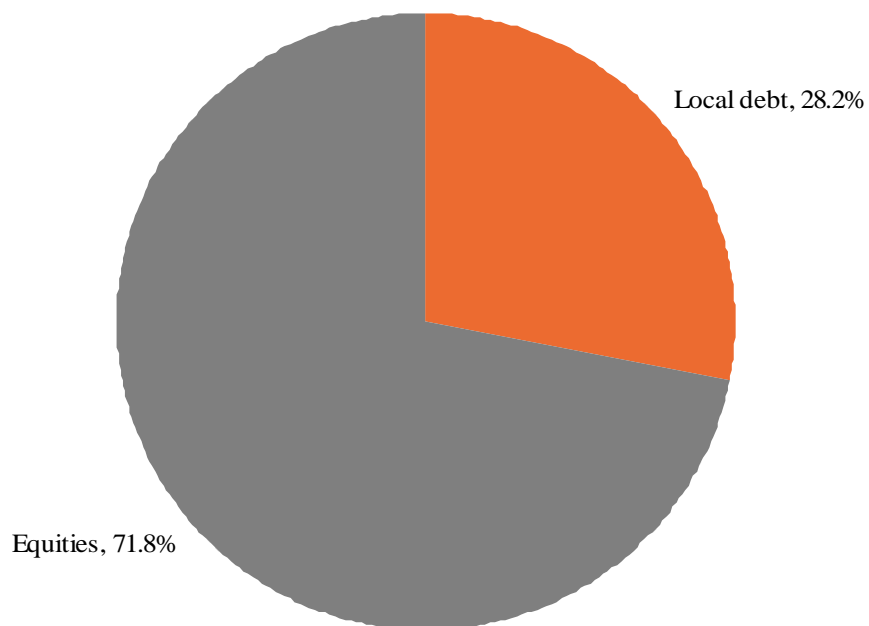
Georgia: RB & WM, CB
 Ukraine: BG Bank
 Belarus: BNB



Gross loan book Q4 2009: GEL 1,864.2 million

Securities portfolio as at 31 December 2009

*Breakdown of securities portfolio,
31 December 2009*



Total securities portfolio: GEL 22 million

Breakdown of securities investments

GEL '000s	Debt	Equity	Total
BG Capital	-	2,564	2,564
LC	-	8,725	8,725
BG Bank (Ukraine)	6,172	-	6,172
BNB (Belarus)	-	-	-
Other	-	4,458	4,458
Total	6,172	15,747	21,919

Liabilities breakdown as at 31 December 2009

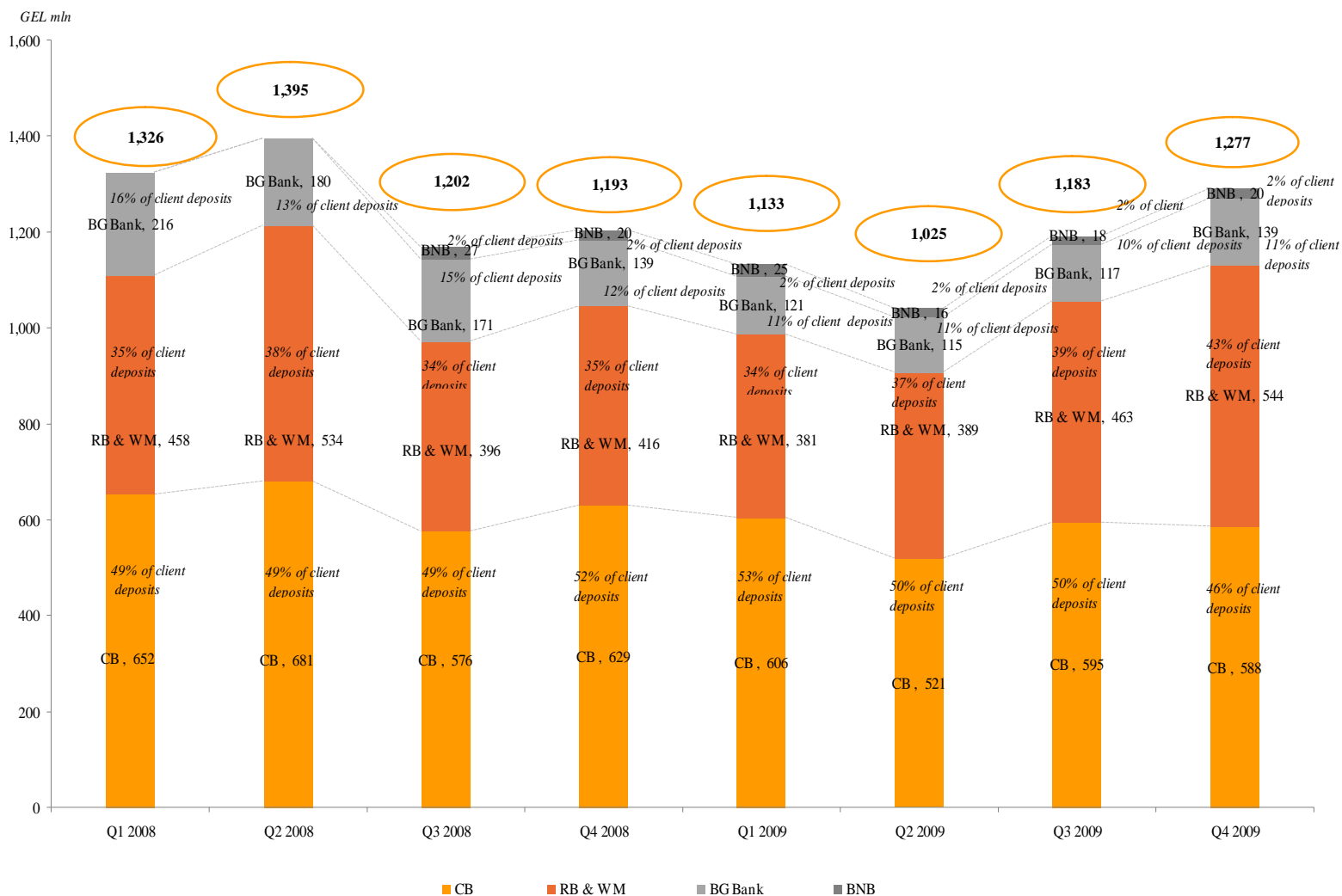


	YE 2008	Q2 09	Q3 09	Q4 09
Issued Fixed Income Securities	-	0.2	0.7	0.7
Insurance Related Liabilities	55.4	59.7	52.2	33.4
Tax Liabilities, Current And Deferred	24.4	19.4	22.8	26.3
Accruals And Other Liabilities	50.4	40.9	41.4	49.7
Other liabilities	130.2	120.2	117.1	110.1

Total liabilities 31 December 2009: GEL 2,344.1 million

Client deposits breakdown

Georgia: RB & WM, CB
 Ukraine: BG Bank
 Belarus: BNB



Client deposits Q4 2009: GEL 1,276.7 million

Note: RB & WM client deposits include deposits at BG Capital



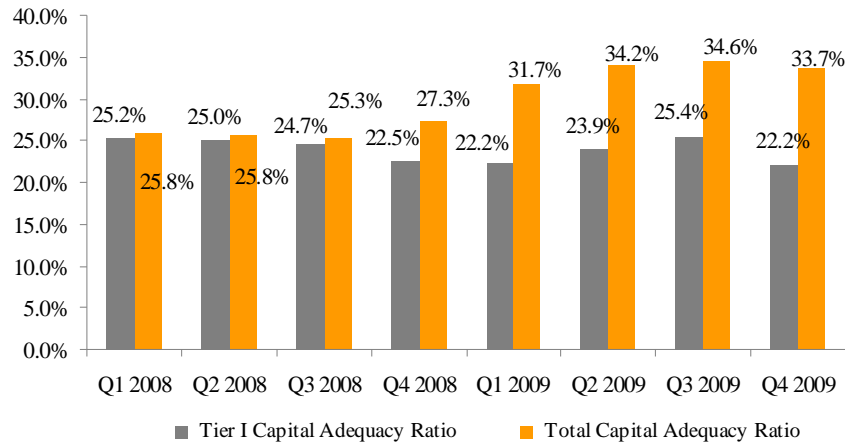
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Capital adequacy & wholesale funding

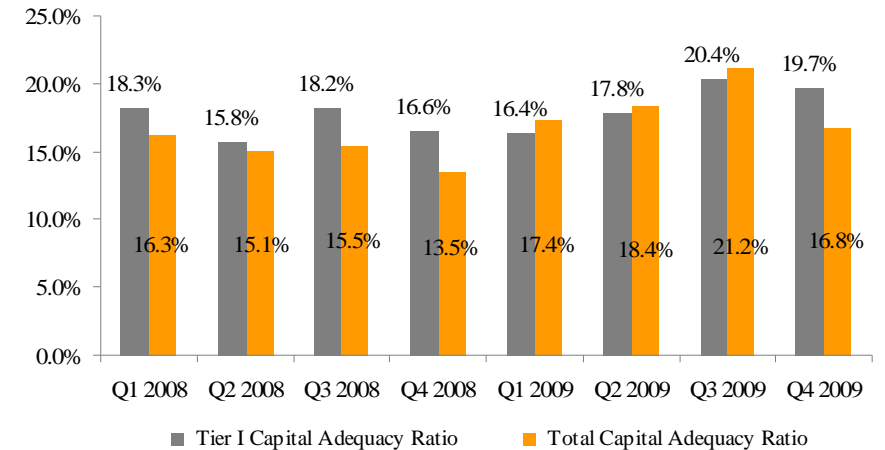
February 2010

Capital adequacy

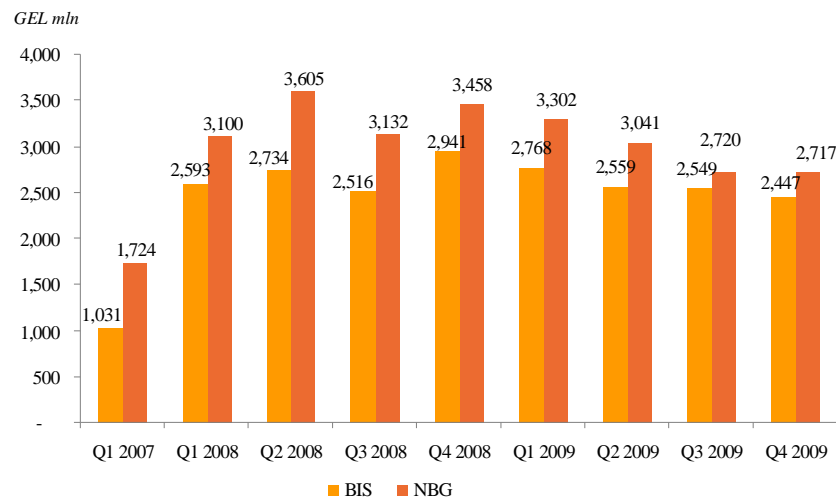
BIS capital adequacy ratios, BoG consolidated



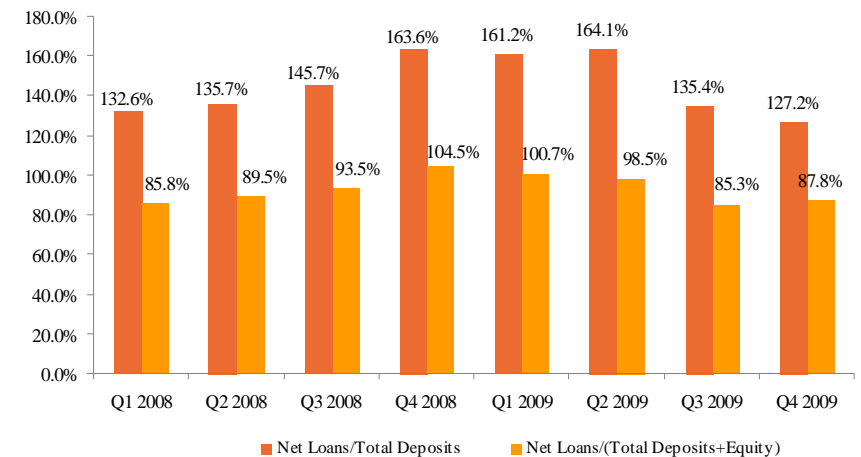
NBG capital adequacy ratios, BoG standalone



Risk-weighted assets BIS vs. NBG



Net loans/deposits & loans/(deposits+equity), BoG consolidated



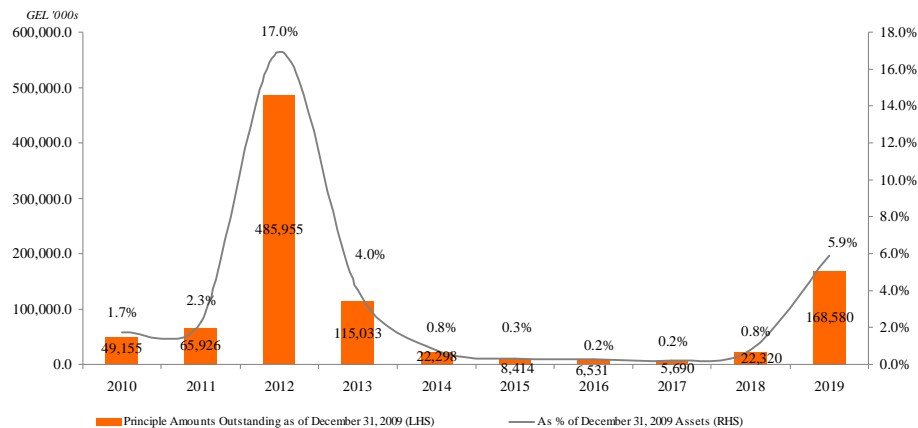
International borrowings

Selected international loans

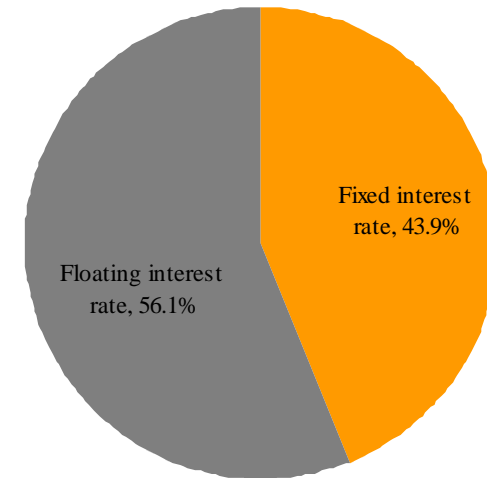
Key Lenders	Principle Amount Outstanding as at 31 December 2009	Maturity
Syndicated Loan arranged by Citi and ADB, 3rd Tranche	US\$ 16.7 million	2010
Eurobonds	US\$ 200.0 million	2012
Senior Term Loan from FMO	US\$ 10.3 million	2014
Senior Term Loan from WorldBusiness Capital	US\$ 6.7 million	2016
Subordinated Loan from HBK Investments (Call in 2012)	US\$ 15.0 million	2017
Subordinated Loan from Merrill Lynch (Call in 2012)	US\$ 35.0 million	2017
Senior Term Loan from WorldBusiness Capital (GLC)	US\$ 4.7 million	2017
Subordinated loan from FMO and DEG (Call in 2013)	US\$ 30.0 million	2018
Senior Loan from OPIC	US\$ 29.0 million	2018
Subordinated Loan from OPIC	US\$ 10.0 million	2018
Senior Term Loan from IFC	US\$ 50.0 million	2013
Senior Term Loan from EBRD	US\$ 50.0 million	2014
Subordinated Loan from IFC	US\$ 24.0 million	2019
Subordinated Loan from EBRD	US\$ 24.0 million	2019
Convertible Loan from IFC	US\$ 26.0 million	2019
Convertible Loan from EBRD	US\$ 26.0 million	2019
Other, USD denominated	US\$ 4.8 million	NMF
Other, EUR denominated	EUR 1.3 million	NMF
Total	US\$ 563.5 million	2010

Note: Depicts final maturity dates
Excluding credit lines as part of documentary business

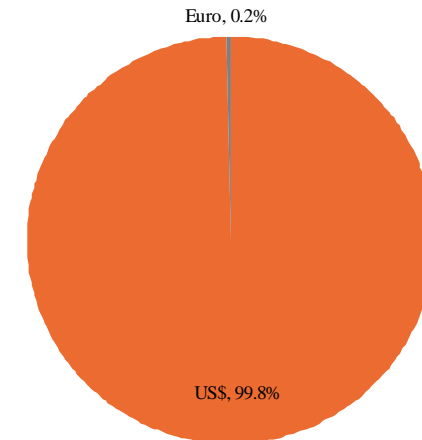
International borrowings repayment schedule



International borrowings - fixed vs. floating rates, 31 December 2009



International borrowings by currencies, 31 December 2009



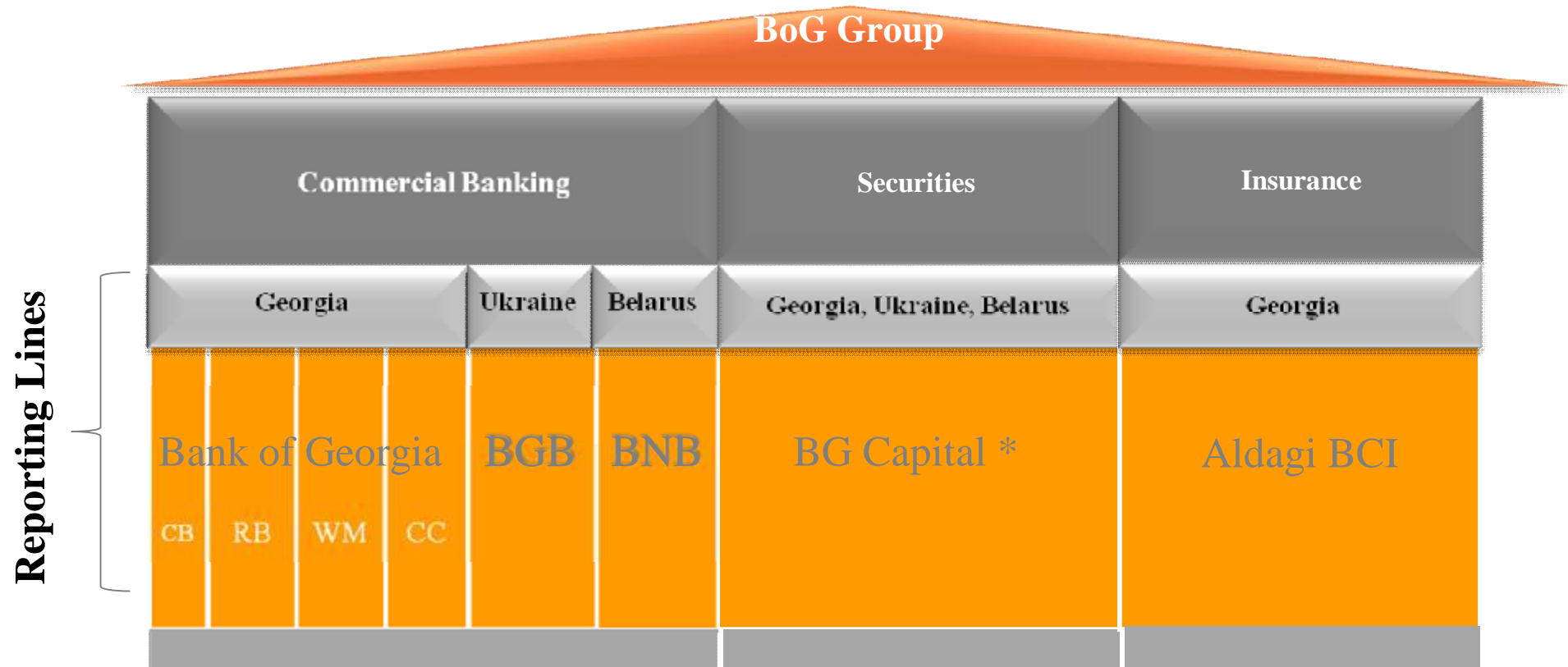


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Business overview

February 2010

Group structure



* Formerly Galt & Taggart Securities

Note: Following the sale of GTAM, its asset management arm, BoG owns approximately 65% of Liberty Consumer, which in turn owns approximately 52% of SBRE. Both Liberty Consumer and SBRE are fully consolidated in BoG financials



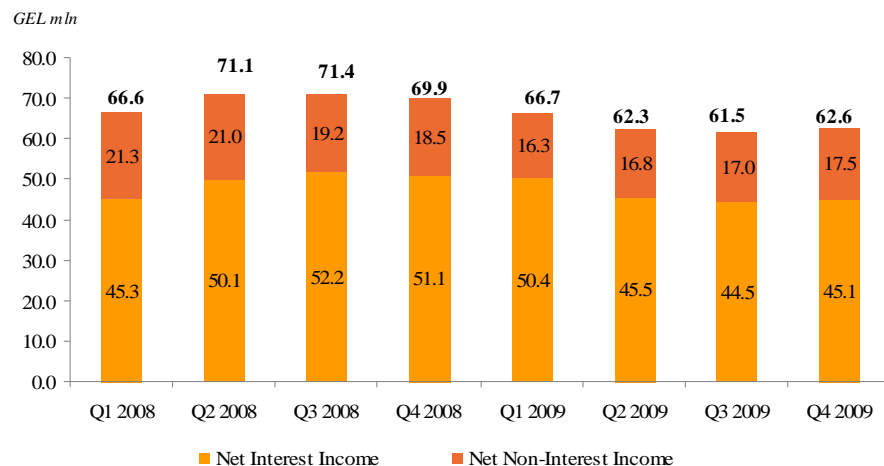
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BoG standalone results overview

