

1.67 GEL/US\$ 31 March 2009 period end  
 1.67 GEL/US\$ Q1 2009 average  
 1.67 GEL/US\$ December 2008 period end  
 1.56 GEL/US\$ Q4 2008 average  
 1.48 GEL/US\$ 31 March 2008 period end  
 1.55 GEL/US\$ Q1 2008 average

**JSC BANK OF GEORGIA REPORTS Q1 2009 NET INCOME OF GEL 5.1 MILLION**

<i>Millions, unless otherwise noted</i>	<i>Q1 2009</i>		<i>Growth y-o-y<sup>1</sup></i>
<b>Bank of Georgia (Consolidated, Unaudited, IFRS-based)</b>	<b>US\$</b>	<b>GEL</b>	
<b>Total Operating Income (Revenue)<sup>2</sup></b>	<b>50.7</b>	<b>84.6</b>	<b>4%</b>
<b>Recurring Operating Costs</b>	<b>26.7</b>	<b>44.6</b>	<b>0%</b>
<b>Normalised Net Operating Income<sup>3</sup></b>	<b>24.0</b>	<b>40.0</b>	<b>9%</b>
<b>Net Non-Recurring Operating Costs</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>NMF</b>
<b>Net Provision Expenses</b>	<b>21.0</b>	<b>35.0</b>	<b>370%</b>
<b>Net Income/(Loss)</b>	<b>3.0</b>	<b>5.1</b>	<b>-84%</b>
<b>Total Assets</b>	<b>1,908.2</b>	<b>3,186.8</b>	<b>1%</b>
<b>Net Loans</b>	<b>1,144.7</b>	<b>1,911.6</b>	<b>5%</b>
<b>Total Deposits</b>	<b>710.1</b>	<b>1,185.9</b>	<b>-11%</b>
<b>Tier I Capital Adequacy Ratio (BIS)<sup>4</sup></b>		<b>22.25%</b>	
<b>Total Capital Adequacy Ratio (BIS)<sup>5</sup></b>		<b>31.75%</b>	
<b>Tier I Capital Adequacy Ratio (NBG)</b>		<b>16.40%</b>	
<b>Total Capital Adequacy Ratio (NBG)</b>		<b>17.37%</b>	

Bank of Georgia (LSE: BGEO, GSE: GEB) (the “Bank”), Georgia’s leading bank, announced today its Q1 2009 consolidated results (IFRS-based, derived from management accounts), reporting a Q1 2009 Net Income of GEL 5.1 million.

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

<sup>2</sup> Revenue includes Net Interest Income and Net Non-Interest Income.

<sup>3</sup> Normalised for Net Non-Recurring Costs.

<sup>4</sup> 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.

<sup>5</sup> 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

**About Bank of Georgia**

Bank of Georgia is the leading Georgian bank offering a broad range of corporate and investment banking, retail banking, wealth management and insurance services to its customers in Georgia, Ukraine and Belarus. Bank of Georgia is the largest bank in Georgia by assets, loans, deposits and equity, with 34.3% market share by total assets (all data according to the NBG as of 31 March 2009). The bank has 142 branches and over 870,000 retail and more than 140,000 corporate current accounts.

Bank of Georgia has, as of the date hereof, the following credit ratings:

Standard & Poor’s ‘B/B’  
 FitchRatings ‘B/B’  
 Moody’s ‘B3/NP’ (FC) & ‘Ba3/NP’ (LC)

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The financial information as of Q1 2008, Q4 2008 and Q1 2009 contained in this news report is unaudited and reflects the best estimates of management. The bank’s actual results may differ significantly from the amounts reflected herein as a result of various factors.

**Q1 2009 Summary of the Bank's Consolidated Results**

In Q1 2009 the Bank's total Operating Income increased by 4.4% y-o-y to GEL 84.6 million, (down 2.2% q-o-q<sup>6</sup>), driven by 11.2% y-o-y growth of Net Interest Income to GEL 55.4 million (down 1.8% q-o-q) and 6.5% y-o-y decrease of Net Non-Interest Income to GEL 29.3 million (down 3.0% q-o-q). The main reason for the q-o-q decline of Net Non-Interest Income was a 41.1% q-o-q decrease of Net Foreign Currency Related Income to GEL 8.8 million in Q1 2009, which was caused by a lower volatility of Ukrainian Hryvna and Georgian Lari during Q1 2009 as compared to the volatility of these currencies in Q4 2008. Net Income from Documentary Operations of GEL 2.2 million increased 57.5% q-o-q (up by 54.7% y-o-y) and Net Fee and Commission Income increased by 46.7% q-o-q during the quarter (down 12.5% y-o-y), to GEL 8.9 million. Net Other Non-Interest Income, consisting of Net Insurance Income, Brokerage and Investment Banking Income, Asset Management Income and Other Income, stood at GEL 9.4 million during Q1 2009, up 19.9% q-o-q and up 44.5% y-o-y, driven largely by 85.8% y-o-y growth of Net Insurance Income to GEL 3.0 million in Q1 2009. Net Interest Margin (NIM) for the quarter stood at 9.26%, a decrease of 89 basis points from Q4 2008 NIM and an increase of 33 basis points from Q1 2008.