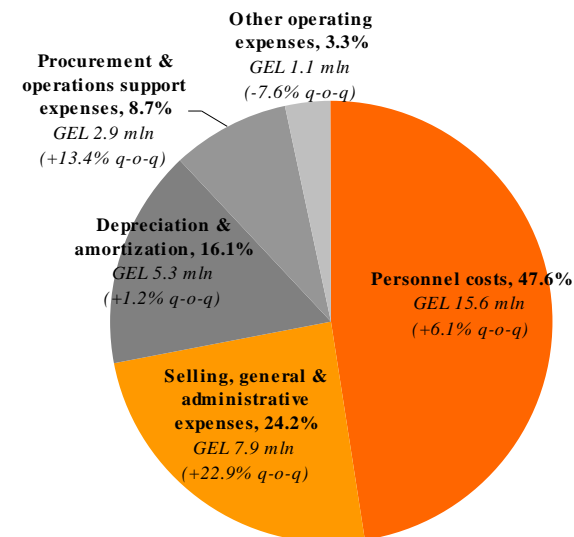
February 2010

BoG standalone performance

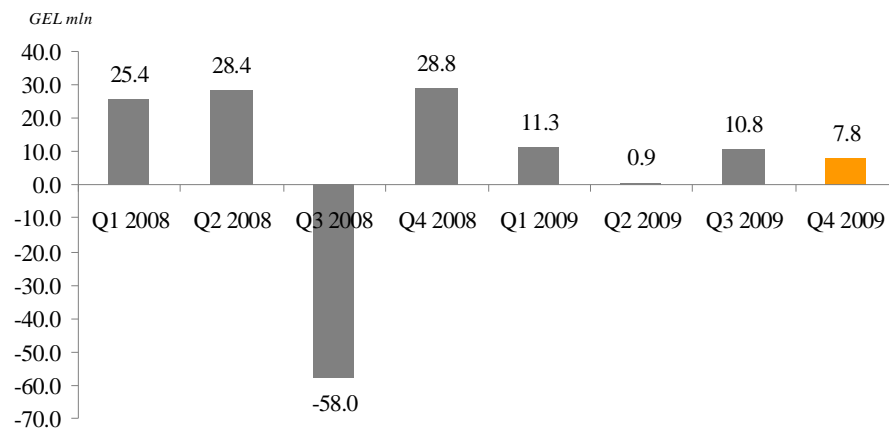
Revenue performance



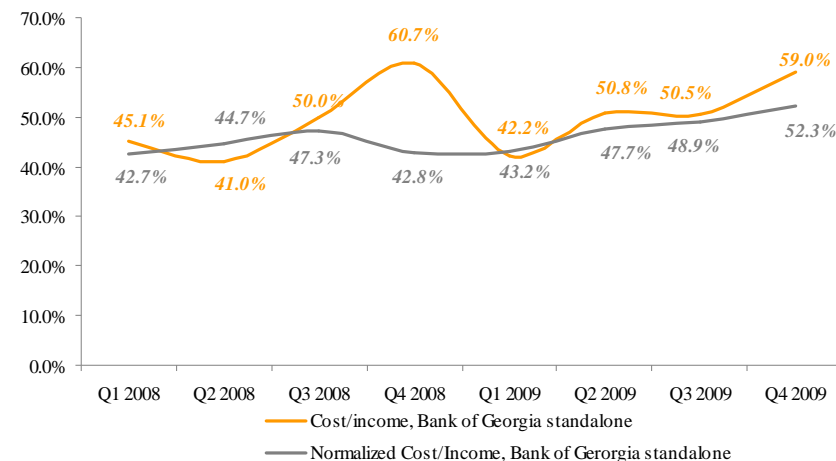
Recurring operating cost structure, Q4 2009



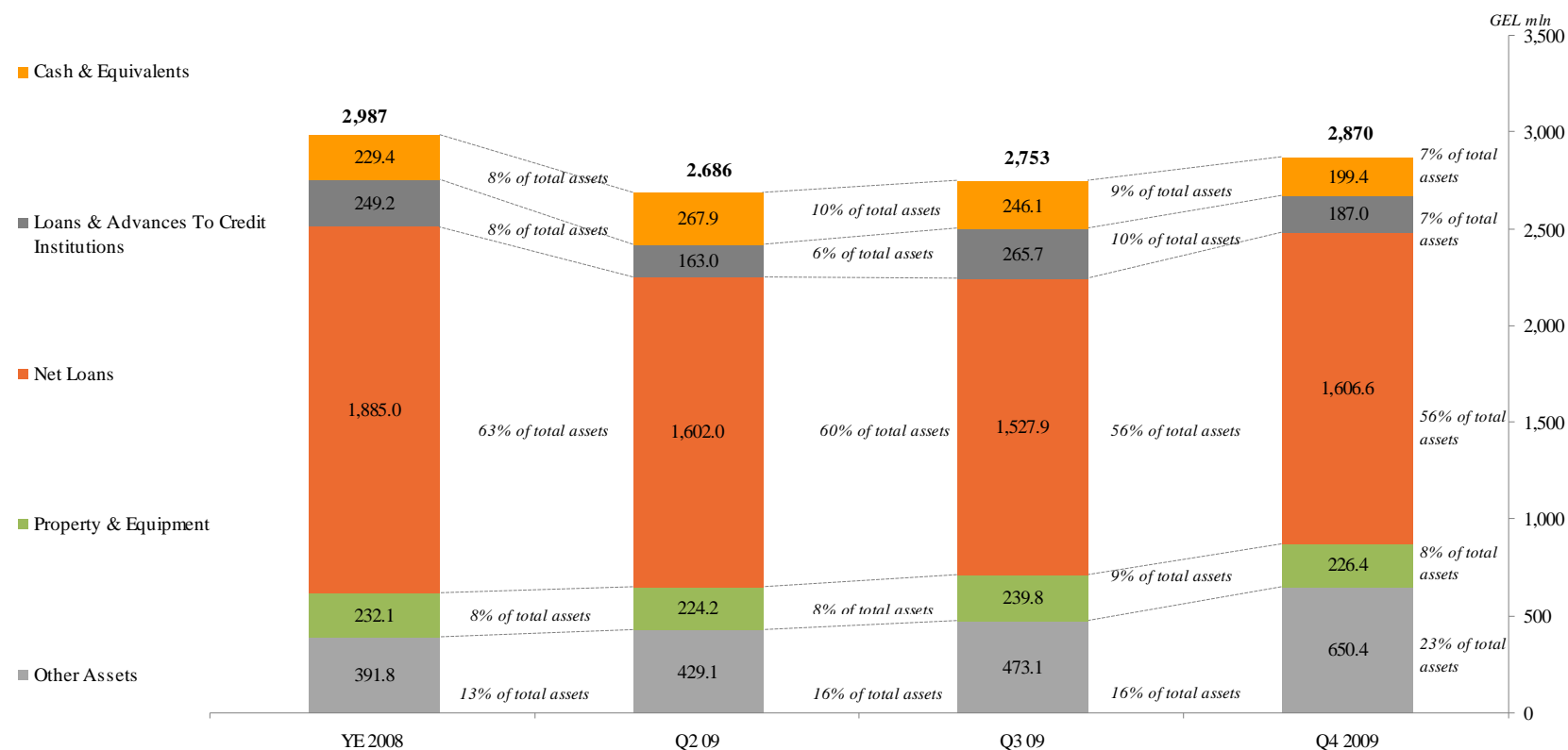
Net income



Cost/Income Ratio



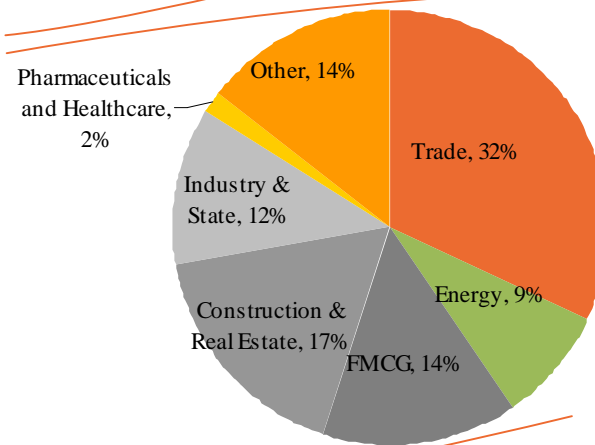
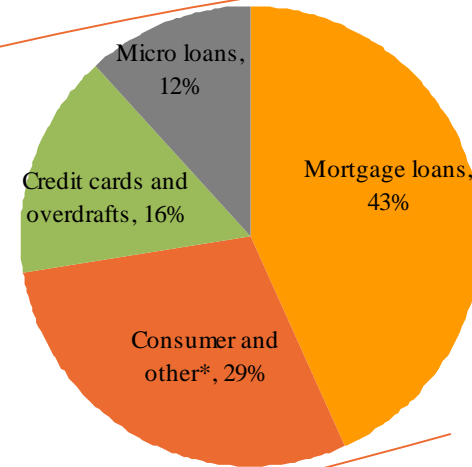
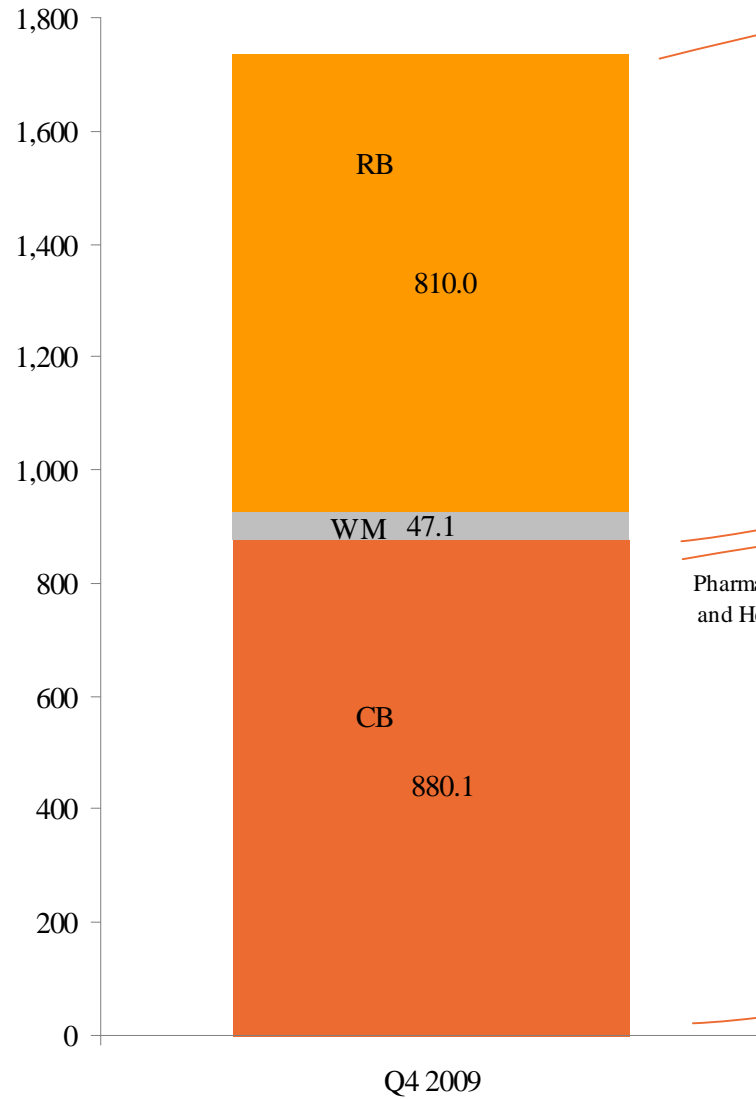
Composition of assets as at 31 December 2009



GEL million	YE 2008	Q2 09	Q3 09	Q4 09
Treasuries And Equivalents	8.3	0.0	36.6	249.2
Other Fixed Income Instruments	14.6	57.3	65.6	0.0
Investments In Other Business Entities, Net	295.3	314.5	304.4	334.0
Intangible Assets Owned, Net	13.4	7.3	6.5	15.2
Goodwill	22.7	22.8	23.2	22.7
Tax Assets, Current And Deferred	6.6	0.0	0.0	6.1
Prepayments And Other Assets	30.9	27.2	36.8	23.2
Other assets	391.8	429.1	473.1	650.4

Analysis of the loan book

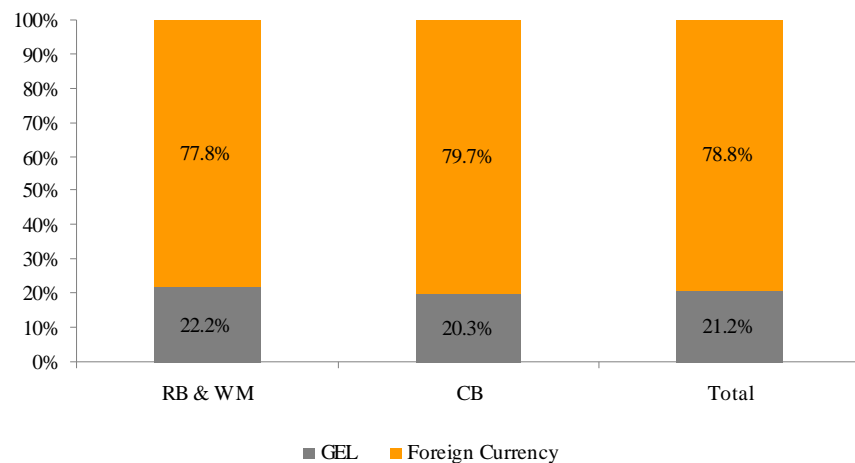
GEL mln



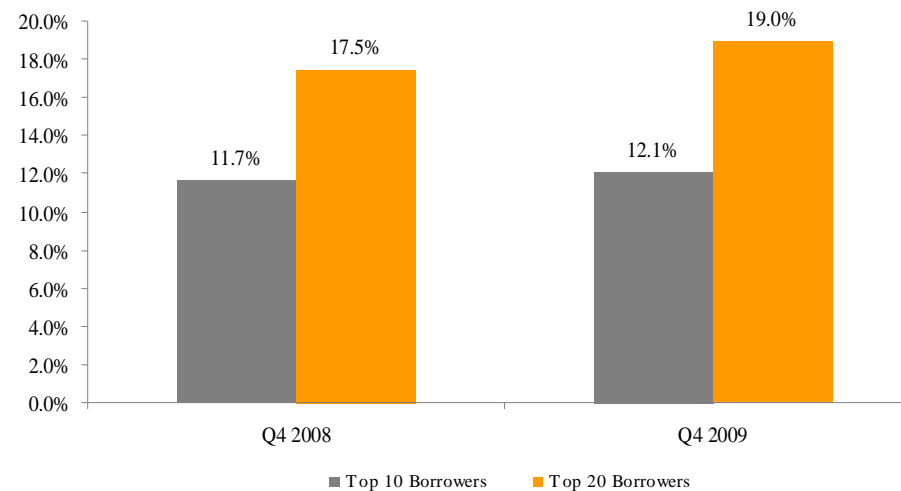
* Other loans include car, POS and legacy retail loans

Analysis of the loan book

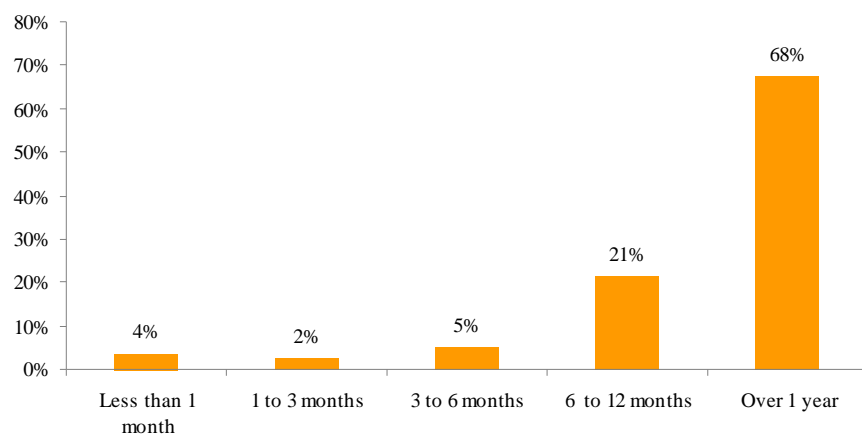
Loans by currency, 31 December 2009



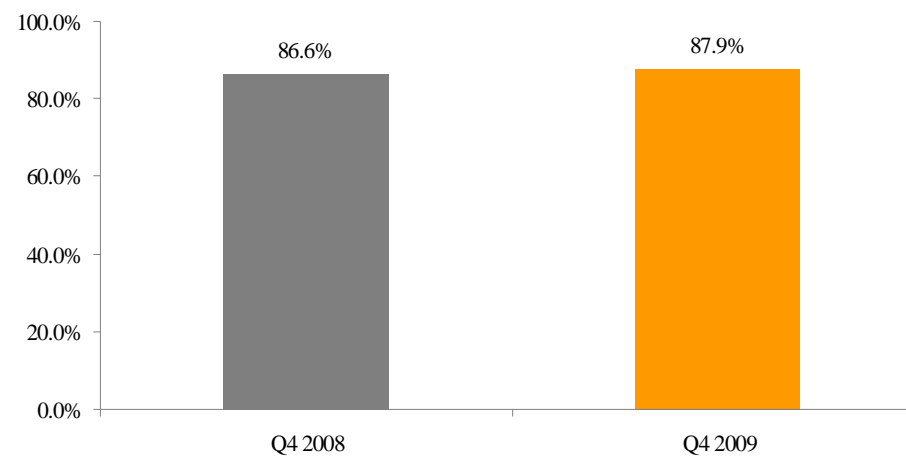
Loan concentration



Loans by maturity, 31 December 2009

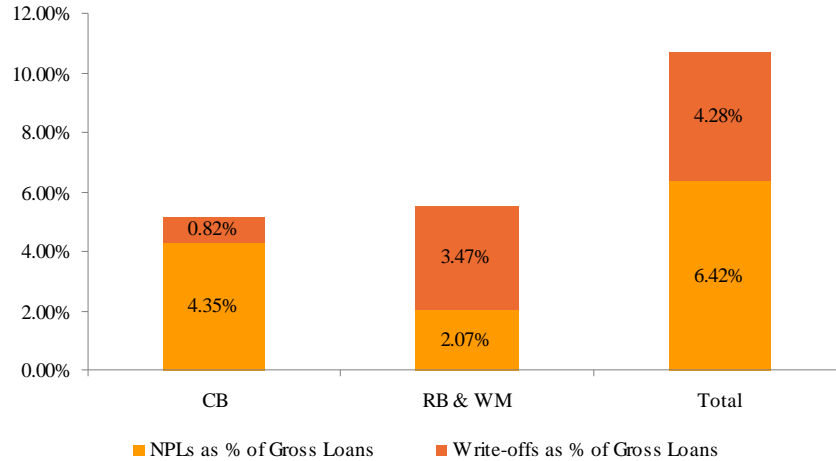


Loan book collateralization

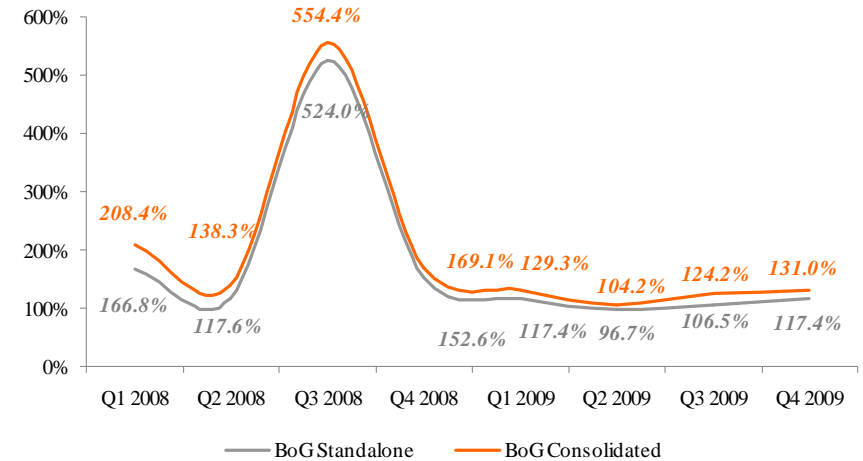


Provisioning policy

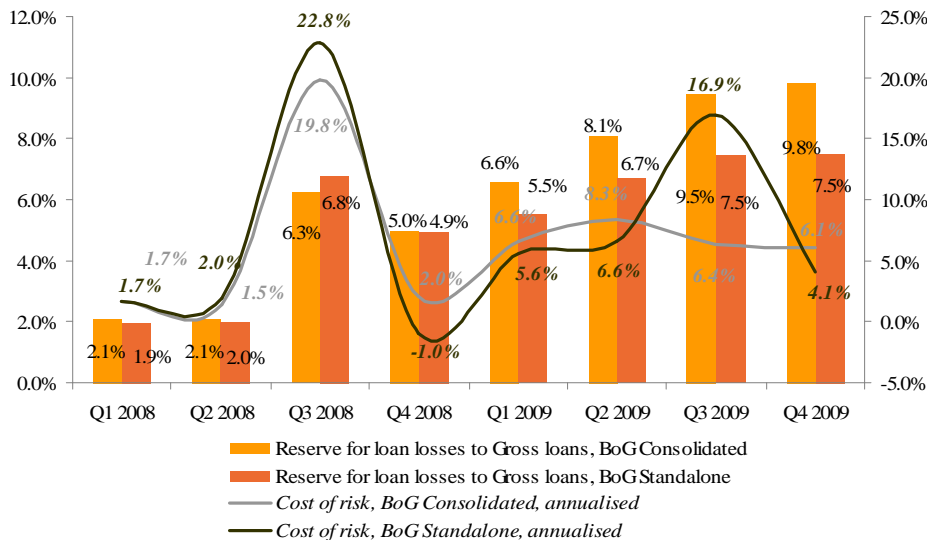
NPLs & write-offs, 31 December 2009



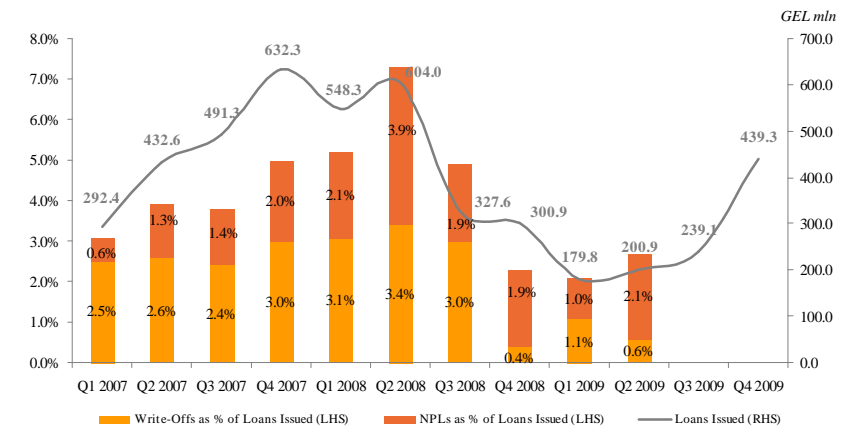
NPL coverage ratio



Reserve for loan losses to gross loans

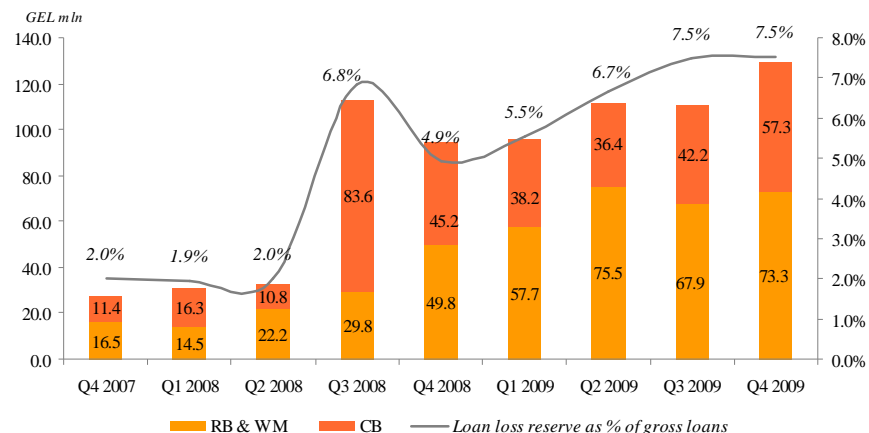


Impairment seasoning, Q4 2009

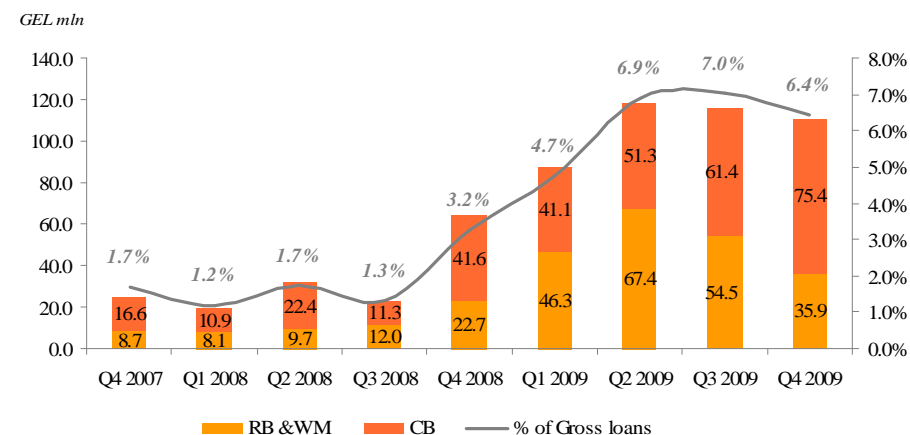


Provisioning policy cont'd – BoG standalone

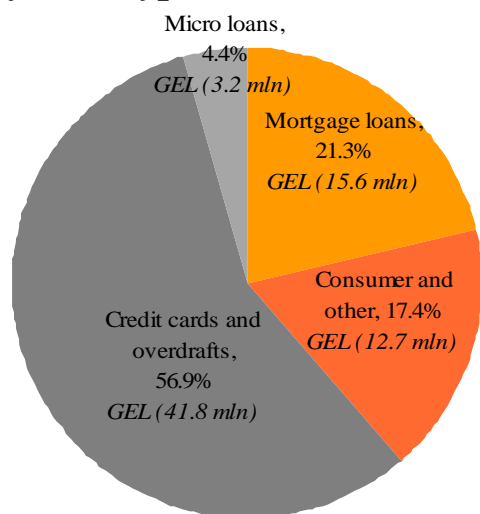
Loan loss reserve, 31 December 2009



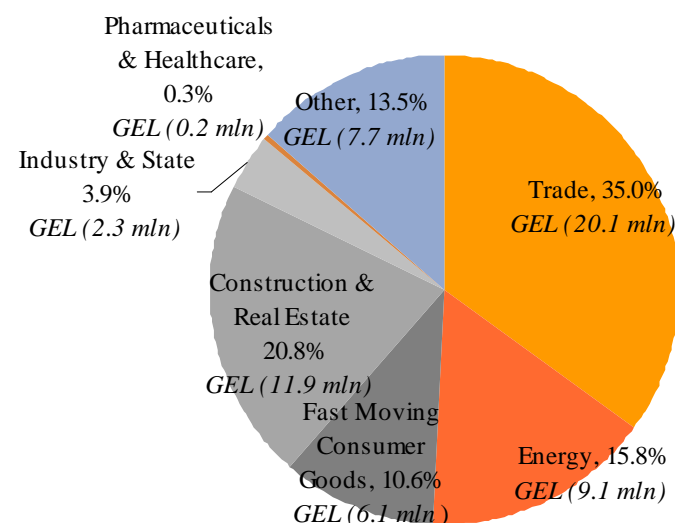
NPLs, 31 December 2009



RB & WM loan loss reserve breakdown by loan type, 31 December 2009



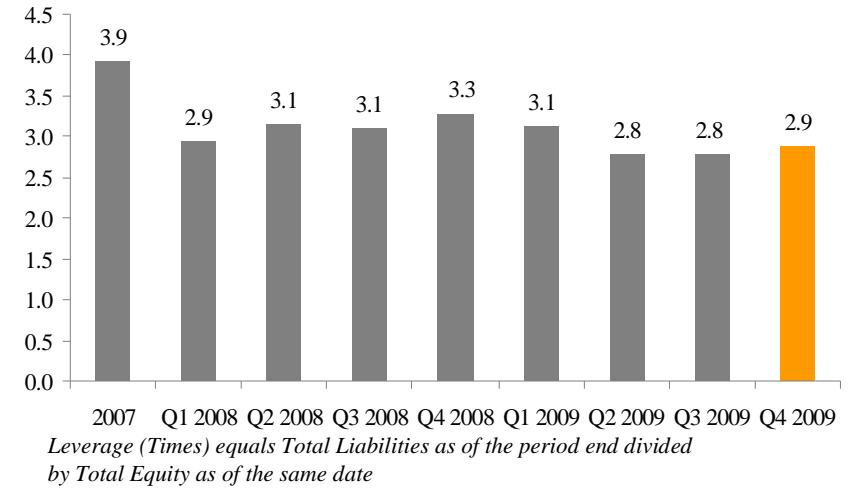
CB loan loss reserve breakdown by loan type, 31 December 2009



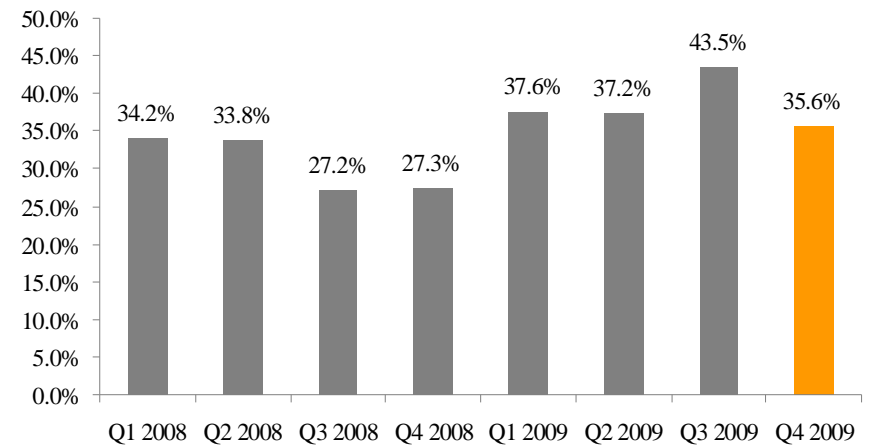
BoG standalone liabilities



Leverage ratio, BoG standalone



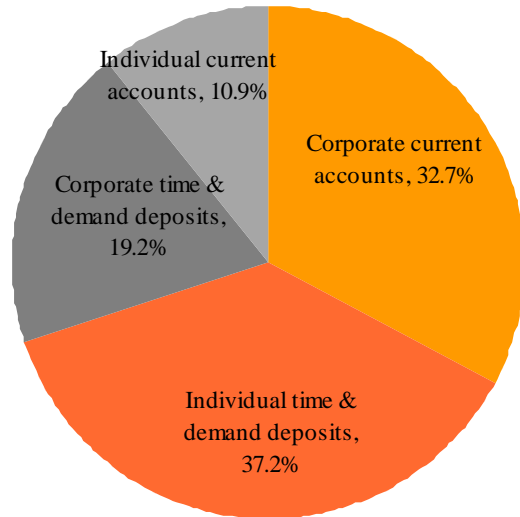
Liquidity ratio, BoG standalone



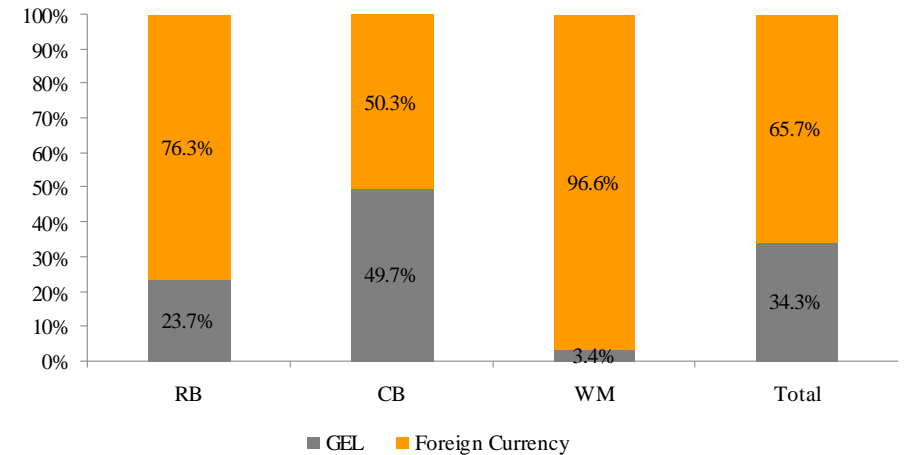
Liquidity ratio is calculated by dividing liquid assets by Total liabilities

Analysis of deposits

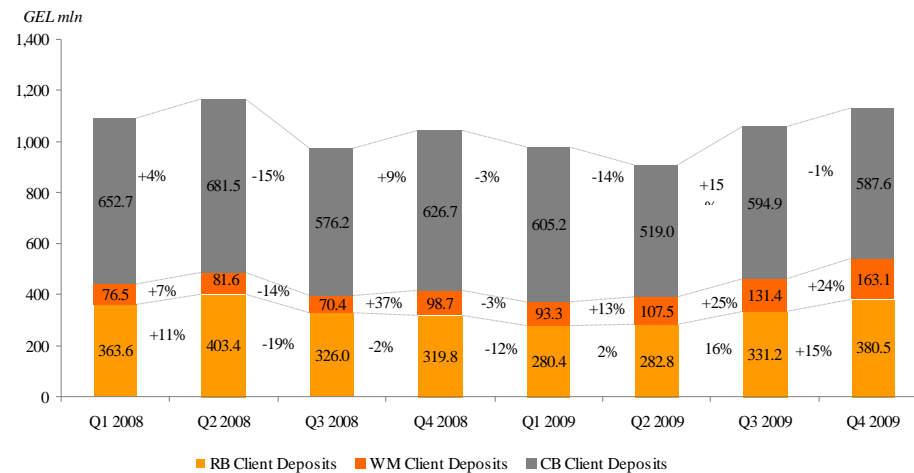
Client deposit breakdown, 31 December 2009



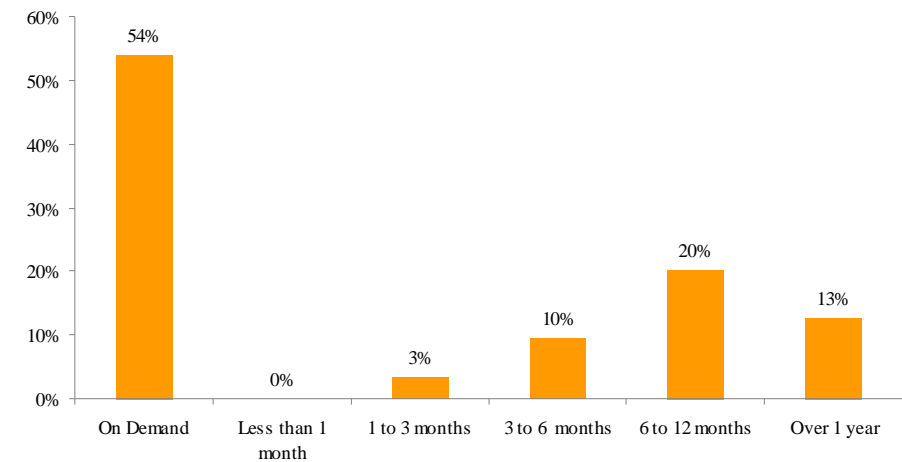
Client deposits by currency, 31 December 2009



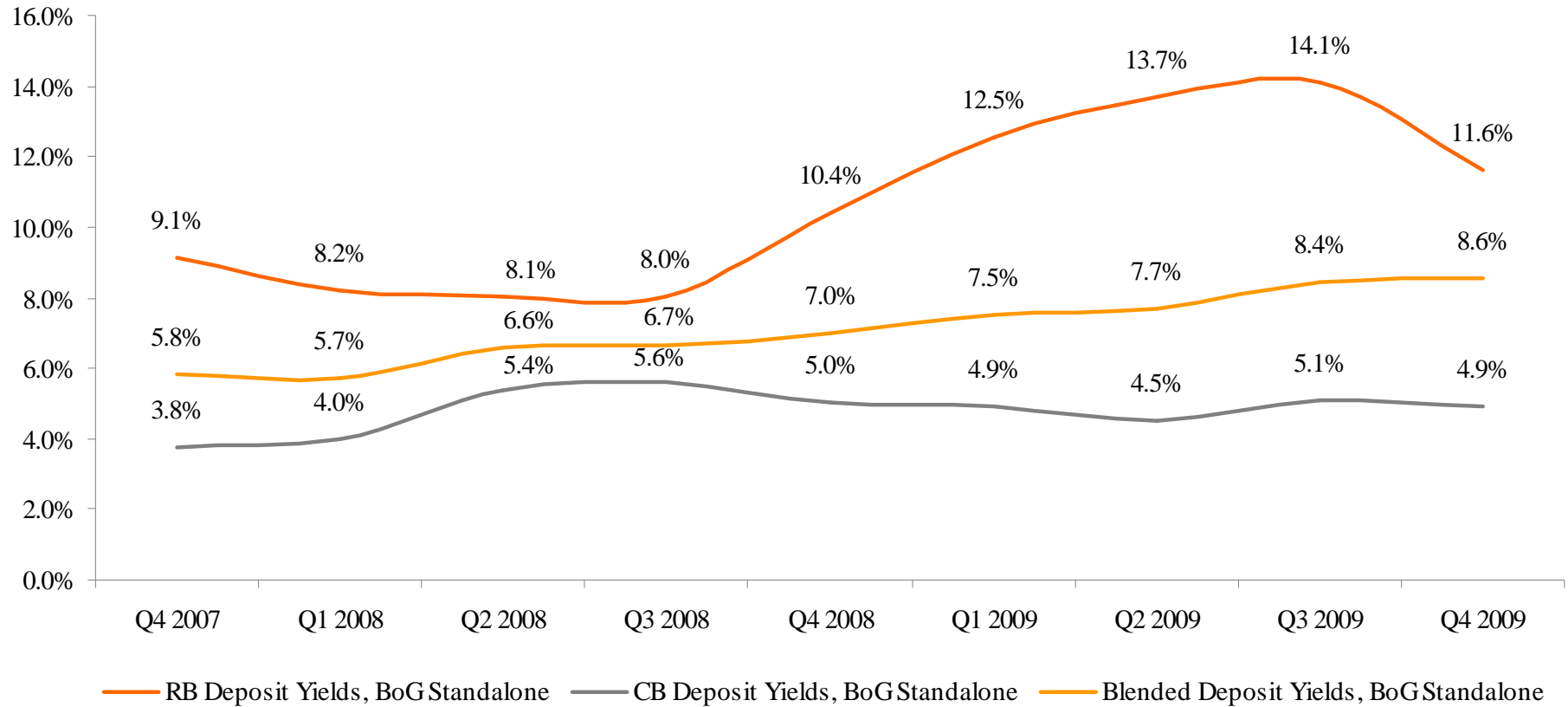
CB, RB & WM deposits, BoG standalone



Deposits by maturity, 31 December 2009

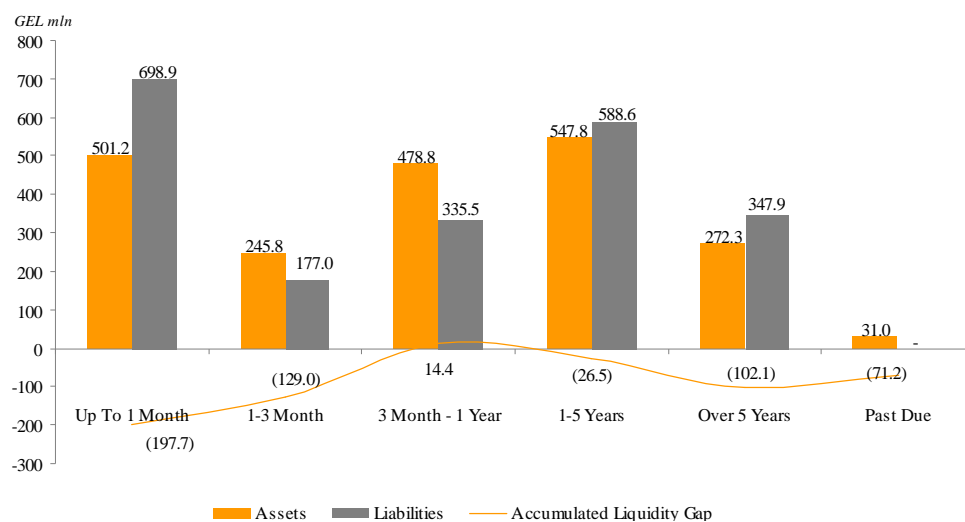


Deposit yields

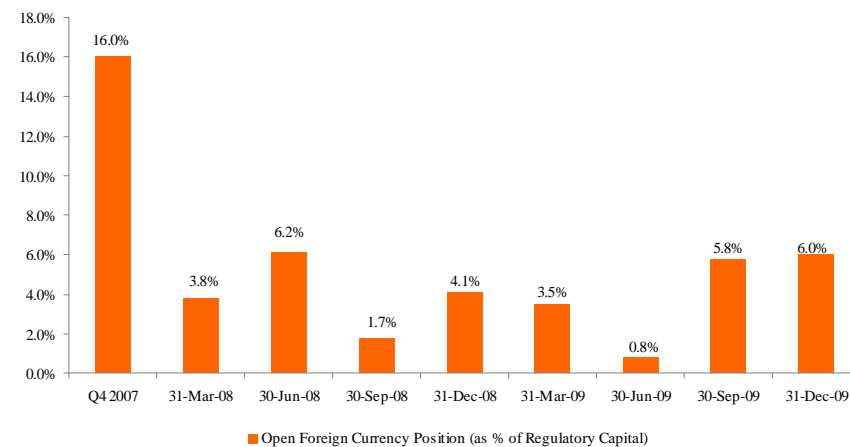


Risk management

Liquidity risk management, Q4 2009



Currency risk management, Q4 2009



Corporate banking

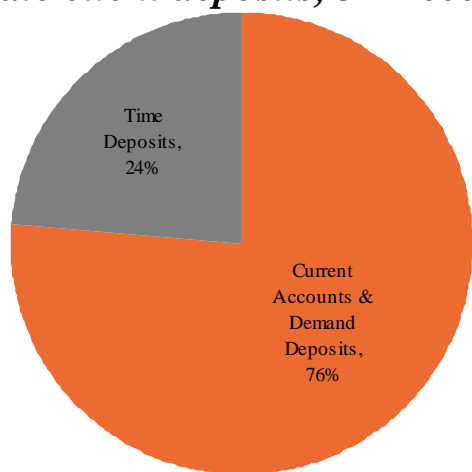
Integrated client coverage in the following key sectors

- Construction & Real Estate
- Energy
- Fast Moving Consumer Goods
- Financial Institutions
- Foreign Organizations & Diplomatic Missions
- Pharmaceuticals & Healthcare
- Retail & Wholesale Trade
- State & Industry
- Telecommunications, Media & Technology
- Transport & Logistics
- SME

Overview

- No.1 corporate bank in Georgia
- Circa 37.9% market share based on customer deposits⁽¹⁾
- Circa 29.6% market share based on corporate loans⁽²⁾
- Integrated client coverage in key sectors
- 82,000+ clients of which 8,840 served by dedicated relationship bankers
- Circa 47% market share in trade finance and documentary operations⁽²⁾
- Second largest leasing company in Georgia⁽²⁾ – Georgian Leasing Company (GLC)
- Increased the number of corporate clients using the Bank’s payroll services from 1,035 at 31 December 2008 to 1,424 in Q4 2009
- Approximately 2,827 legal entities opened accounts at the bank in Q4 2009, bringing the total number of current accounts to 153,576

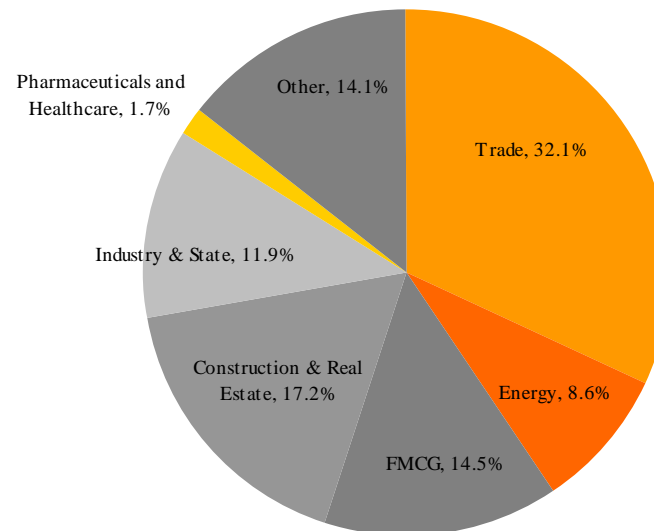
Corporate client deposits, 31 December 2009



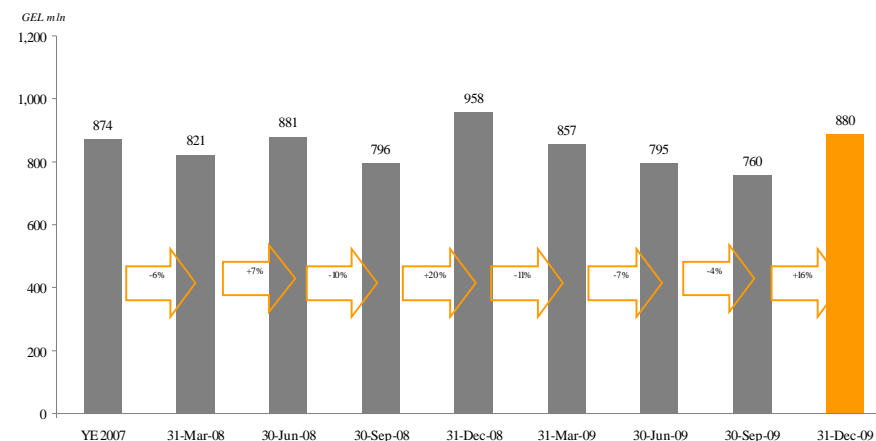
Notes:

- **Total corporate deposits: GEL 588 mln**
- (1) As of September 2009, source: National Bank of Georgia, does not include interbank deposits
- (2) Management estimates (based on the NBG data)