NNOI increased to GEL 40.0 million, up 3.5% q-o-q and up 9.2% y-o-y, reflecting a 6.9% q-o-q reduction of Total Consolidated Recurring Operating Costs to GEL 44.6 million (up 0.4% y-o-y) in Q1 2009. The 14.6% y-o-y decrease in Personnel costs, the largest cost item, was the main contributor to the decline of Total Recurring Operating Costs for the quarter. Cost optimization measures, including headcount reduction, implemented by the Bank since December 2008 reduced Personnel Costs to GEL 22.0 million in Q1 2009 (down 4.7% q-o-q) from GEL 23.1 million in Q4 2008 which already reflected the GEL 4.0 million reversal of bonuses accrued in 2008. On a quarterly basis, Personnel Costs declined 18.6% q-o-q net of bonus reversal costs, translating into 14.0% q-o-q decline of Total Consolidated Recurring Operating Costs net of bonus reversal in Q4 2008. Recurring Operating Costs excluding Personnel Costs and comprising of Procurement and Operations Support expenses, Depreciation and Amortization Expenses, Selling, General & Administrative Expenses and Other Operating Expenses, reached a total of GEL 22.7 million in Q1 2009, a 8.9% decline q-o-q. Normalized Cost/Income ratio (Costs exclude Net Non-Recurring Costs) declined to 52.7% from 55.4% in Q4 2008 and 54.8% in Q1 2008.

Net loan loss provisions of GEL 35.0 million booked by the Bank in Q1 2009 were mostly attributed to net loan loss provisions of GEL 9.4 million booked by BG Bank, reflecting challenging economic environment in Ukraine, and the net loan provisions of the Bank's retail loan book in Georgia of GEL 22.8 million. The effect of the armed conflict between Georgia and Russia in August 2008 (the "Conflict") and the slowdown of the economies in the Bank's target markets resulted in the increase of NPLs to GEL 104.6 million, representing 5.1% of the consolidated gross loans as at the 31 March 2009, up from 2.1% in 2008. With NPL coverage ratio at 129.3%, the Bank remains well provisioned to absorb further deterioration of the loan book quality. Loan loss reserves reached GEL 135.2 million or 6.6% of gross loan book in Q1 2009 as compared to 5.0% in Q4 2008 and 2.1% in Q1 2008.

The Bank's Consolidated Total Assets stood at GEL 3.2 billion, down 2.2% from 31 December 2008 and up 1.2% from Q1 2008. The Bank's Net Loans decreased by 8.1% q-o-q (up 5.3% y-o-y) to GEL 1,912 million, reflecting the Bank's cautious lending policy in light of challenging economic environment in its target markets and the Bank's conservative approach to liquidity. Throughout this quarter the Bank has witnessed a system-wide decline in deposit base in Georgia and Ukraine. The Bank's Client Deposits decreased by 5.0% q-o-q to GEL 1.1 billion as of 31 March 2009, as compared to a 11.0% decline of the total client deposits in Georgia and 5.0% in Ukraine since year-end 2008.

On 30 December 2008 the Bank signed agreements for a US\$200 million financing package from EBRD and IFC ("EBRD/IFC Package"), which included senior loan, subordinated loan and convertible subordinated loan. In Q1 2009 the Bank drew down all of US\$ 200 million from the EBRD/IFC Package. During Q1 2009 the Bank repaid US\$ 165.5 million of wholesale debt financing. This included US\$65 million loan facility arranged by Merrill Lynch and the second tranche of the syndicated loan received by the Bank in August 2007 in the amount of US\$43.5 million. In addition, the Bank repurchased Loan Passthrough Notes issued in June 2008 and maturing in June 2010 (puttable in June 2009) with the face value of US\$57.0 million. The remaining outstanding amount of Loan Passthrough Notes at the end of Q1 2009 was US\$83.0 million. In April 2009 the Bank repurchased additional Loan Passthrough Notes with the face value of US\$34 million. As a result as

<sup>6</sup> q-o-q compares Q1 2009 results with Q4 2008 results

of the date of this press release, the Bank needs to repay US\$ 59.9 million of international wholesale funding obligations in 2009 and the total of US\$ 76.4 million in 2010 and 2011.