Corporate loan portfolio, 31 December 2009

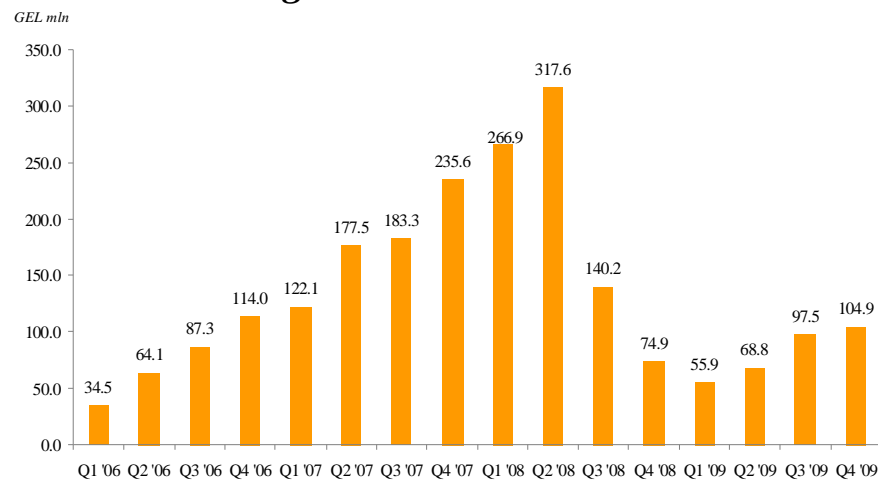


Corporate gross loan portfolio growth



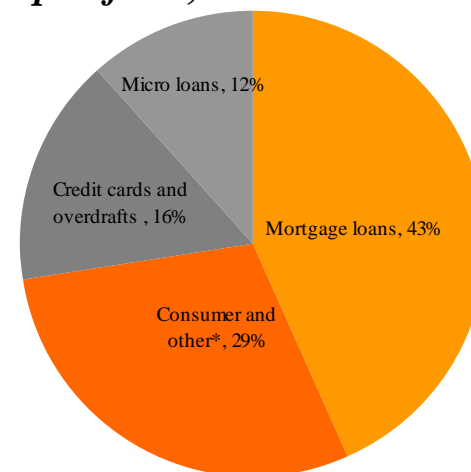
Retail Banking – No. 1 retail bank in Georgia

Retail loans originated



(1) Monthly average

RB loan portfolio, 31 December 2009



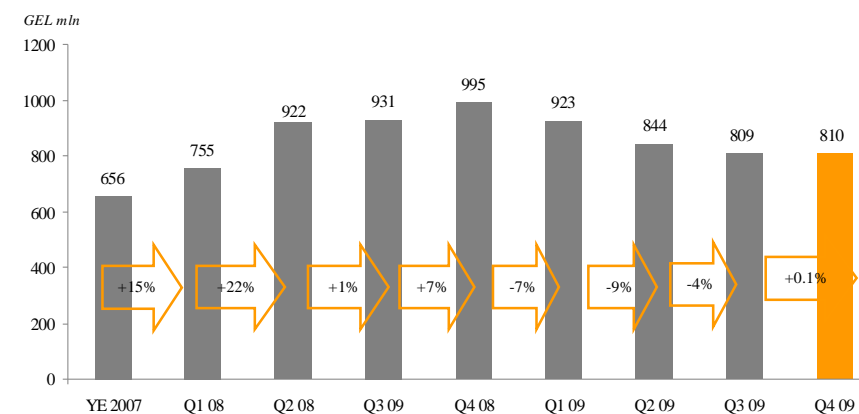
Total retail loans: GEL 857 mln

Note: does not include Ukraine & Belarus

Leadership in consumer lending

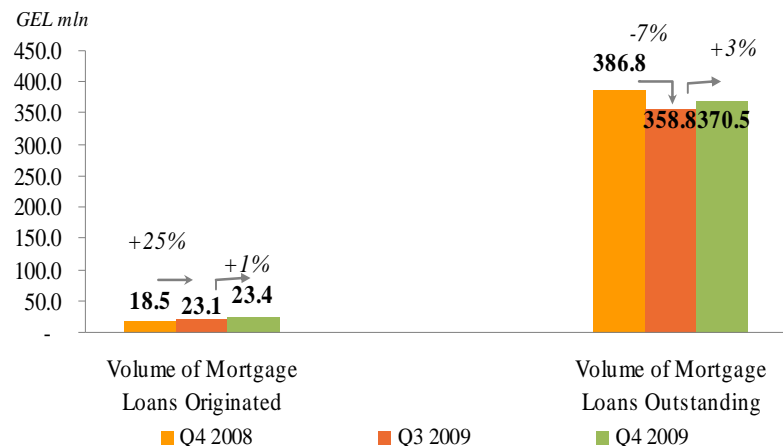
	YE 2007	YE 2008	YE 2009
Number of Consumer Loans Outstanding*	50,120	67,252	48,614
• Volume of Consumer Loans Outstanding (GEL mln)*	119.6	166.6	114.0
• Credit Cards Outstanding	108,616	164,938	79,318

Retail gross loan portfolio growth

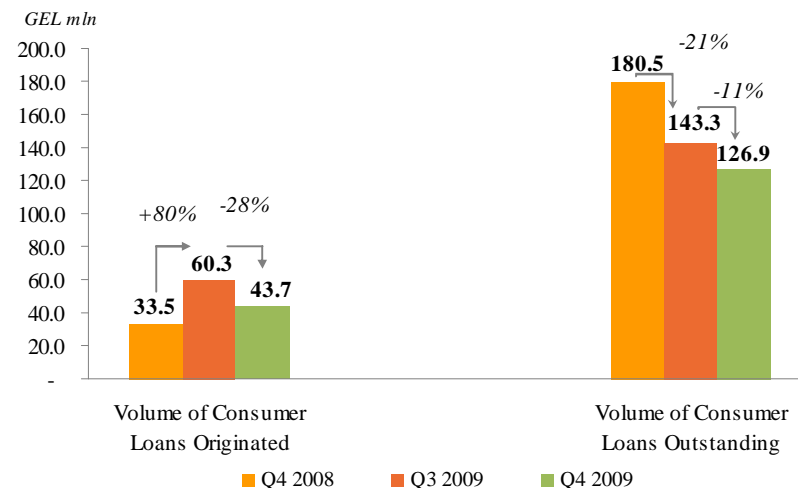


Loan origination

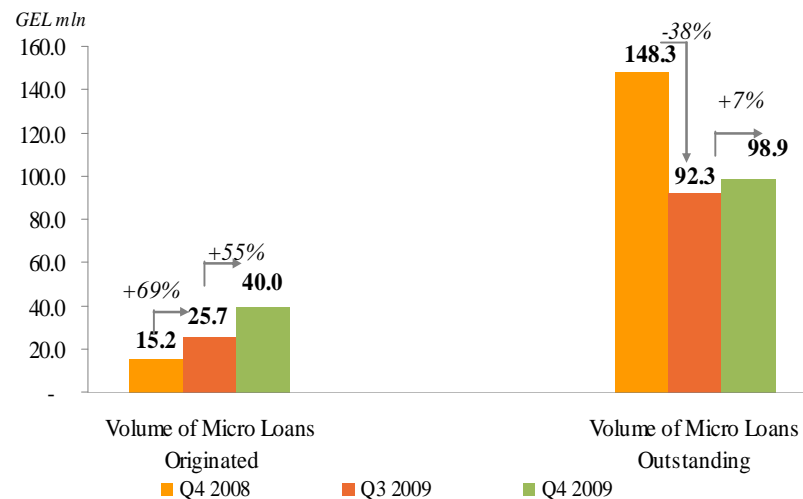
Mortgage loans (RB & WM)



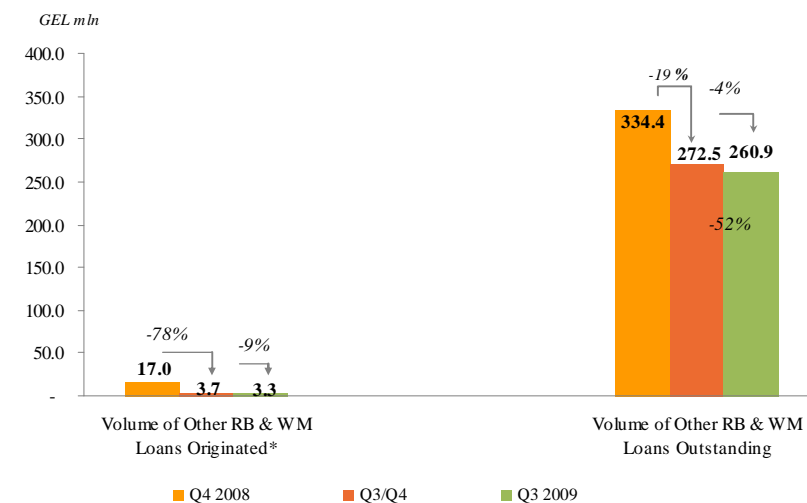
Consumer loans (RB & WM)



Micro loans (RB & WM)

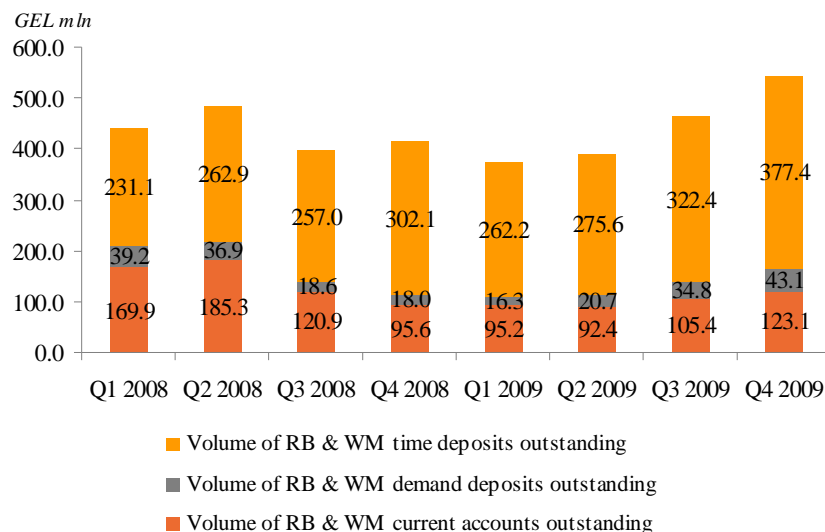


Other RB & WM loans

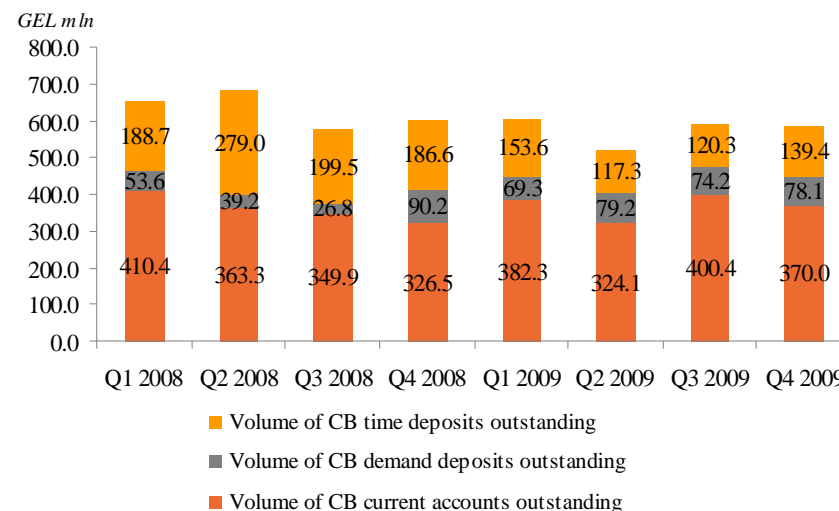


Deposit origination

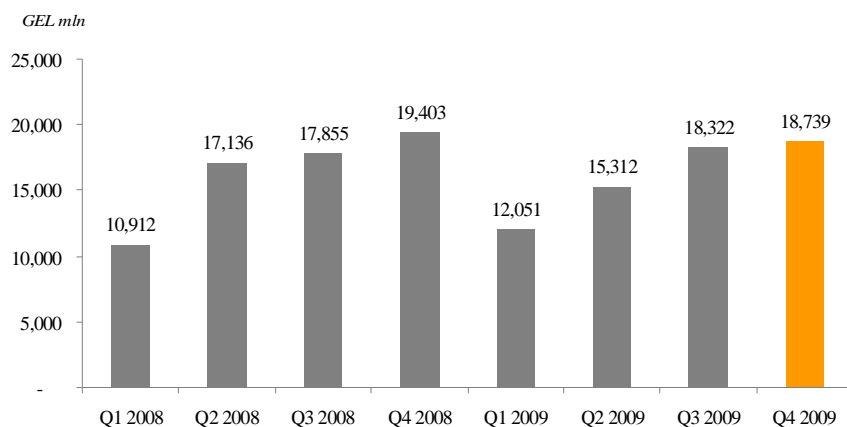
Volume of deposits outstanding (RB & WM)



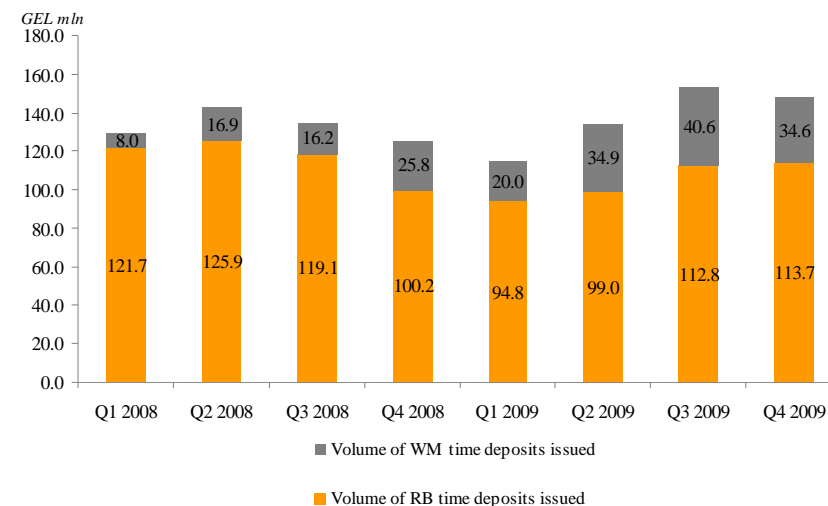
Volume of deposits outstanding (CB)



Number of RB & WM time deposits issued

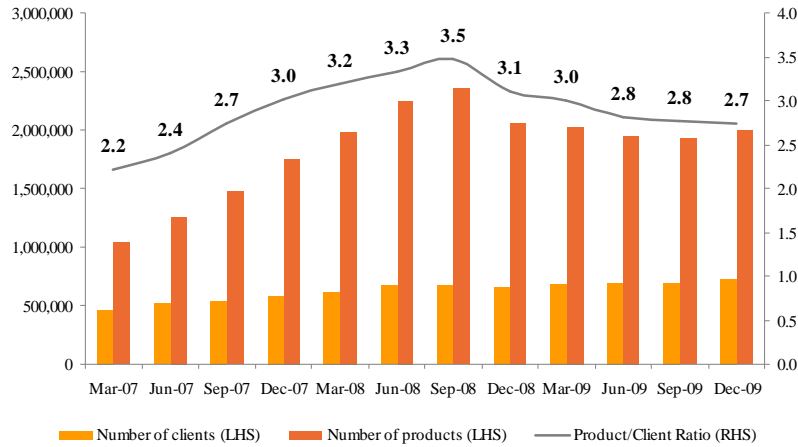


Volume of RB & WM time deposits issued

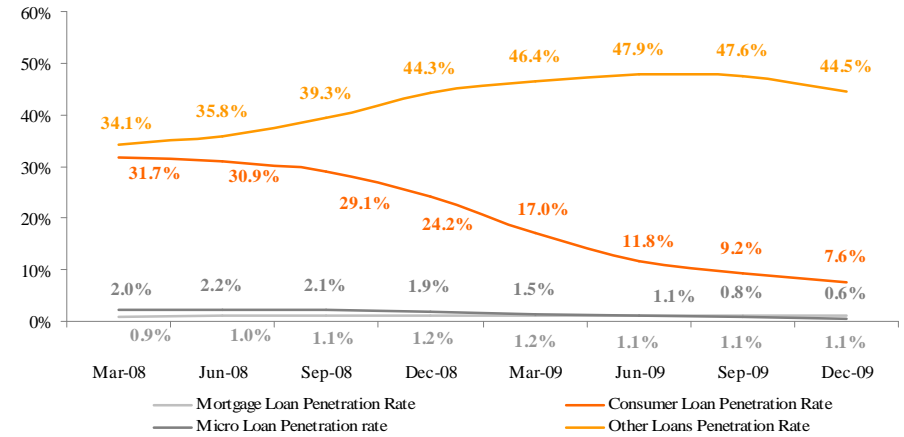


RB cross-selling

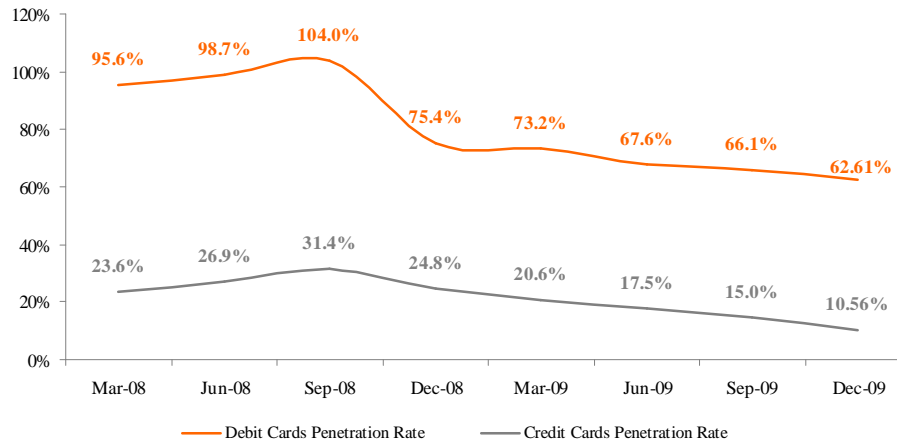
Product/client ratio



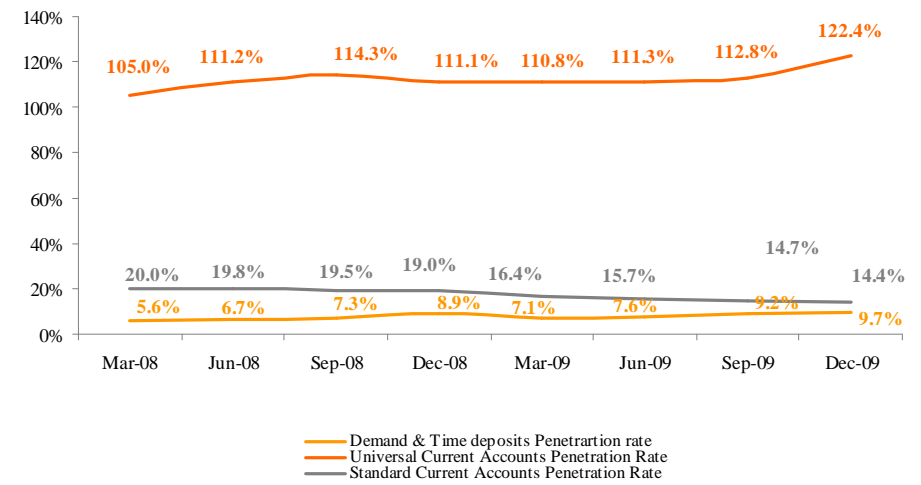
RB loans penetration rate*



Cards penetration rate*



Current accounts & deposits penetration rate*



* Calculated as percentage of Bank of Georgia clients for the period

Card processing

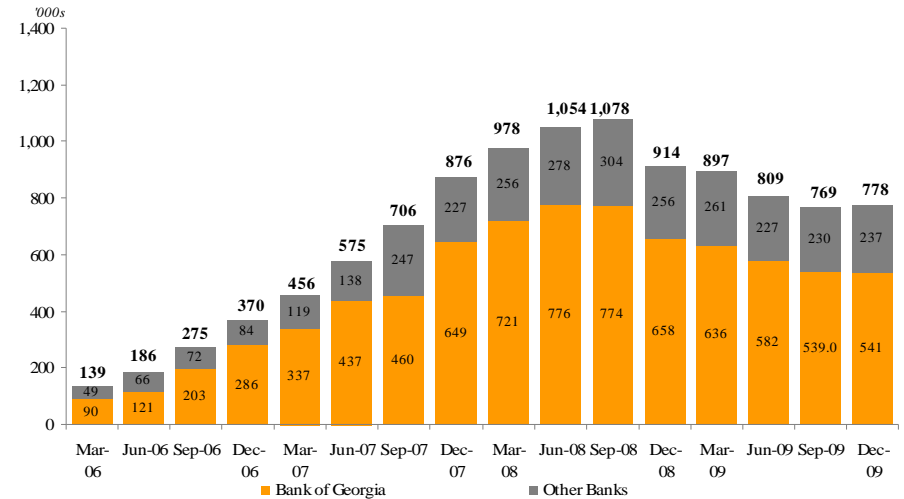


Client banks

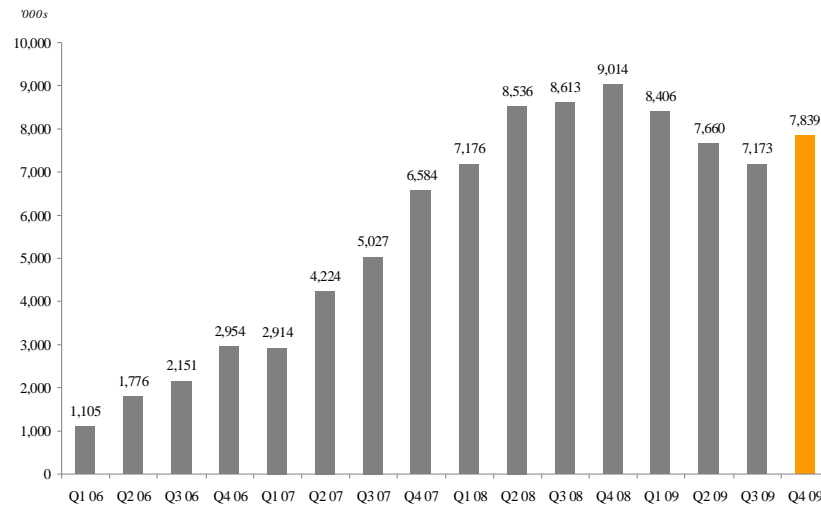


- 56% ownership of Georgian Card
- Migration to TietoEnator Transmaster in 2005
- Enhanced functionality and new product support

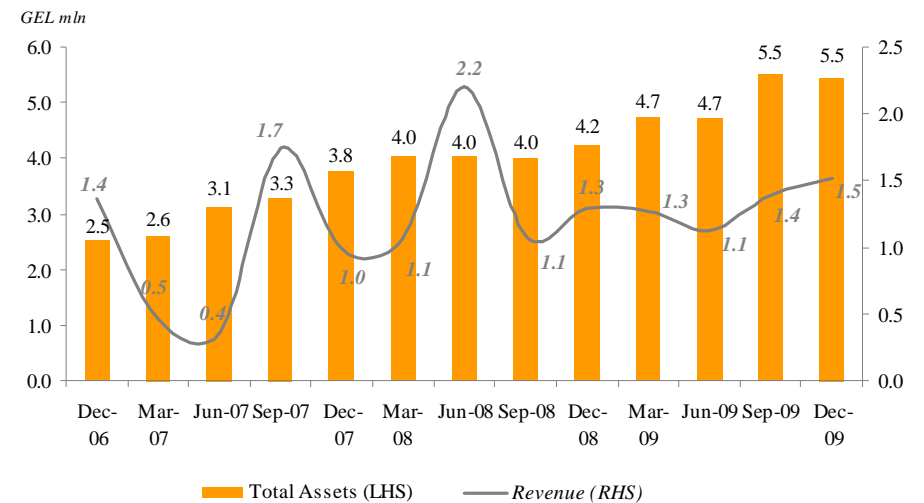
Number of cards serviced by Georgian Card



Transaction authorizations by Georgian Card

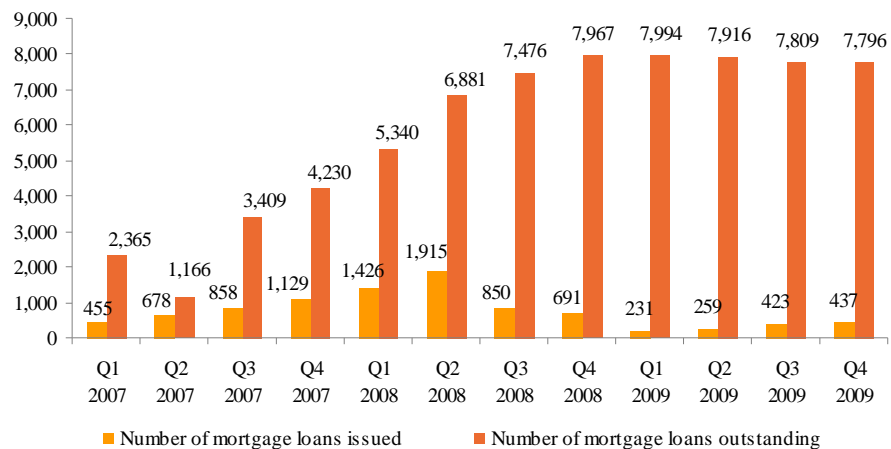


Georgian Card's revenue & assets

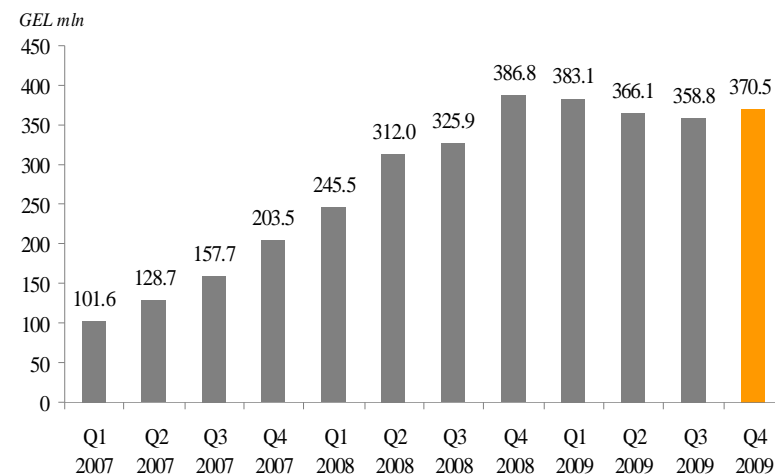


Analysis of mortgage portfolio





Number of mortgage loans issued & outstanding



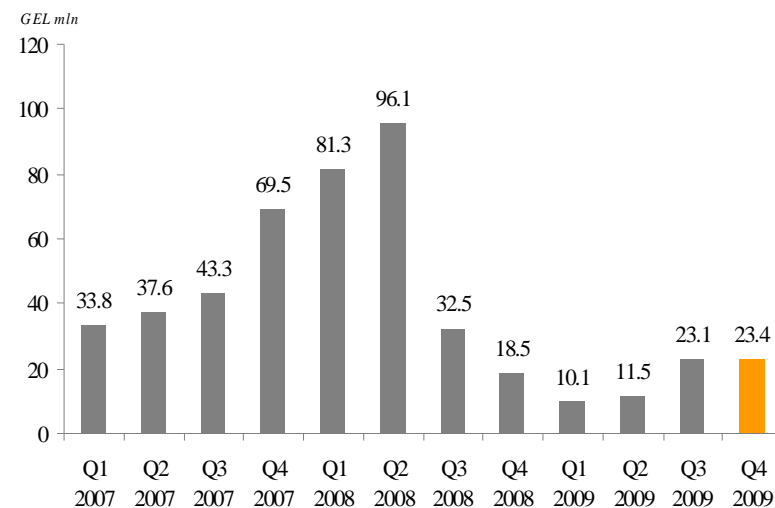
Volume of mortgage loans outstanding



Typical mortgage terms

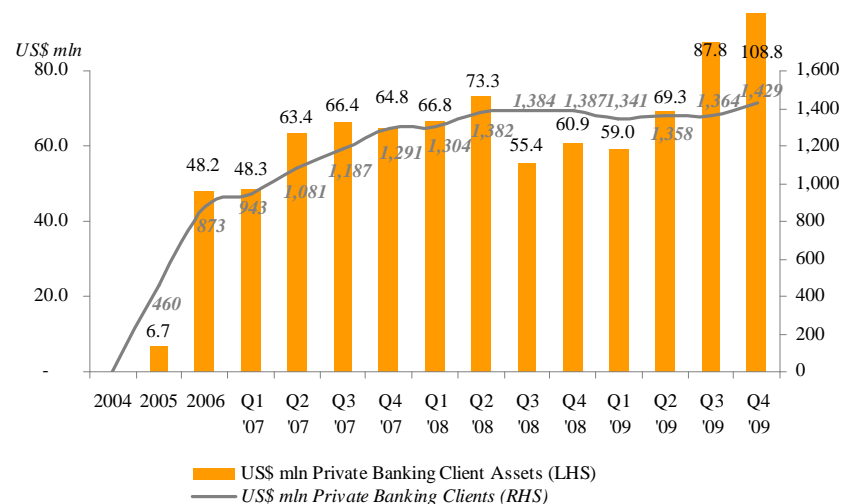
-  Rate: 14.5% - 15.5%
-  Tenor: Normally 10 years
-  Currency: US\$ and GEL
-  LTV: Normally 70%

Volume of mortgage loans issued



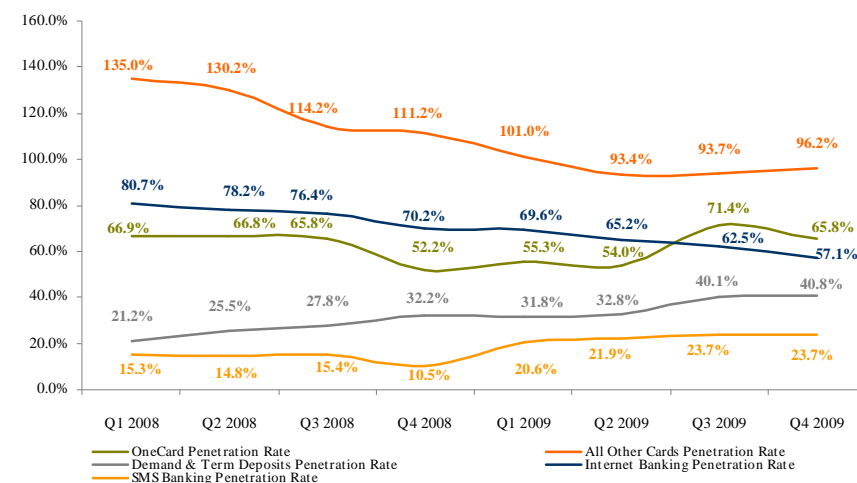
Management (WM) performance review

WM clients and client assets

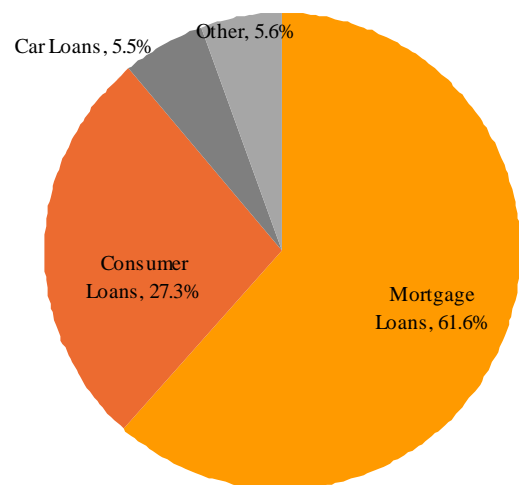


Notes: (1) Converted at exchange rates of GEL/US\$, 1.793(2005), 1.714(2006), 1.70 (Q1 2007), 1.67 (Q2 2007), 1.66 (Q3 2007), 1.59 (Q4 2007), 1.48 (Q1 2008), 1.42 (Q2 2008), 1.41 (Q3 2008), 1.67 (Q4 2008), 1.67 (Q1 2009) and 1.67 (Q2 2009) Q3 2009 (1.68) Q4 2009 (1.69)
 (2) PB Client Assets include: Balances on OneCard Accounts, Credit Balances on Other Cards, Credit Balances on Regular Current Accounts, Demand & Time Deposits, Brokerage & Asset Management Accounts, Pensions

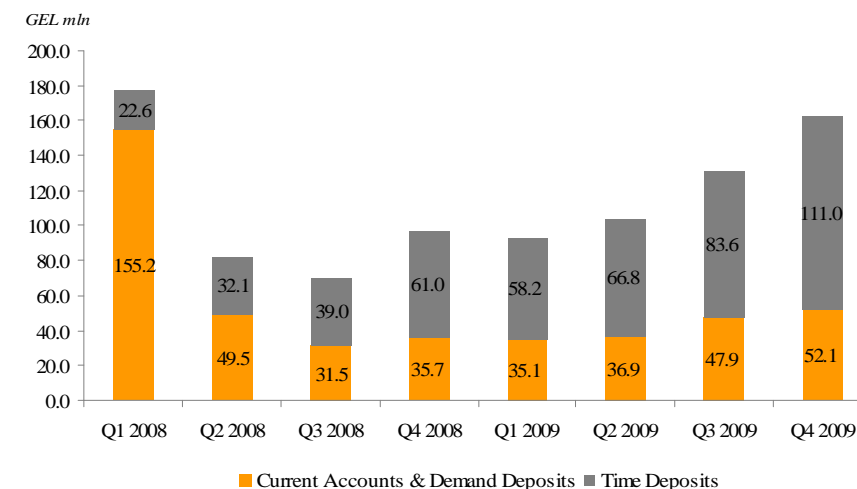
WM products penetration



WM loans, 31 December 2009



WM Deposits





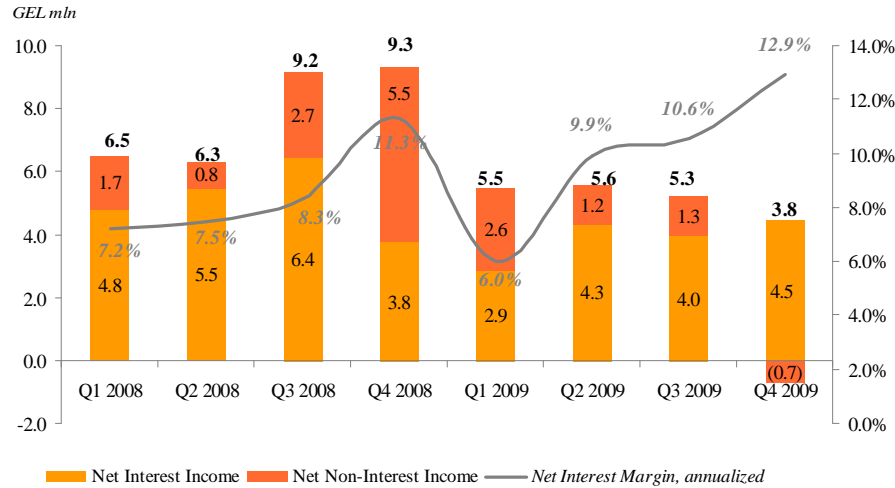
საქართველოს ბანკი
BANK OF GEORGIA

BG Bank (Ukraine) standalone results overview

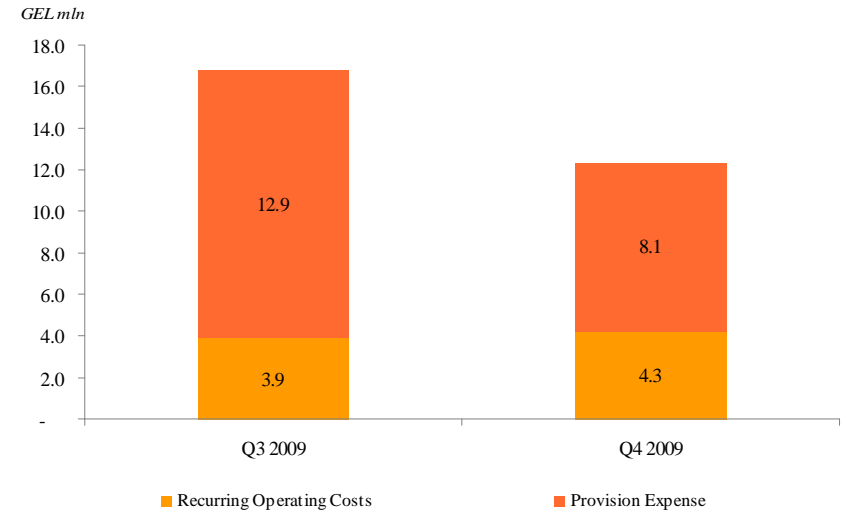
February 2010

BG Bank performance

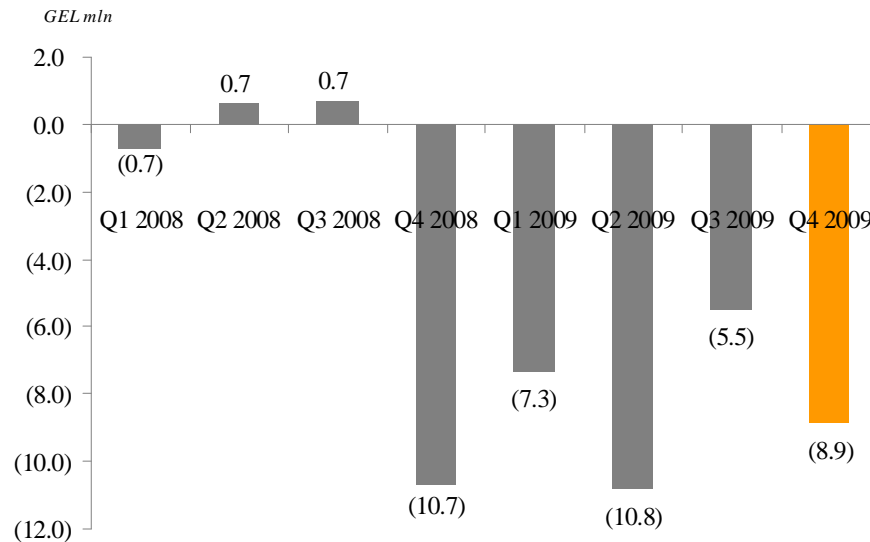
Revenue growth



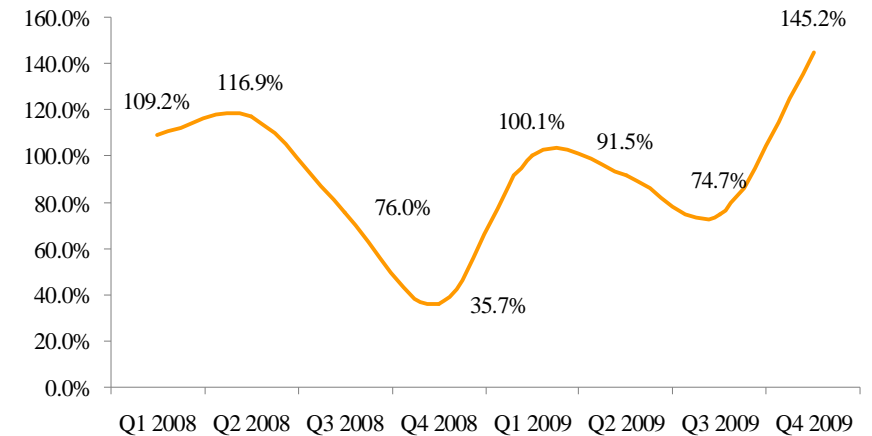
Recurring operating cost structure, Q3 2009



Net income

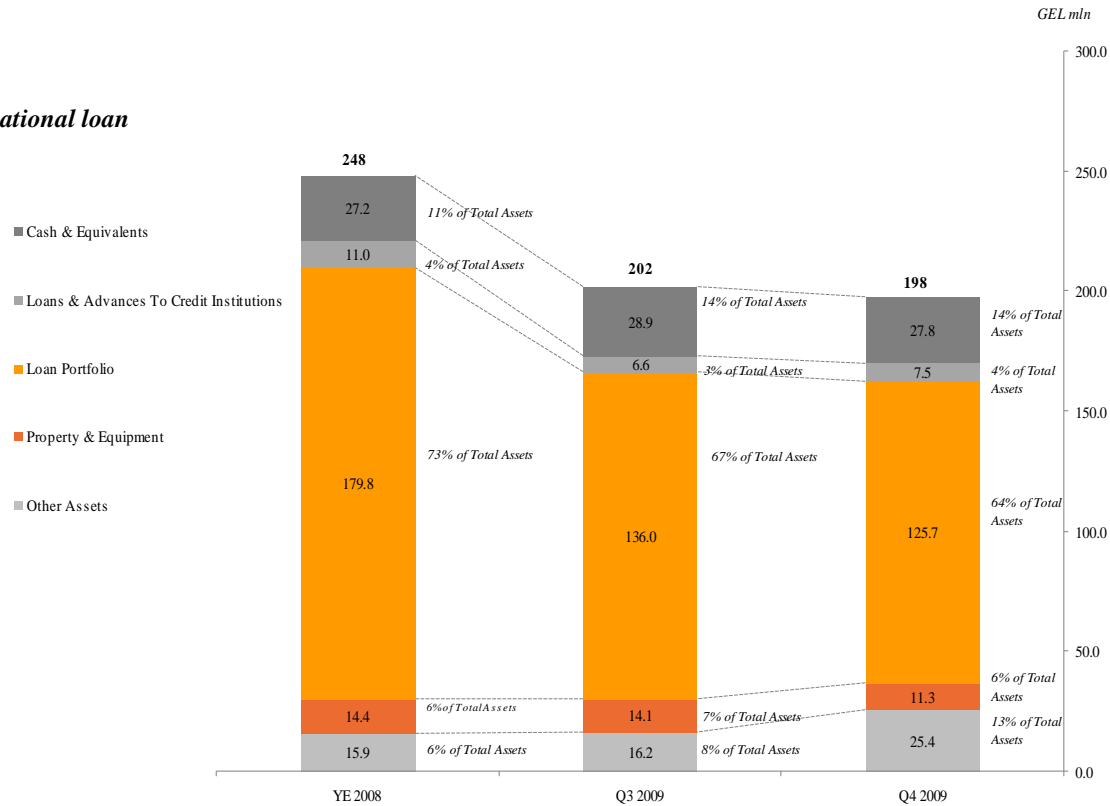


Cost/Income Ratio



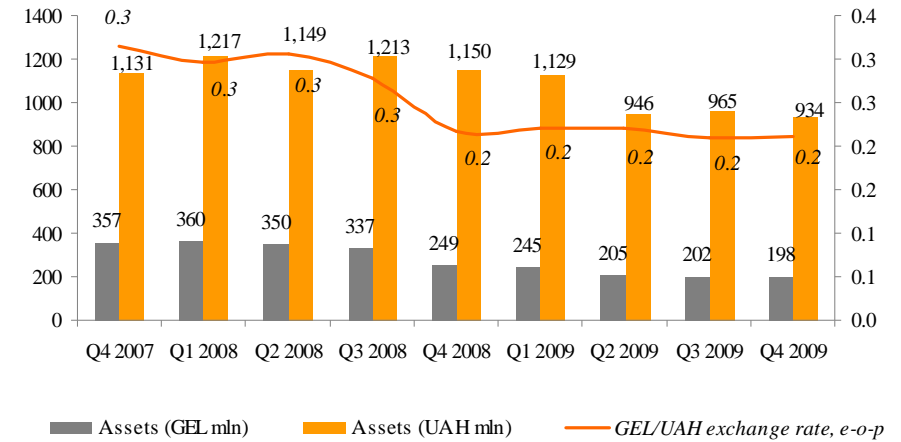
BG Bank assets as at 31 December 2009

No international loan

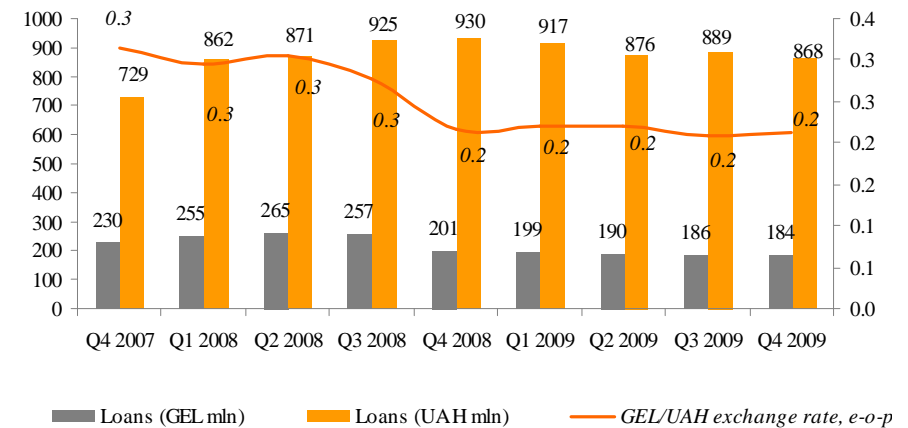


GEL million	YE 2008	30-Sep-09	31-Dec-09
Available-For-Sale Securities	12.0	6.1	6.2
Investments In Other Business Entities, Net	-	-	7.3
Intangible Assets Owned, Net	0.5	0.8	0.8
Tax Assets, Current And Deferred	0.2	8.2	9.6
Prepayments And Other Assets	3.2	1.1	1.4
Other assets	15.9	16.2	25.4