Consolidated Book Value per Share on 31 March 2009 stood at GEL 22.8, a decline from GEL 23.0 as of 31 December 2008, reflecting the decline of BNB's book value due to the translation loss as a result of devaluation of Belarusian Ruble against Georgian Lari by 21.1%.

In Q1 2009 the Bank's Tier I Capital Adequacy Ratio was 22.2% and Total Capital Adequacy Ratio was 31.7% by BIS standards.

### JSC Bank of Georgia (Standalone)

Bank of Georgia's banking operations in Georgia, which are provided through JSC Bank of Georgia, reported Q1 2009 standalone Net Income of GEL 11.3 million, as compared to Net Income of GEL 28.8 in Q4 2008 (down 60.8% q-o-q and down 55.5% y-o-y). The decline in profitability was mostly due to Net Provision Expense on a standalone basis of GEL 27.0 million (in Q4 2008 loan loss provision reversal was GEL 4.5 million), including loan loss provisions of GEL 22.8 million on Georgian retail loan book and the reversal of GEL 4.8 million provisions booked in Q4 2008 on the Georgian corporate loan book. The Net Provision Expense growth for the quarter more than offset the 2.5% q-o-q growth of NNOI, which reached GEL 40.8 million (up 6.8% y-o-y).

Total Operating Income reached GEL 69.6 million, down 0.5 % q-o-q and up 4.4% y-o-y. Net Interest Income stood at GEL 53.3 million, up 4.4% q-o-q and up 17.6% y-o-y. Net Non-Interest Income stood at GEL 16.3 million down 13.8 % q-o-q and down 23.6% y-o-y. The decline of Net Non-Interest Income was mainly attributed to the 26.4% q-o-q decline of Net Foreign Currency Related Income to GEL 5.6 million. Bank of Georgia's standalone Total Recurring Operating Costs decreased 4.5% q-o-q to GEL 28.8 million, as personnel costs increased 2.2% q-o-q to GEL 14.7 million (down 15.8% y-o-y). Standalone Personnel Costs declined 9.6% q-o-q net of bonus reversal in Q4 2008, translating into 14.6% q-o-q decline of Total Recurring Operating Costs net of bonus reversal costs on a standalone basis. Bank of Georgia's standalone Normalized Cost/Income ratio for Q1 2009 decreased to 41.4% from 43.1% in Q4 2008 and 44.5% in Q1 2008.

As of 31 March 2009 Bank of Georgia's Total Assets on a standalone basis stood at GEL 2.9 billion, down 2.4% q-o-q, up 6.1% y-o-y. Net Loans declined 7.2% q-o-q to GEL 1.8 billion, up by 9.7% y-o-y, as a result of the Bank's conservative lending policy. Corporate Banking (CB) gross loans stood at GEL 860.6 million, down 6.3% q-o-q, and up 4.1% y-o-y, while Retail Banking (RB) and Wealth Management (WM) gross loans amounted to GEL 974.0 million, down by 7.3% q-o-q and up 23.4% y-o-y. Reserve for loan losses at the end of Q1 2009 was up 4.6% q-o-q reaching GEL 102.7 million, with reserve on RB and WM loan losses representing 56.3% of total Reserve for Loan Losses on a standalone basis, up from 50.8% in Q4 2008. NPLs for the quarter stood at GEL 87.4 million, and represented 4.7% of the total gross loan book, compared to the same ratio of 3.2% in Q4 2008. The growth of the Bank of Georgia's standalone NPLs was driven by the growth of non-performing RB and WM loans from GEL 22.7 million in Q4 2008 to GEL 46.3 million in Q1 2009 as non-performing CB loans declined from GEL 41.6 million in Q4 2008 to GEL 41.1 million in Q1 2009. With the Q1 2009 NPL coverage ratio at 117.4%, the Bank remains well positioned to absorb increases in the NPLs.