Asset growth

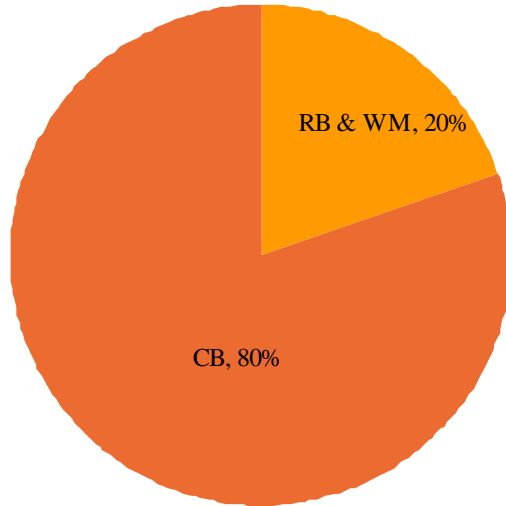


Gross loan book growth



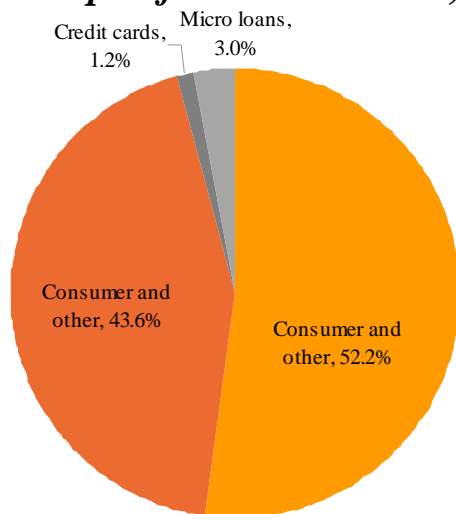
BG Bank loan portfolio

Loan portfolio breakdown, 31 December 2009



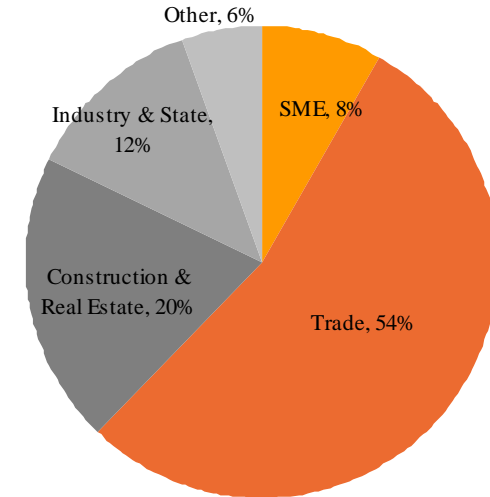
Gross loans: GEL 184 million

Retail loan portfolio breakdown, 31 December 2009



Total retail loans: GEL 36 million

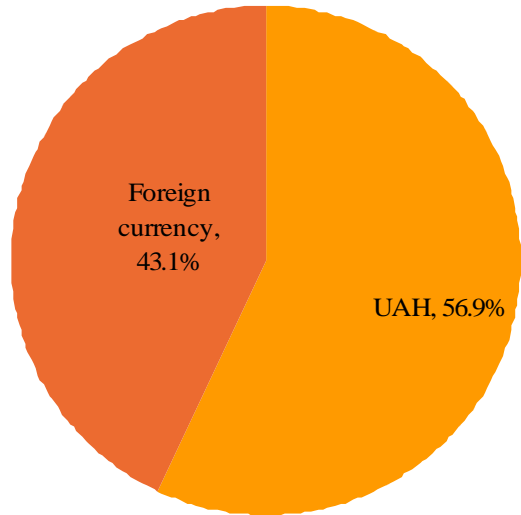
Corporate loan portfolio breakdown, 31 December 2009



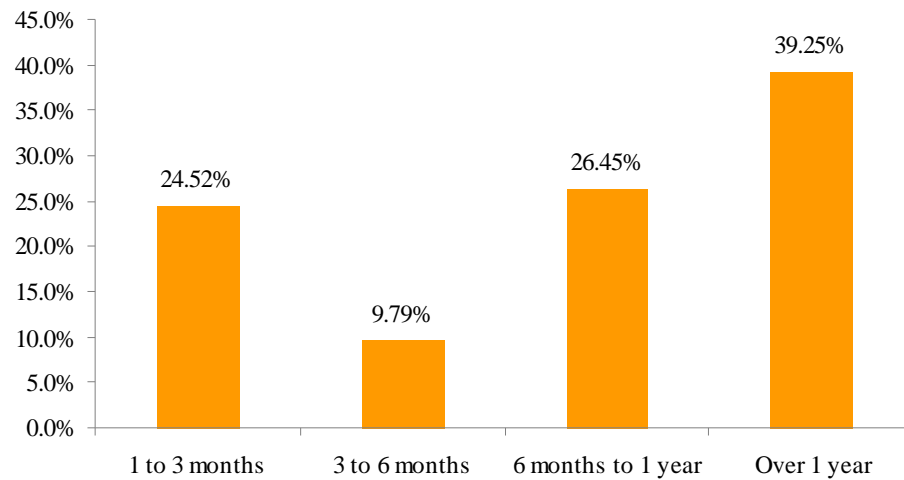
Gross corporate loans: GEL 147 million

BG Bank analysis of the loan book

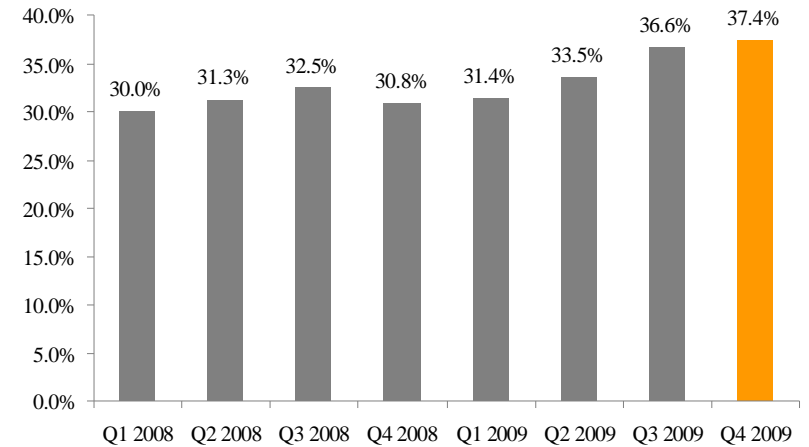
Loans by currency, 31 December 2009



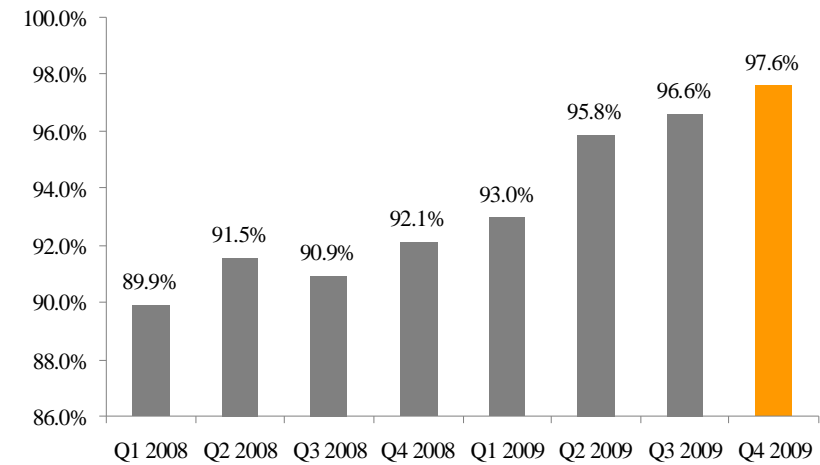
Loans by maturity, 31 December 2009



Top ten borrower concentration

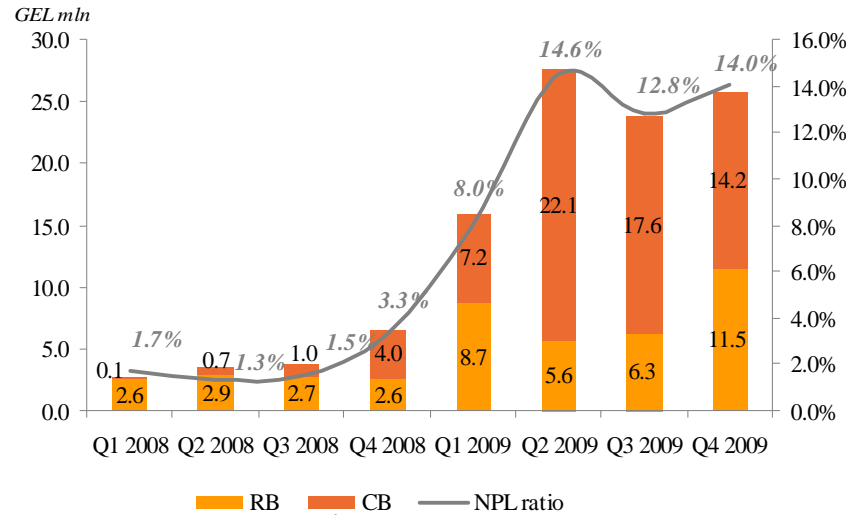


Loan book collateralization

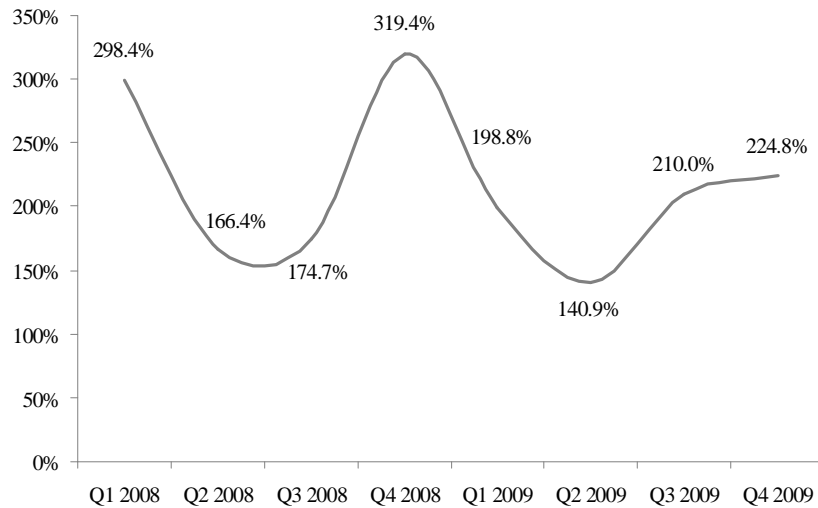


BG Bank provisioning policy

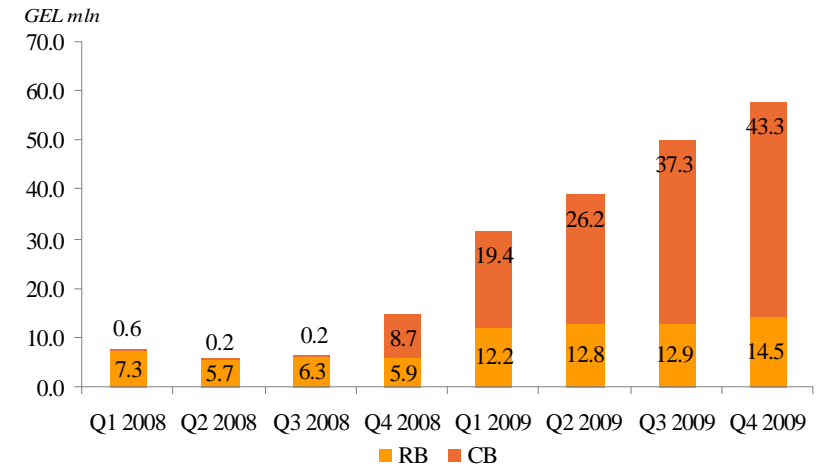
NPLs



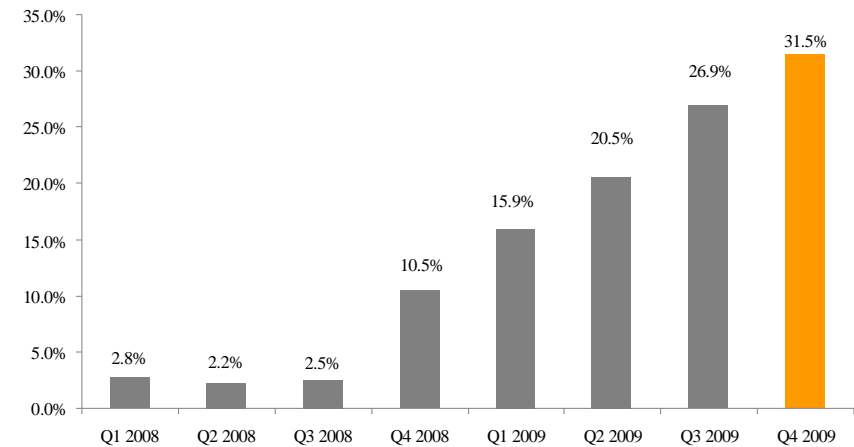
NPL coverage ratio



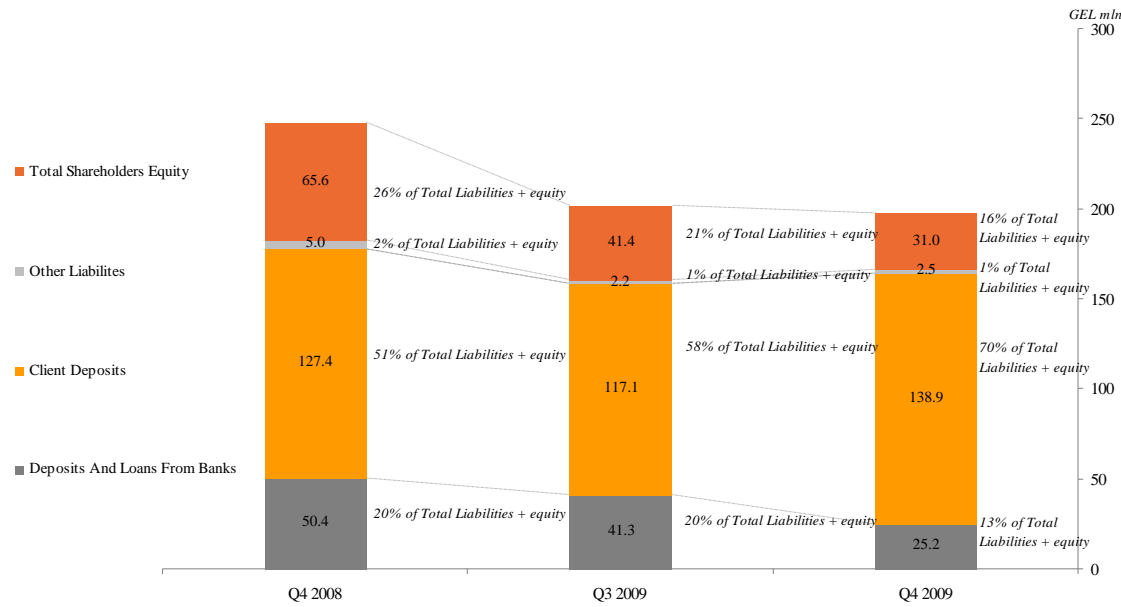
Loan loss reserve



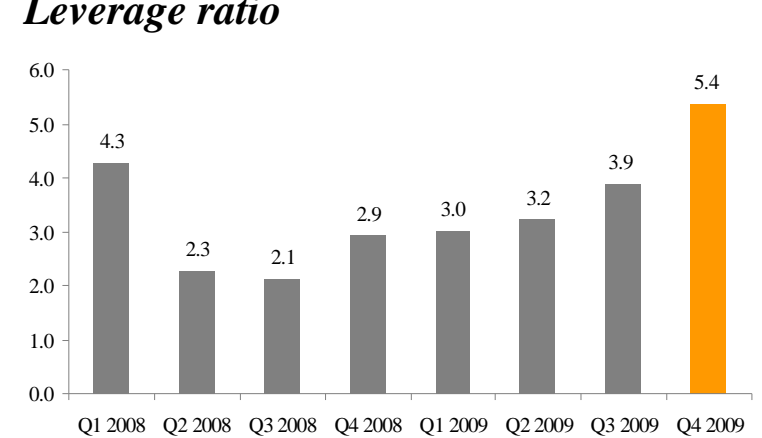
Reserve for loan losses to gross loans



BG Bank standalone liabilities breakdown



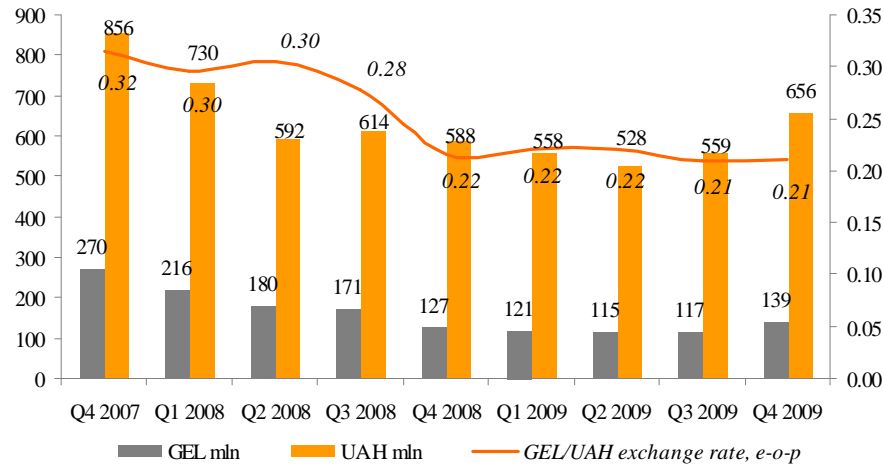
Leverage ratio



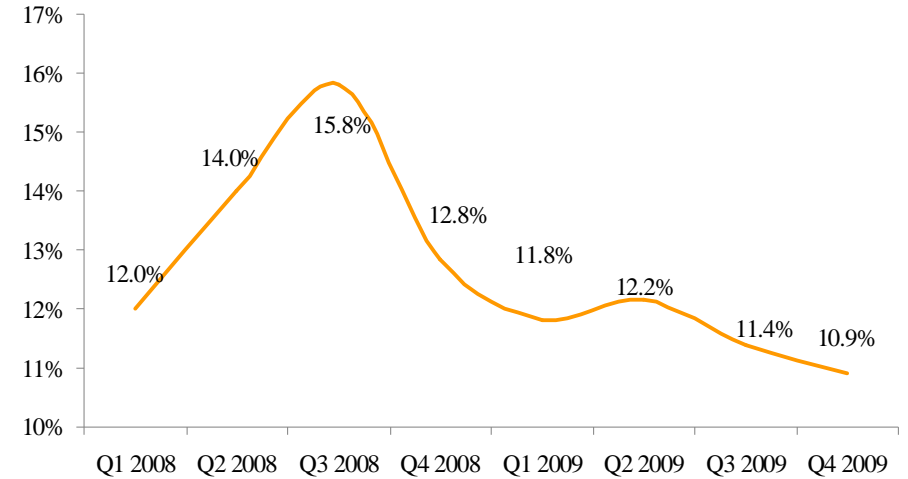
	Q4 2008	Q3 2009	Q4 2009
Issued Fixed Income Securities	-	0.7	0.7
Tax Liabilities, Current And Deferred	0.1	-	-
Accruals And Other Liabilities	4.9	1.5	1.8
Other liabilities	5.0	2.2	2.5

BG Bank client deposits

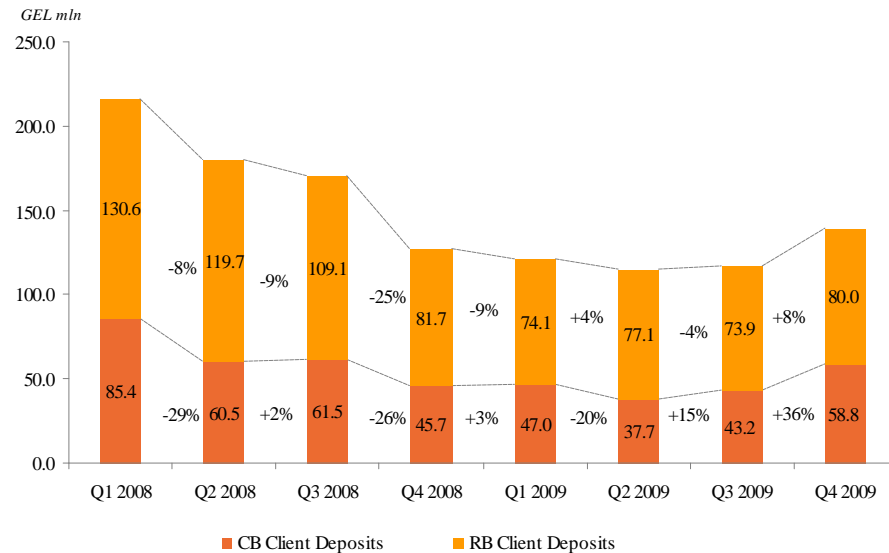
Client deposits



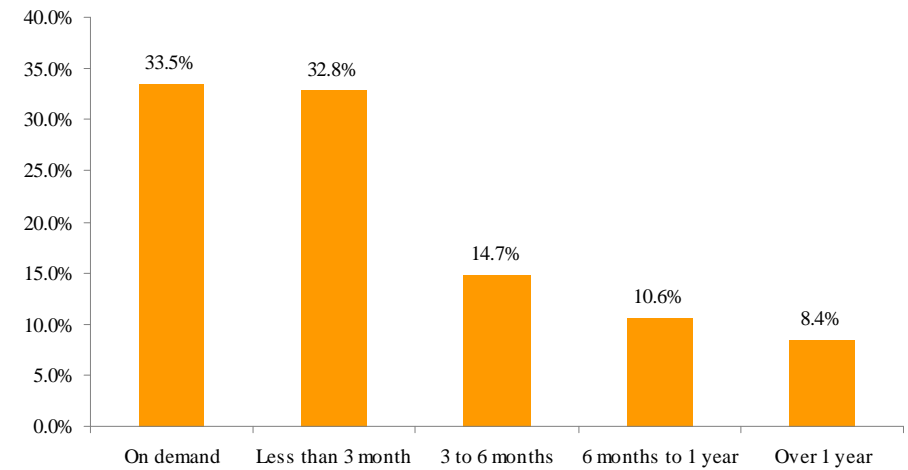
Deposit yields



CB & RB client deposits

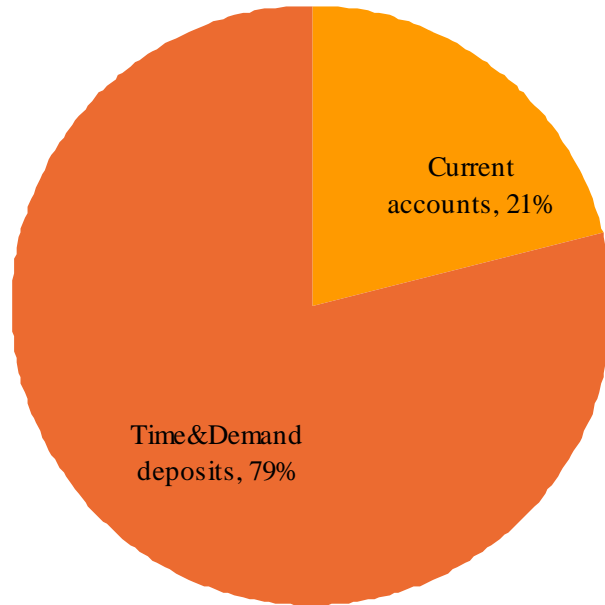


Deposits by maturity, 31 December 2009

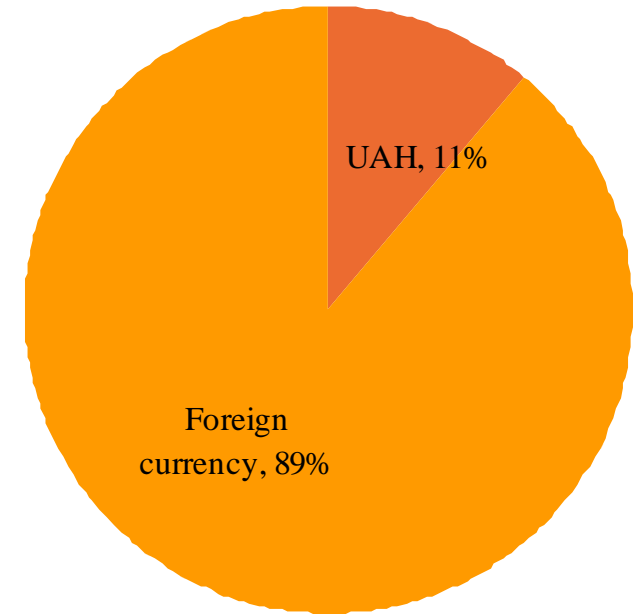


BG Bank analysis of deposits

Client deposits breakdown, 31 December 2009



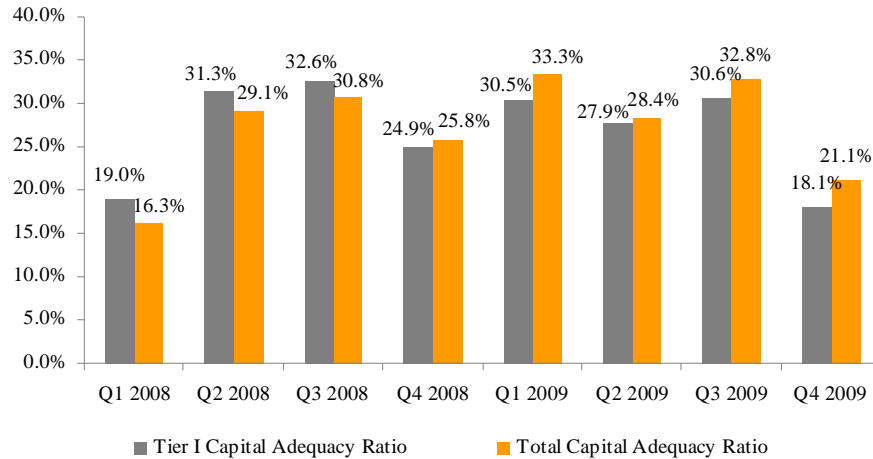
Client deposits by currency, 31 December 2009