### Breakdown of the Standalone Total Gross Loans, currency, loan loss reserves and NPLs by Business Units

<i>GEL million</i>	<i>GEL</i>	<i>Foreign Currency</i>	<b>Gross Loans</b>	<b>LL Reserves</b>	<b>Net Loan Book</b>	<b>NPLs</b>
RB + WM	255.7	718.3	974.0	(57.7)	916.2	46.3
CB	208.8	651.8	860.6	(38.2)	822.4	41.1
Corporate Centre, (mainly CB loans)	3.4	14.4	17.8	(6.7)	11.1	-
<b>Total</b>	<b>467.9</b>	<b>1,384.4</b>	<b>1,852.3</b>	<b>(102.6)</b>	<b>1,749.7</b>	<b>87.4</b>

In Q1 2009, the Bank's client deposits in Georgia decreased by GEL 66.2 million to GEL 979.0 million, down 6.3% compared to Q4 2008, when the growth in deposits was largely driven by increased spending of the Georgian government in December 2008 and devaluation of Lari in November 2008.

## Breakdown of Standalone Total Deposits by currency

Bank of Georgia, Stand-alone <i>GEL million</i>	31-Mar-09			31-Dec-08		
	<i>GEL</i>	<i>Foreign Currency</i>	<i>Total</i>	<i>GEL</i>	<i>Foreign Currency</i>	<i>Total</i>
RB + WM	66.2	307.6	373.7	89.1	329.4	418.5
CB	66.2	339.0	605.2	269.0	380.8	649.8
<b>Total</b>	<b>132.3</b>	<b>646.6</b>	<b>979.0</b>	<b>358.1</b>	<b>710.2</b>	<b>1,068.3</b>

As of 31 March 2009 Bank of Georgia on standalone basis held market share of 34.3 %, 32.2 %, 27.8 %, 40.8% and 38.0% by total assets, gross loans, deposits, shareholders' equity and regulatory capital, respectively in Georgia<sup>7</sup>.

*Capital Adequacy, Liquidity and Leverage*

As of 31 March 2009, the Bank's Tier I Capital Adequacy Ratio was 16.4% and Total Capital Adequacy Ratio was 17.4% by NBG standards. According to the requirement of NBG Tier I Capital Adequacy Ratio should be no less than 8% and Total Capital Adequacy Ratio no less than 12%.

The Bank's NBG Liquidity Ratio (standalone) stood at 37.6% on 31 March 2009 an increase from 27.3% on 31 December 2008, well above the NBG requirement of 20%.

The Bank's standalone leverage ratio (Total Liabilities to Shareholders Equity) stood at 3.1x as of 31 March 2009, down from 3.3x on 31 December 2008.

**BG Bank (Ukraine)**

In Q1 2009 BG Bank's Revenue decreased to GEL 5.5 million, down 41.1% q-o-q and down 15.9% y-o-y, reflecting challenging economic environment and lower income from BG Bank's Foreign Currency Related Income due to lower volatility of Hryvna compared to the previous quarter and increased borrowing costs on local inter-bank and deposit markets. Recurring Costs stood at GEL 5.7 million, up 11.5% q-o-q and down 21.1% y-o-y. BG Bank's loan loss provision charge amounted to GEL 9.4 million as compared to GEL 23.3 million booked in Q4 2008 and GEL 0.5 million booked in Q3 2008. In Q1 2009 BG Bank recorded Net Loss of GEL 7.3 million as compared to Net Loss of GEL 10.7 million in Q4 2008 and Net Loss of GEL 0.7 million in Q1 2008.

BG Bank's Total Assets decreased by 32.0% y-o-y to GEL 244.8 million (down 1.4% q-o-q), in part due to 31.3% y-o-y depreciation of Hryvna against Lari in 2008 and decrease of BG Bank's net loans due to conservative lending policy and increased provisioning. In Q1 2009 gross Loans to Clients decreased 22.0% y-o-y to GEL 198.8 million (up 2.2% q-o-q) and loan loss reserves increased 50.0% q-o-q to GEL 31.6 million or 15.9% of BG Bank's Gross Loan Book. 58.0% of BG Bank's gross loans is issued in Hryvna and the remaining loans are issued in foreign currency. As at 31 March 2009, BG Bank's NPLs stood at GEL 15.9 million, or 8.0% of BG Bank's Gross Loan book. The NPL coverage ratio stood at 198.8% as of 31 March 2009.