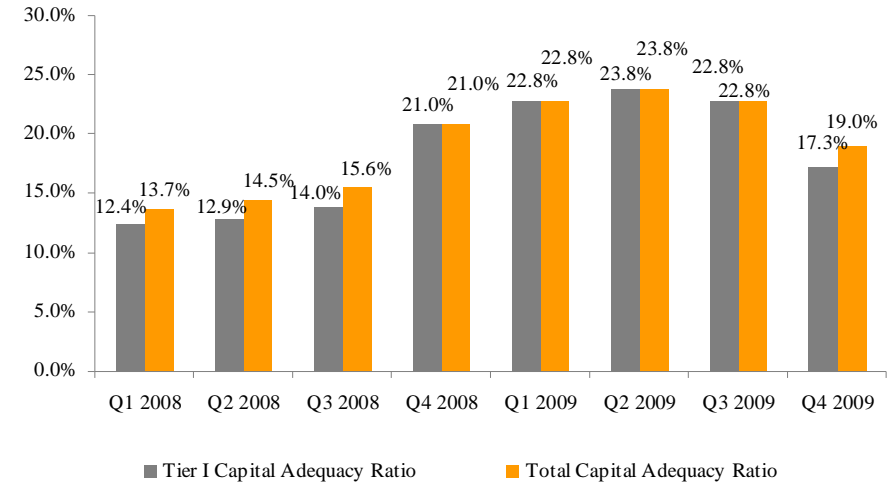
Client deposits: GEL 139 mln

BG Bank capital adequacy

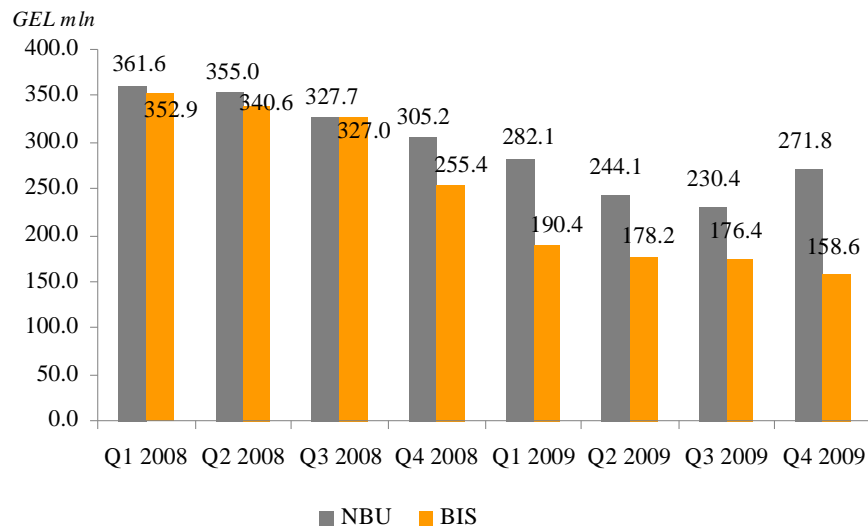
BIS capital adequacy ratios



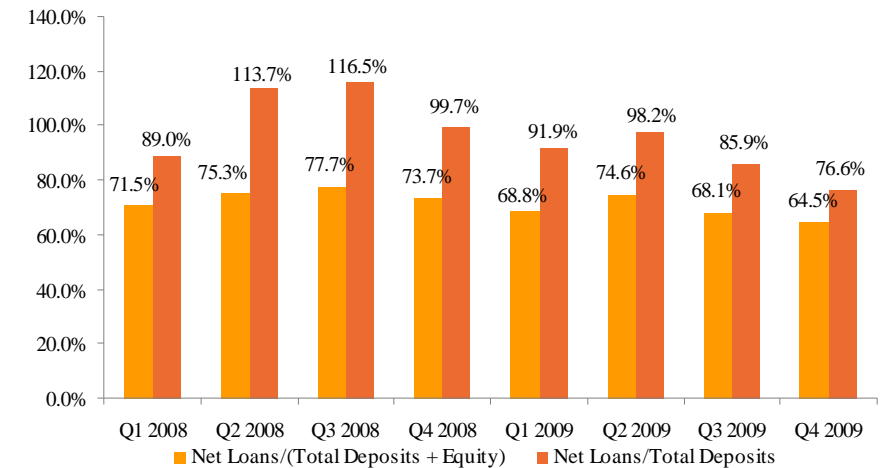
NBU capital adequacy ratios



Risk-weighted assets BIS vs. NBU



Net loans/deposits & Loans/(deposits+equity)





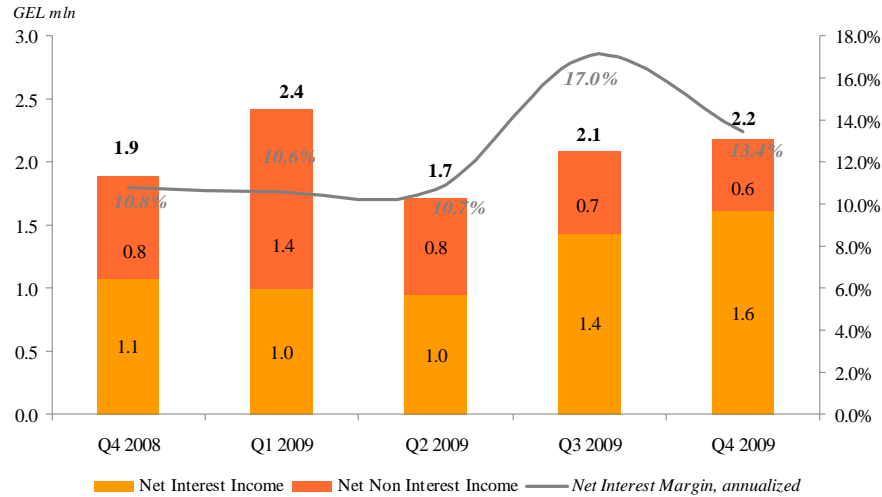
საქართველოს ბანკი
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Belarusky Narodny Bank (Belarus)

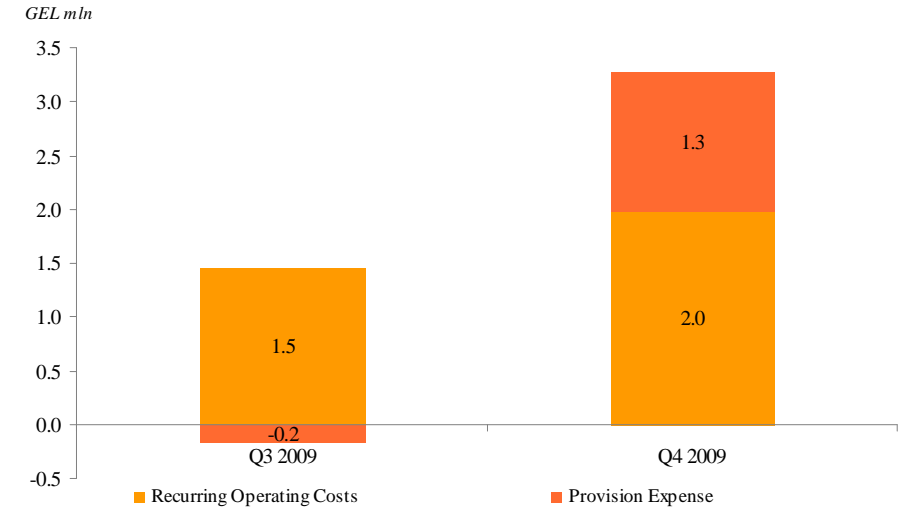
February 2010

BNB Bank performance

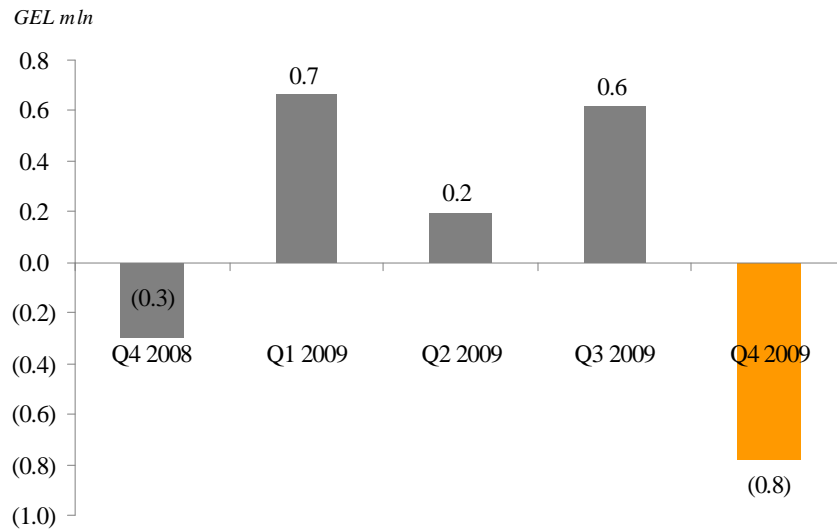
Revenue growth



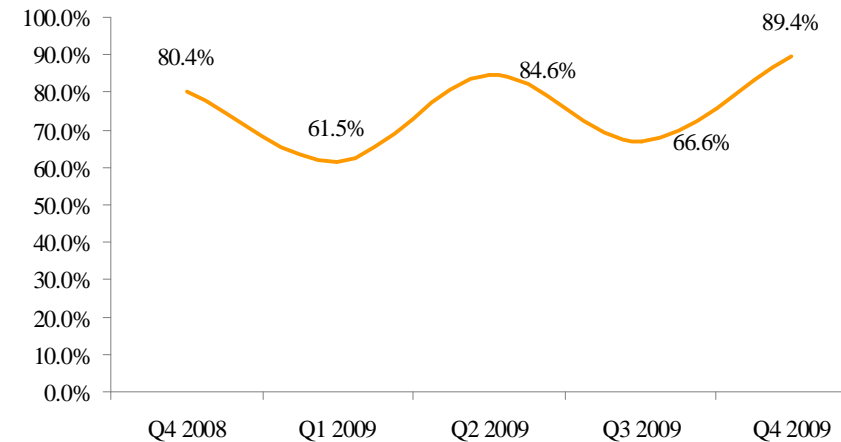
Recurring operating cost structure, Q3 2009



Net income

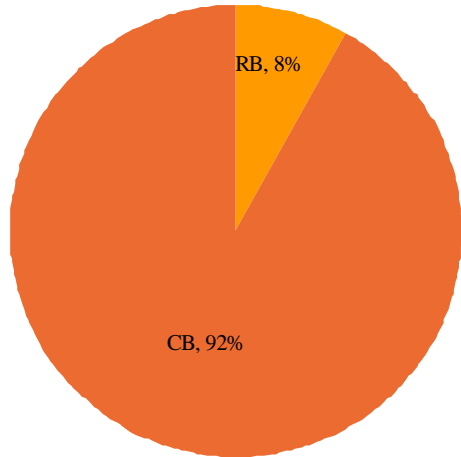


Cost/Income Ratio



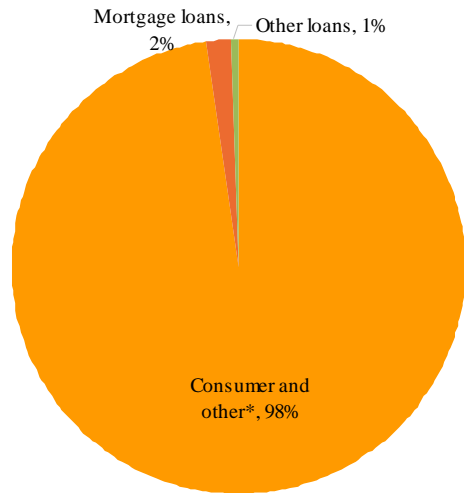
BNB loan portfolio as at 31 December 2009

Loan Portfolio Breakdown, 31 December 2009



Gross loans: GEL 25.1 mln

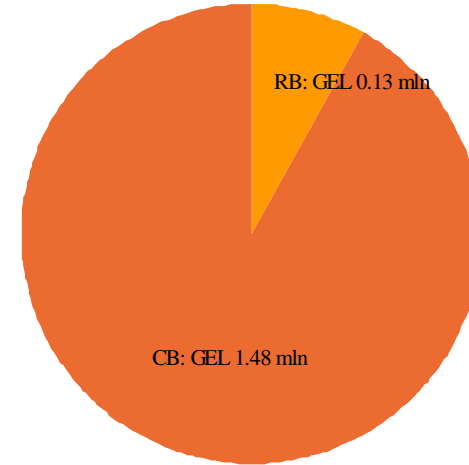
RB Loan Portfolio Breakdown, 31 December 2009



RB loans: GEL 2.0 mln

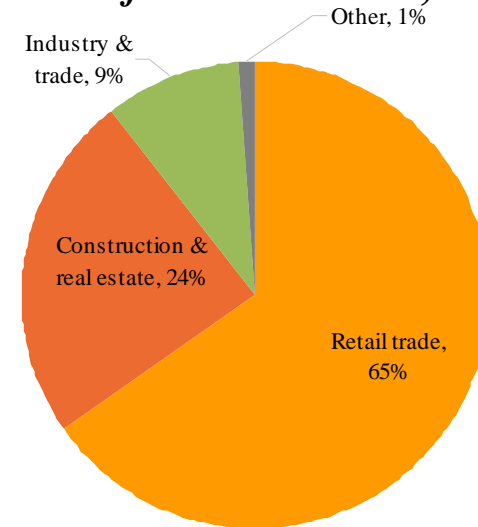
* Other loans include car, POS and legacy retail loans

Loan loss reserve, 31 December 2009



Loan loss reserve: GEL 1.6 mln

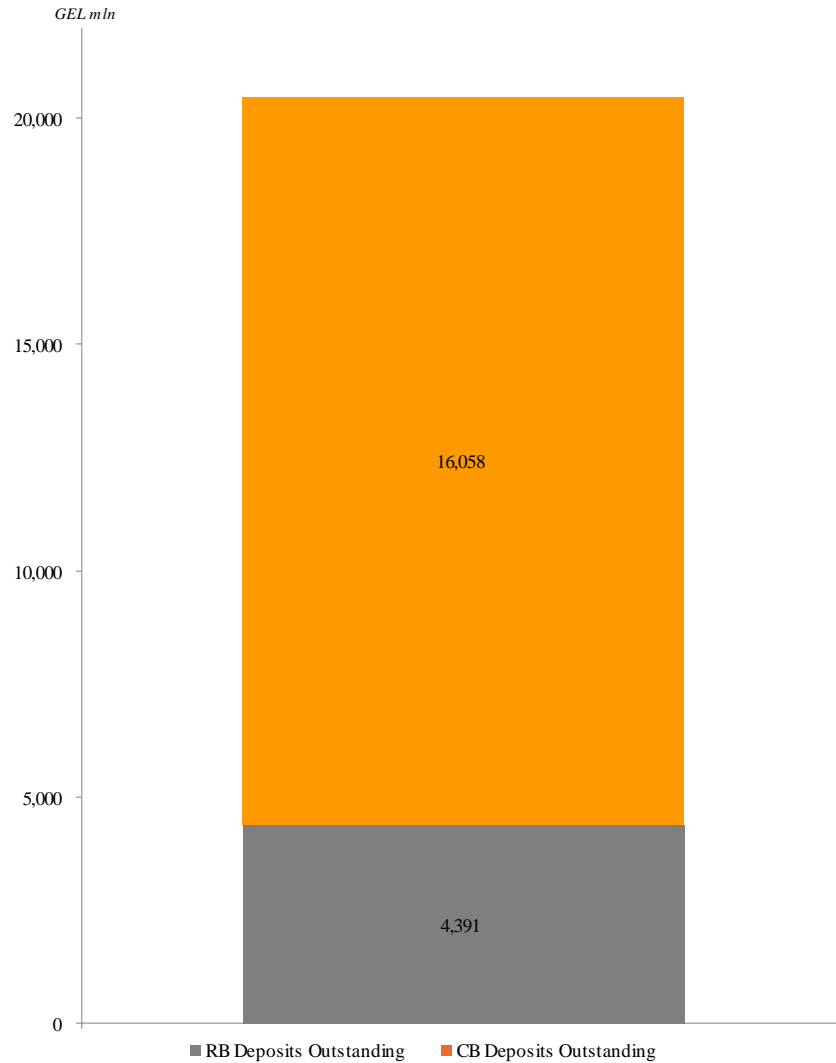
CB Loan Portfolio Breakdown, 31 December 2009



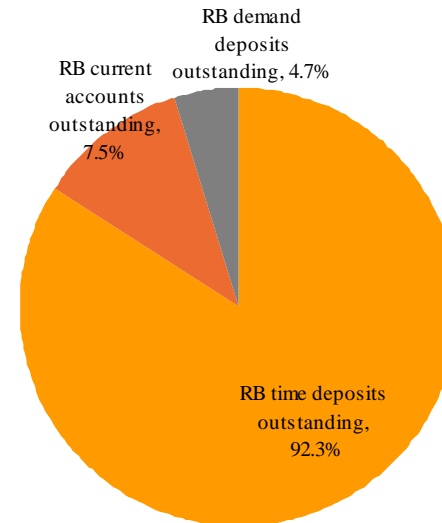
CB loans: GEL 23.1 mln

BNB client deposits as at 31 December 2009

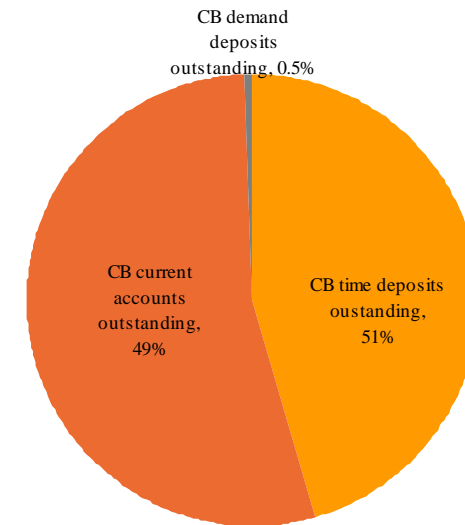
Client deposits breakdown, 31 December 2009



RB client deposits breakdown, 31 December 2009



CB client deposits breakdown, 31 December 2009





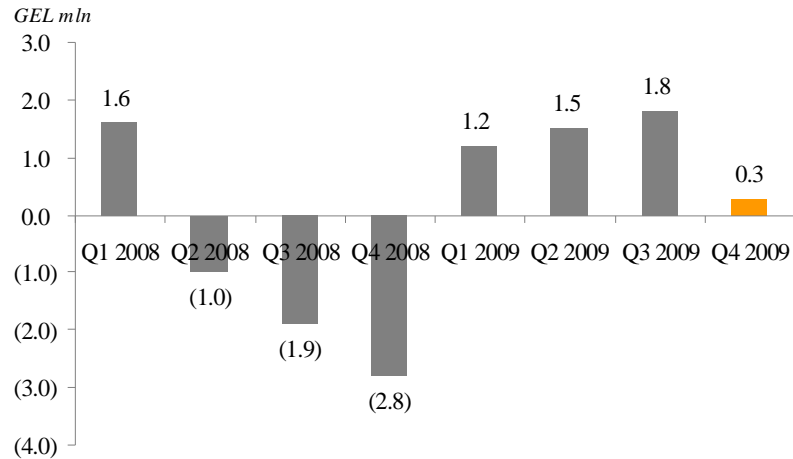
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BG Capital

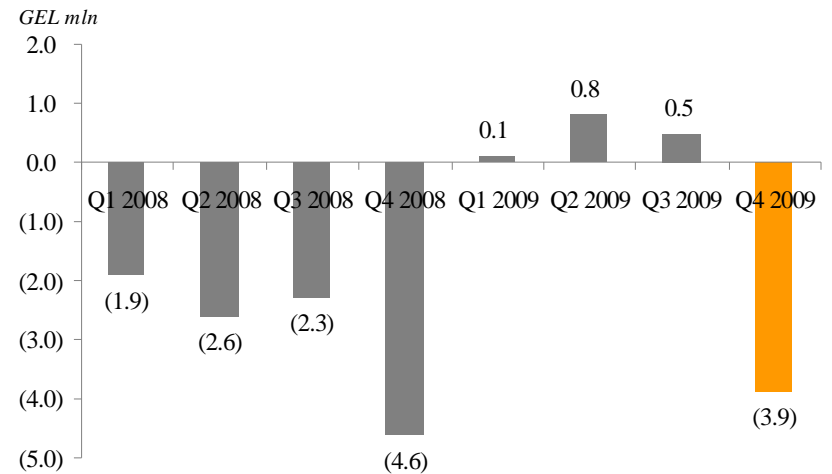
February 2010

BG Capital

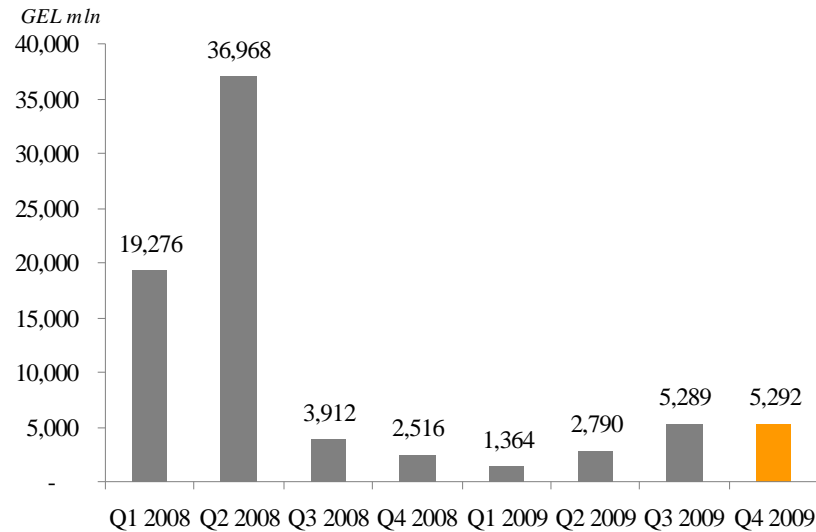
Revenue



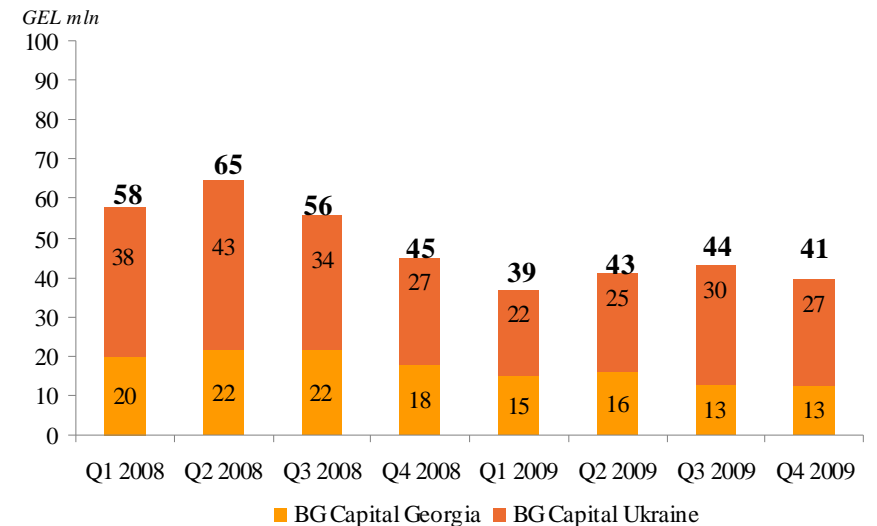
Net income/(loss)



Proprietary book



Headcount





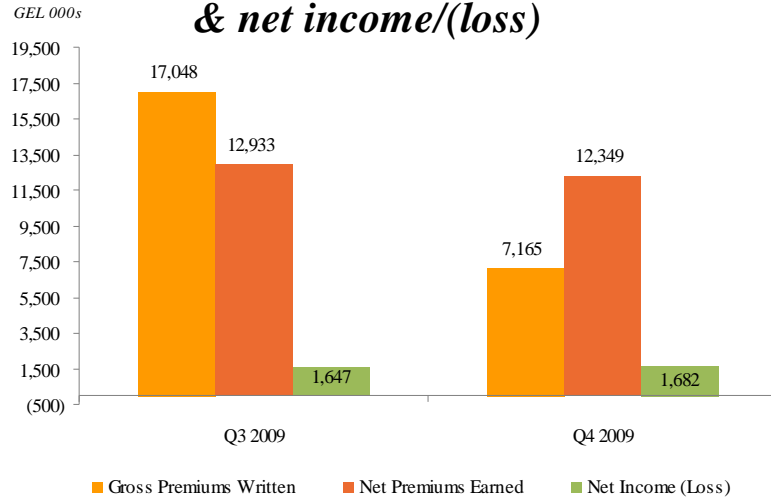
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Insurance

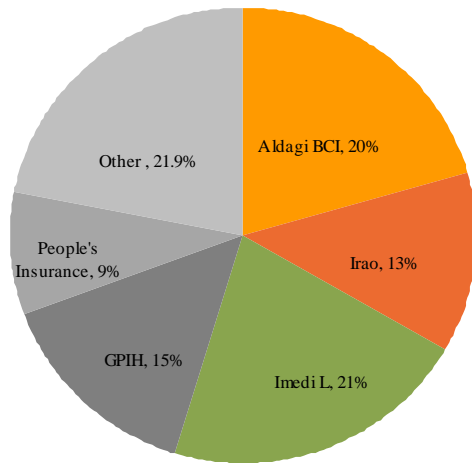
February 2010

Insurance

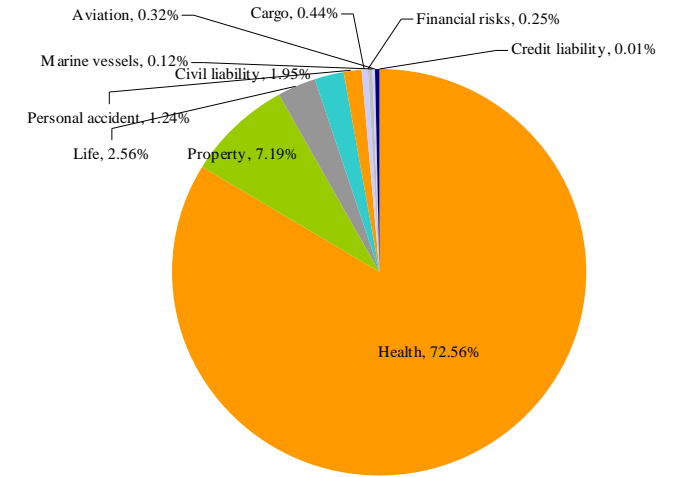
Aldagi BCI GPW, net premiums earned & net income/(loss)



Aldagi BCI market share by GPW (Q2 2009)



Georgian insurance market product breakdown (Q2 2009)



Source: State Insurance Supervision Service of Georgia

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Appendices

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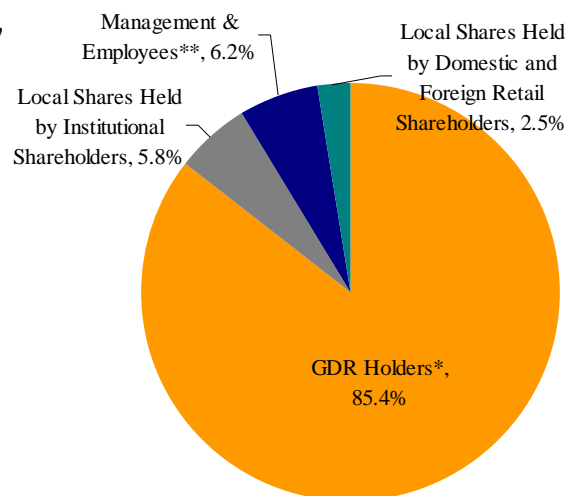
Bank of Georgia shareholder structure, management & price performance

February 2010

Ownership structure

Ownership structure, 31 December 2009

Broadly owned by over 100 institutional accounts



Name	Number	%
GDR Holders*	26,745	85.4%
Local Shares Held by Institutional Shareholders	1,831	5.8%
Management & Employees**	1,957	6.2%
Local Shares Held by Domestic and Foreign Retail Shareholders	773	2.5%
Total Shares Outstanding	31,306	100.0%
	-	
Adjusted for BG Capital' Proprietary Book ⁽¹⁾	(5.3)	
Adjusted Total Shares Outstanding	31,301	

⁽¹⁾ Treated as treasury shares as per IFRS

*through BNY Nominees Limited

** includes GDRs held as part of EECF

Supervisory board

Nicholas Enukidze	Chairman of the Supervisory Board
Allan Hirst	Vice Chairman of the Supervisory Board, independent member
Ian Hague	Member, Firebird Management LLC
Jyrki Talvitie	Member, East Capital
Kaha Kiknavelidze	Independent member
David Morrison	Independent member
Irakli Gilauri	Member, Chief Executive Officer

Management board

Irakli Gilauri	Chief Executive Officer (CEO)
Sulkhan Gvalia	Deputy CEO Chief Risk officer
George Chiladze	Deputy CEO Finance
Irakli Burdiladze	Deputy CEO Chief Operating Officer
Mikheil Gomarteli	Deputy CEO Retail Banking
Avto Namicheishvili	Deputy CEO Legal
Archil Gachechiladze	Deputy CEO Corporate banking
Nikoloz Shurgaia	Deputy CEO International Banking

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Georgian banking sector – key trends 2006-2009

February 2010

Georgian banking sector – key trends 2007/2009

GEL/US\$

Period End

YE 2006= 1.71

YE 2007=1.59

YE 2008=1.67


Q1 2009=1.67

Q2 2009=1.66

Q3 2009= 1.68

YE 2009= 1.69


GEL mln	YE 2007	YE 2008	YE 2009	As % of GDP*	Growth			Market Share (YE 2007)		Market Share (YE 2008)		Market Share (YE 2009)	
					2007 Y-O-Y	2008 Y-O-Y	2009 Y-O-Y	Top 5 Banks	Bank of Georgia	Top 5 Banks	Bank of Georgia	Top 5 Banks	Bank of Georgia
Total Assets	7,208	8,866	8,293	43.47%	70.90%	23.00%	-6.5%	80.00%	35.20%	79.26%	32.89%	78.1%	33.0%
Gross Loans	4,589	5,993	5,185	27.18%	71.50%	30.59%	-13.5%	81.70%	32.70%	81.78%	32.87%	81.4%	31.8%
Deposits	3,511	3,845	4,174	21.88%	50.90%	9.51%	8.6%	81.40%	31.40%	75.00%	28.76%	77.70%	27.4%
Equity	1,471	1,517	1,517	7.95%	65.50%	3.14%	0.0%	73.30%	33.80%	75.69%	40.03%	79.60%	38.6%
Net Income/(Loss)	109	(216)	(65.3)	NMF	17.50%	NMF	NMF	NMF	41.90%	NMF	NMF	NMF	37.3%


 19 banks as at 31 December 2009

 Minimum capital requirement GEL 12 mln and growing

 Since 1 January 2007 local presence established by HSBC, Halyk, Privat, JSC Kor Bank


 No state ownership since 1995

 Very open to foreign ownership

 All leading banks have meaningful foreign capital participation

 Significant IT/infrastructure and marketing spend drives increasing retail banking penetration

 Increasing adoption of the universal banking business model, following the lead of Bank of Georgia

 The economy and consumers significantly underlet (all-in consumer debt per capita US\$163 at 31 December 2008)

Peer group's market share in total assets

GEL/US\$

Period End

YE 2006 = 1.71

YE 2007 = 1.59

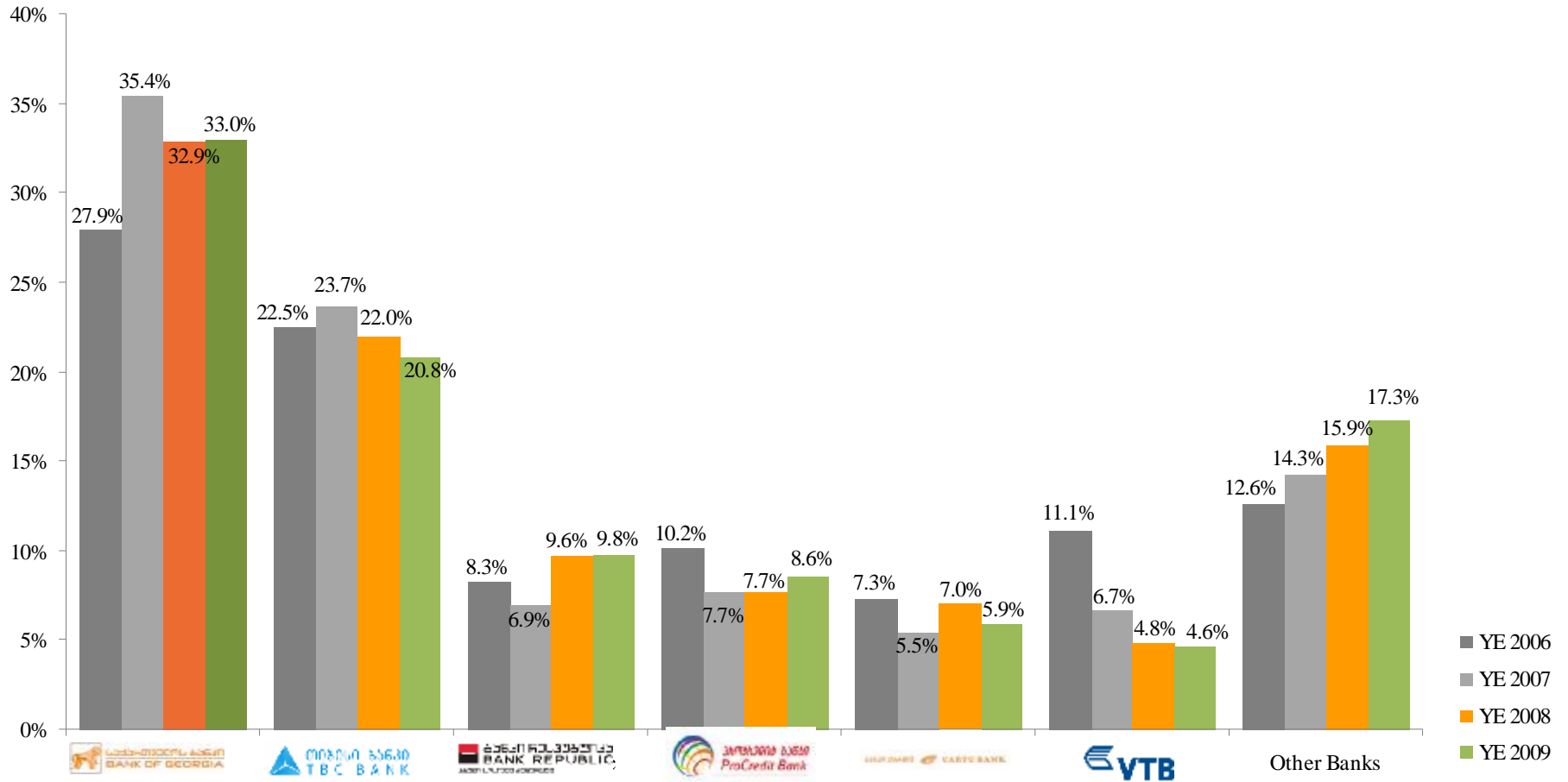
YE 2008 = 1.67

Q1 2009 = 1.67

Q2 2009 = 1.66

Q3 2009 = 1.68

YE 2009 = 1.69



Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

Peer group's market share in gross loans

GEL/US\$

Period End

YE 2006 = 1.71

YE 2007 = 1.59

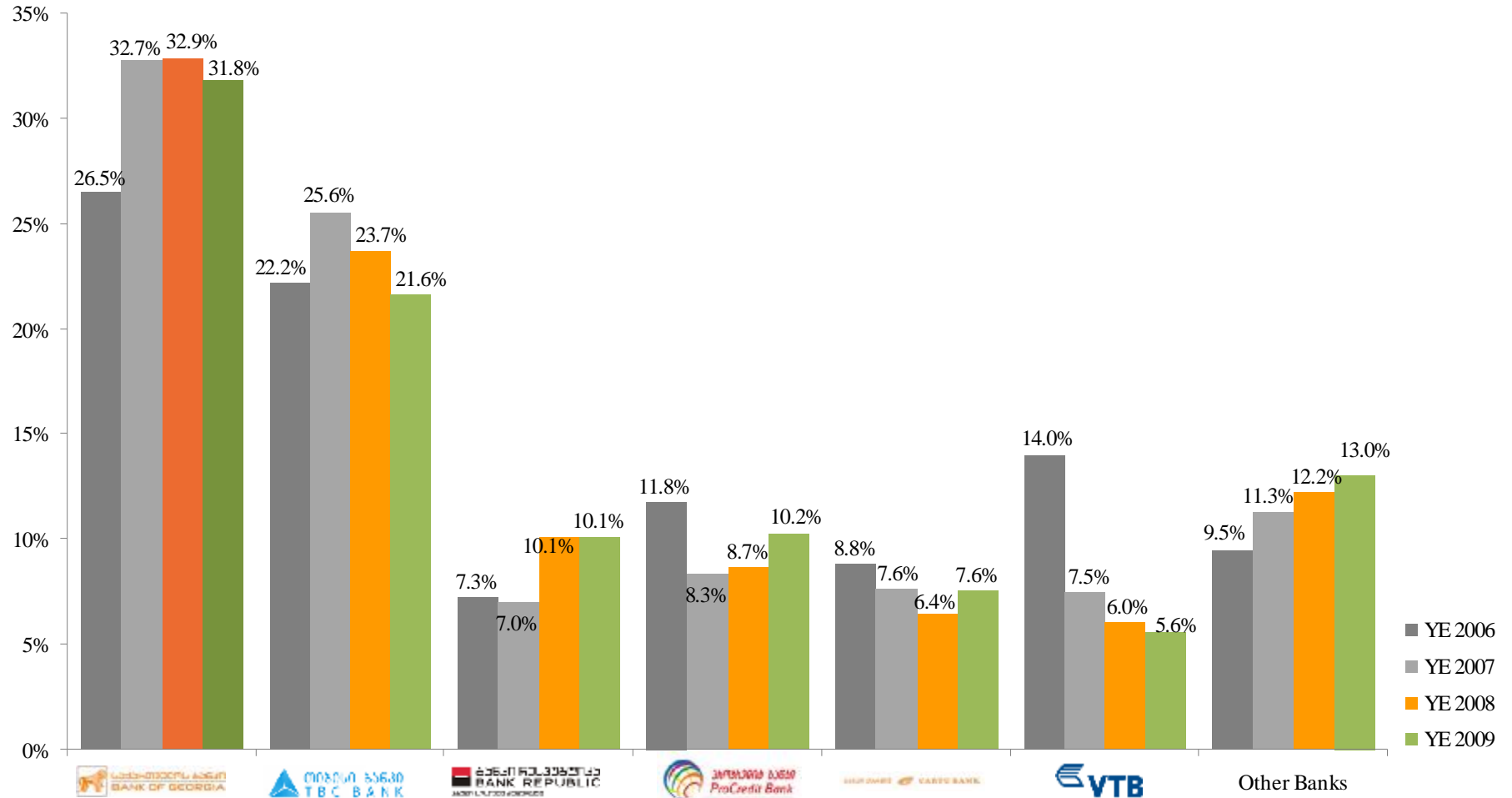
YE 2008 = 1.67

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Q2 2009 = 1.66

Q3 2009 = 1.68

YE 2009 = 1.69



Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

Peer group's market share in deposits

GEL/US\$

Period End

YE 2006 = 1.71

YE 2007 = 1.59

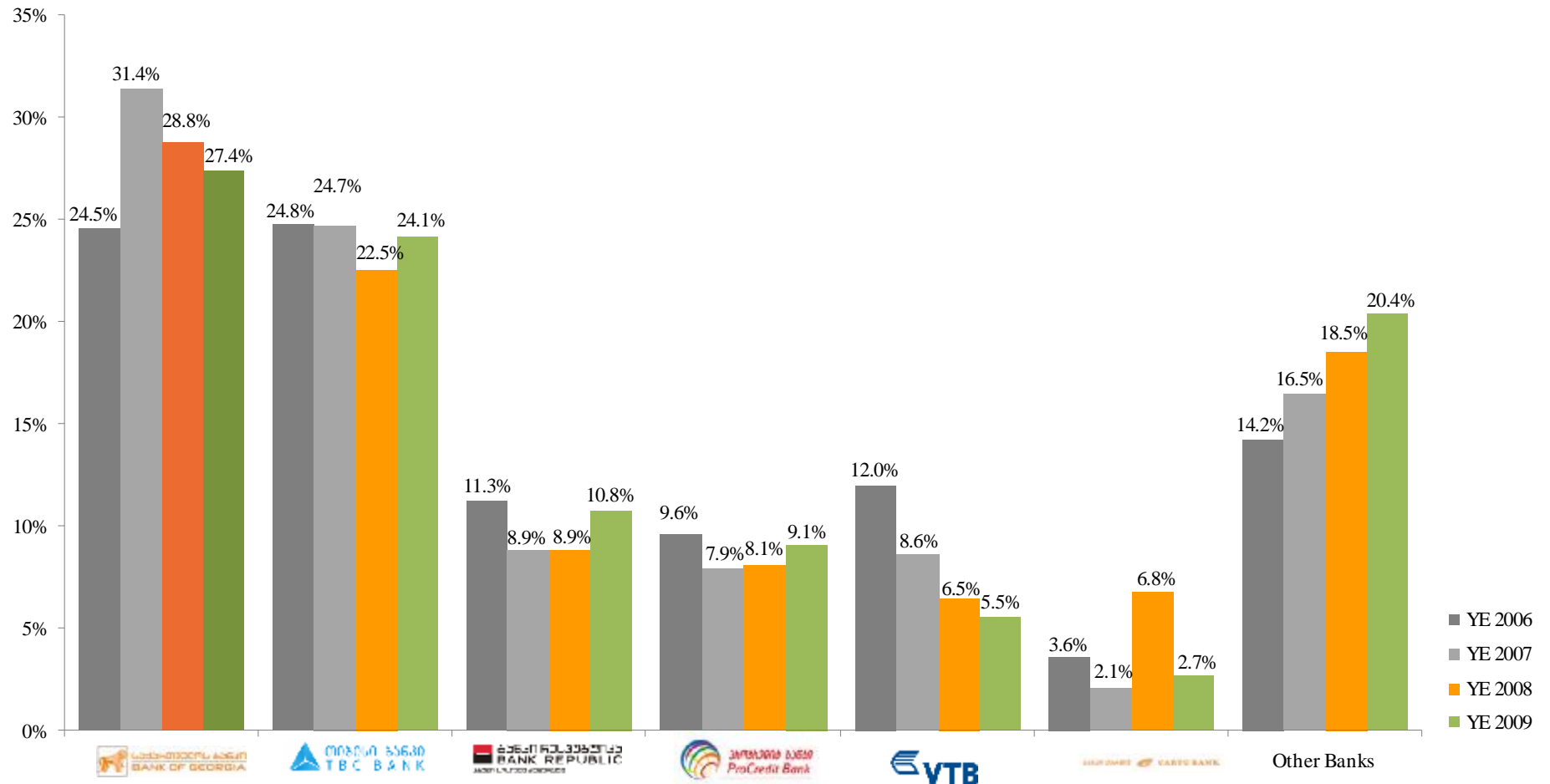
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YE 2009 = 1.69



Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

Caution Regarding Forward-Looking Statements

This presentation contains statements that constitute “forward-looking statements”, including, but not limited to, statements relating to the implementation of strategic initiatives and other statements relating to our business development and financial performance.

While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, (1) general market, macroeconomic, governmental, legislative and regulatory trends, (2) movements in local and international currency exchange rates, interest rates and securities markets, (3) competitive pressures, (4) technological developments, (5) changes in the financial position or credit worthiness of our customers, obligors and counterparties and developments in the markets in which they operate, (6) management changes and changes to our group structure and (7) other key factors that we have indicated could adversely affect our business and financial performance, which are contained elsewhere in this presentation and in our past and future filings and reports, including those filed with the NSCG.

We are under no obligation (and expressly disclaim any such obligations) to update or alter our forward-looking statements whether as a result of new information, future events, or otherwise.