**Breakdown of the BG Bank's Total Gross Loans, currency, loan loss reserves and NPLs by Business Units**

<i>GEL millions</i>	<i>Foreign Currency</i>		<i>Gross Loan Book</i>	<i>LL Reserves</i>	<i>Net Loan Book</i>	
	<i>UAH</i>	<i>Currency</i>			<i>Book</i>	<i>NPLs</i>
RB	12.9	27.7	40.6	(12.2)	28.4	9.7
CB	101.6	56.6	158.2	(19.4)	138.8	6.2
<b>Total</b>	<b>114.5</b>	<b>84.3</b>	<b>198.8</b>	<b>(31.6)</b>	<b>167.2</b>	<b>15.9</b>

<sup>7</sup> Market share data are derived from the information published by the National Bank of Georgia ([www.nbg.gov.ge](http://www.nbg.gov.ge)) and represent an aggregation of standalone financial information (non-IFRS, based on National Bank of Georgia requirements) filed by Georgian banks. Deposit market share is calculated based on the amount of total deposits, including client and interbank deposits

<sup>8</sup> Some of the loans in audited financial statements of BG Bank as of 31 December 2008 were presented on a net basis (i.e. gross loans less respective reserves). Without this effect standalone gross Loans to Clients of BG Bank declined by 1.1% q-o-q.

BG Bank's Client Deposits dropped 5.0% q-o-q to GEL 121.1 million as the deposit outflow continued throughout the system despite certain restrictions on deposit withdrawals introduced by NBU (in Hryvna terms, BG Bank's Client Deposits in Q1 2009 declined by 5.1%). BG Bank's Total Liabilities stood at GEL 183.7 million in Q1 2009, down 37.0% y-o-y and up 0.5% q-o-q. BG Bank has no international wholesale funding obligations and its leverage stood at a healthy 3.0x as of 31 March 2009.

#### Breakdown of BG Bank's Total Deposits by currency

<i>GEL million</i>	31-Mar-09			31-Dec-08		
	<i>UAH</i>	<i>Foreign Currency</i>	<i>Total</i>	<i>GEL</i>	<i>Foreign Currency</i>	<i>Total</i>
RB	27.1	47.0	74.1	26.7	52.0	81.7
CB	42.2	4.8	47.0	36.2	9.5	45.7
<b>Total</b>	<b>69.3</b>	<b>51.8</b>	<b>121.1</b>	<b>65.9</b>	<b>61.5</b>	<b>127.4</b>

As of 31 March 2009, BG Bank's regulatory position remained strong. National Bank of Ukraine (NBU) Capital Adequacy Ratio of BG Bank stood at 22.8% well above 8% required by NBU. In Q1 2009 Current and Short-Term Liquidity Ratios of BG Bank stood at 75.7% and 47.5%, respectively, higher than the NBU requirement of 40% and 20% respectively.

The cost optimization measures at BG Bank initiated in Q4 2008 continued throughout Q1 2009. BG Bank closed down 11 branches, bringing the number of branches to 20. The expected recurring annual cost savings from these measures amount to circa UAH 4 million per annum.

#### Belaruskiy Narodniy Bank (Belarus)

BNB financial results were mostly affected by devaluation of Belarusian Ruble against Georgian Lari by 21.1% in January 2009. As a result in Q1 2009 BNB's Total Operating Income decreased to GEL 2.4 million, down 11.7% q-o-q, while Recurring Costs stood at GEL 1.5 million, down 15.0% q-o-q, resulting in a Net Income of GEL 661 thousand as compared to Net Loss of GEL 208 thousand\* in Q4 2008. On 31 March 2009 BNB's Total Assets stood at GEL 60.1 million, down 18.3% q-o-q and Gross Loans to Clients equaled GEL 29.6 million, down 17.7% q-o-q. Client Deposits amounted to GEL 25.4 million, down 17.3% q-o-q, while Total Liabilities stood at GEL 26.5 million, down 16.8% q-o-q.

#### Breakdown of the BNB's Total Gross Loans, currency, loan loss reserves and NPLs by Business Units

<i>GEL millions</i>	31-Mar-09		Gross Loan Book	LL Reserves	Net Loan	
	<i>BYR</i>	<i>Foreign Currency</i>			Book	NPLs
RB	0.6	2.6	3.2	(0.1)	3.1	0.1
CB	12.7	13.7	26.4	(1.1)	25.4	1.2
<b>Total</b>	<b>13.3</b>	<b>16.3</b>	<b>29.6</b>	<b>(1.2)</b>	<b>28.4</b>	<b>1.3</b>

#### Breakdown of BNB's Total Deposits by currency

<i>GEL million</i>	31-Mar-09			31-Dec-08		
	<i>BYR</i>	<i>Foreign Currency</i>	<i>Total</i>	<i>GEL</i>	<i>Foreign Currency</i>	<i>Total</i>
RB	0.2	4.2	4.4	0.3	4.0	4.3
CB	4.2	16.8	21.0	9.1	17.3	26.4
<b>Total</b>	<b>4.4</b>	<b>21.0</b>	<b>25.4</b>	<b>9.4</b>	<b>21.3</b>	<b>30.7</b>

Total Capital Adequacy stood at solid 28.0%, while Tier I Capital Adequacy Ratio amounted to 53.3%. National Bank of Belarus requires Total Capital Adequacy ratio of 8% and Tier I Capital Adequacy Ratio of 4%.

\* Q4 2008 Net Loss (Audited) as opposed to unaudited Net Income of GEL 243 thousand was a result of capitalization of part of 2008 earnings due to mid-year acquisition of BNB.

### Galt & Taggart Securities (GTS)

Against the background of global financial crisis and tough equity markets in Georgia and Ukraine (in Q1 2009 GTS Index decreased by 36.4% and the PFTS Index decreased by 24.7%) GTS continued the restructuring of its business in line with the challenging market environment.

In Q1 2009 the efforts of GTS's management started to pay off as GTS reported Net Income of GEL 148 thousand, an impressive improvement compared to Net Loss of GEL 4.6 million in Q4 2008.

### Asset Management (AM)

The following key entities are included in the AM segment: Galt & Taggart Asset Management ("GTAM"), the Bank's asset management arm, majority owned by the Bank; JSC Liberty Consumer ("LC"), a GSE-listed consumer and retail-oriented investment company managed by GTAM in which the Bank owns 65.24% equity stake and JSC SB Real Estate ("SBRE"), a real estate investment company managed by GTAM in which LC owns 52.08% equity stake.

As part of its strategy in 2008, the Bank declared its intention to review its positions in GTAM, LC and SBRE. As announced previously, going forward the Bank plans to continue exploring its options in respect of GTAM, LC and SBRE.

In Q1 2009 AM reported Net Loss of GEL 2.3 million, as compared to Net Loss of GEL 11.2 million in Q4 2008 and Net Income of GEL 8.2 million in Q1 2008. The quarterly net loss was mainly driven by the at-loss sale of certain property by SB Real Estate, share of losses generated by associates engaged in consumer retail business and unrecognized deferred tax asset.

On 31 March 2009 LC had total assets of GEL 95.0 million and net book value of GEL 69.2 million and SBRE had total assets of GEL 49.2 million and net book value of GEL 37.1 million.

### Insurance

Aldagi BCI, the Bank's wholly-owned Georgian insurance subsidiary, reported Q1 2009 Net Income of GEL 656 thousand (as compared to Net Loss of GEL 5.6 million in Q4 2008 and Net Loss of GEL 371 in Q1 2008). The notable improvement in Aldagi BCI's performance reflects the clean-up of Aldagi BCI's health insurance portfolio and introduction of new tariffs undertaken in the second half of 2008. Gross Premiums Written increased by 62.5% y-o-y to GEL 22.1 million in Q1 2009 (up 87.1% q-o-q). Net Premiums Earned grew 46.8% y-o-y to GEL 11.7 million (up 20.9% q-o-q). Revenue grew by 89.8% y-o-y to GEL 3.4 million in Q1 2009.

In 2009 Aldagi BCI's objective is to further improve its profitability through better claims management, cost control and efficiency. In line with its strategy of focusing on its core businesses, the Bank continues considering its strategic options in respect of Aldagi BCI.

### Comments

"We are very pleased that our efforts to reorganize our business and optimize our cost structure in line with the challenging market environment have started to bear fruit. Due to the Bank's focused cost optimization drive our Cost/Income ratio (normalized) was reduced to approximately 53% on the consolidated and approximately 42% on a standalone basis. Our capital position remains strong and despite increased loan loss provisioning for the past three quarters, our capacity to absorb additional provisions without a need for additional capital remains substantial. The Bank's liquidity position is also solid and the Bank has sufficient liquidity to comfortably cover all of its international wholesale obligations in payable in the near future.

This year we will continue to focus on operational efficiency, loan book quality, deposit gathering and liquidity management", commented *Nicholas Enukidze*, Chairman of the Supervisory Board.

## SEGMENT RESULTS

Total Operating Income (Revenue)	Growth y-o-y	Q1 2009	Share	Q4 2008	Share	Q1 2008	Share	Growth q-o-q
Corporate Banking	20.34%	28,985	34.24%	26,939	31.11%	24,085	29.70%	7.60%
Retail Banking	24.10%	46,820	55.31%	48,314	55.80%	37,727	46.52%	-3.09%
Wealth Management	-25.32%	1,225	1.45%	1,421	1.64%	1,641	2.02%	-13.77%
Ukraine	-15.87%	5,471	6.46%	9,281	10.72%	6,503	8.02%	-41.05%
Belarus	NMF	2,431	2.87%	2,753	3.18%	-	0.00%	-11.7%
Galt & Taggart Securities	-23.39%	1,239	1.46%	(2,776)	-3.21%	1,617	1.99%	NMF
Asset Management	NMF	(483)	-0.57%	(5,335)	-6.16%	12,402	15.29%	-90.95%
Insurance	89.84%	3,419	4.04%	(76)	-0.09%	1,801	2.22%	NMF
Corporate Center/Eliminations	-4.62%	(4,464)	-5.27%	6,069	7.01%	(4,682)	-5.77%	NMF
<b>Total Operating Income (Revenue)</b>	<b>4.38%</b>	<b>84,643</b>	<b>100.00%</b>	<b>86,590</b>	<b>100.00%</b>	<b>81,094</b>	<b>100.00%</b>	<b>-2.25%</b>

Total Recurring Operating Costs*								
Corporate Banking	-14.62%	5,949	13.32%	3,300	6.88%	6,968	15.67%	80.27%
Retail Banking	-3.05%	17,501	39.20%	19,377	40.42%	18,052	40.59%	-9.68%
Wealth Management	12.14%	736	1.65%	(3)	-0.01%	656	1.47%	NMF
Ukraine	-21.08%	5,657	12.67%	5,073	10.58%	7,168	16.12%	11.51%
Belarus	NMF	1,506	3.37%	1,772	3.70%	-	0.00%	-14.99%
Galt & Taggart Securities	-67.72%	1,226	2.75%	2,158	4.50%	3,799	8.54%	-43.18%
Asset Management	-29.70%	1,979	4.43%	3,964	8.27%	2,815	6.33%	-50.06%
Insurance	58.47%	2,872	6.43%	2,421	5.05%	1,812	4.08%	18.65%
Corporate Center/Eliminations	125.06%	7,219	16.17%	9,874	20.60%	3,208	7.21%	-26.90%
<b>Total Recurring Operating Costs</b>	<b>0.38%</b>	<b>44,645</b>	<b>100.00%</b>	<b>47,936</b>	<b>100.00%</b>	<b>44,478</b>	<b>100.00%</b>	<b>-6.87%</b>

Net Income/Loss								
Corporate Banking	121.67%	23,271	458.08%	40,815	-3641.50%	10,498	32.89%	-42.98%
Retail Banking	-58.68%	5,345	105.22%	3,457	-308.39%	12,936	40.53%	54.65%
Wealth Management	NMF	(30)	-0.59%	233	-20.78%	670	2.10%	NMF
Ukraine	951.19%	(7,325)	-144.20%	(10,721)	956.49%	(697)	-2.18%	-31.67%
Belarus	NMF	661	13.01%	(208)	18.59%	-	0.00%	NMF
Galt & Taggart Securities	NMF	148	2.92%	(4,633)	413.38%	(1,854)	-5.81%	NMF
Asset Management	NMF	(2,336)	-45.99%	(11,178)	997.30%	8,147	25.52%	-79.10%
Insurance	NMF	656	12.90%	(5,550)	495.15%	(371)	-1.16%	NMF
Corporate Center/Eliminations	NMF	(15,310)	-301.35%	(13,336)	1189.75%	2,588	8.11%	14.80%
<b>Net Income/Loss</b>	<b>NMF</b>	<b>5,080</b>	<b>100.00%</b>	<b>(1,121)</b>	<b>100.00%</b>	<b>31,919</b>	<b>100.00%</b>	<b>NMF</b>

Basic EPS Contribution	Growth y-o-y	Contribution	Share	Contribution	Share	Contribution	Share	Growth q-o-q
Corporate Banking	107.32%	0.74	458.08%	1.33	-3607.75%	0.36	32.89%	-44.08%
Retail Banking	-61.35%	0.17	105.22%	0.09	-251.35%	0.44	40.53%	84.38%
Wealth Management	NMF	(0.00)	-0.59%	0.01	-19.60%	0.02	2.10%	NMF
Ukraine	883.15%	(0.23)	-144.20%	(0.35)	940.30%	(0.02)	-2.18%	-32.46%
Belarus	NMF	0.02	13.01%	(0.01)	19.67%	-	0.00%	NMF
Galt & Taggart Securities	NMF	0.00	2.92%	(0.15)	396.71%	(0.06)	-5.81%	NMF
Asset Management	NMF	(0.07)	-45.99%	(0.37)	994.86%	0.28	25.52%	-79.64%
Insurance	NMF	0.02	12.90%	(0.18)	485.79%	(0.01)	-1.16%	NMF
Corporate Center/Eliminations	NMF	(0.49)	-301.35%	(0.41)	1141.37%	0.08	8.11%	16.29%
<b>Total</b>	<b>-85.11%</b>	<b>0.16</b>	<b>100.00%</b>	<b>(0.04)</b>	<b>100.00%</b>	<b>1.09</b>	<b>100.00%</b>	<b>NMF</b>

\*total recurring operating costs in Q1 2009 include bonus cost of GEL 4.2 million

## SEGMENT RESULTS CONT'D

Total Assets	Growth, y-o-y	31-Mar-09	Share	31-Dec-08	Share	31-Mar-08	Share	Growth, q-o-q
Corporate Banking	-3.93%	1,375,064	43.15%	1,431,178	43.92%	1,431,303	45.47%	-3.92%
Retail Banking	11.58%	1,465,198	45.98%	1,489,335	45.70%	1,313,114	41.72%	-1.62%
Wealth Management	32.47%	81,229	2.55%	83,570	2.56%	61,319	1.95%	-2.80%
Ukraine	-32.00%	244,813	7.68%	248,367	7.62%	360,022	11.44%	-1.43%
Belarus	NMF	60,066	1.88%	73,549	2.26%	-	0.00%	-18.33%
Galt & Taggart Securities	-77.53%	18,545	0.58%	29,652	0.91%	82,549	2.62%	-37.46%
Asset Management	10.23%	103,948	3.26%	107,164	3.29%	94,303	3.00%	-3.00%
Insurance	37.81%	89,443	2.81%	82,531	2.53%	64,901	2.06%	8.38%
Corporate Center/Eliminations	-3.14%	(251,547)	-7.89%	(286,439)	-8.79%	(259,715)	-8.25%	-12.18%
<b>Total Assets</b>	<b>1.24%</b>	<b>3,186,759</b>	<b>100.00%</b>	<b>3,258,907</b>	<b>100.00%</b>	<b>3,147,796</b>	<b>100.00%</b>	<b>-2.21%</b>

## Loans to Clients, Gross

Corporate Banking	4.35%	857,133	41.88%	958,241	43.77%	821,373	44.26%	-10.55%
Retail Banking	22.31%	922,978	45.09%	994,545	45.43%	754,649	40.67%	-7.20%
Wealth Management	46.24%	50,988	2.49%	55,506	2.54%	34,867	1.88%	-8.14%
Ukraine	-22.02%	198,783	9.71%	194,410	8.88%	254,923	13.74%	2.25%
Belarus	NMF	29,570	1.44%	35,933	1.64%	-	0.00%	-17.71%
Galt & Taggart Securities	0.00%	-	0.00%	-	0.00%	-	0.00%	NMF
Asset Management	0.00%	-	0.00%	-	0.00%	-	0.00%	NMF
Insurance	0.00%	-	0.00%	-	0.00%	-	0.00%	NMF
Corporate Center/Eliminations	24.38%	(12,602)	-0.62%	(49,244)	-2.25%	(10,133)	-0.55%	-74.40%
<b>Total Loans to Clients</b>	<b>10.30%</b>	<b>2,046,850</b>	<b>100.00%</b>	<b>2,189,391</b>	<b>100.00%</b>	<b>1,855,678</b>	<b>100.00%</b>	<b>-6.51%</b>

## Total Liabilities

Corporate Banking	8.63%	1,171,657	47.34%	1,225,380	48.24%	1,078,595	44.92%	-4.38%
Retail Banking	17.98%	886,855	35.83%	934,074	36.77%	751,719	31.31%	-5.06%
Wealth Management	34.49%	126,776	5.12%	130,905	5.15%	94,261	3.93%	-3.15%
Ukraine	-37.01%	183,727	7.42%	182,754	7.19%	291,663	12.15%	0.53%
Belarus	NMF	26,527	1.07%	31,883	1.26%	-	0.00%	-16.80%
Galt & Taggart Securities	-54.27%	12,348	0.50%	20,690	0.81%	27,003	1.12%	-40.32%
Asset Management	0.03%	32,661	1.32%	33,356	1.31%	32,651	1.36%	-2.08%
Insurance	56.74%	74,759	3.02%	68,228	2.69%	47,695	1.99%	9.57%
Corporate Center/Eliminations	NMF	(40,398)	-1.63%	(87,213)	-3.43%	77,473	3.23%	-53.68%
<b>Total Liabilities</b>	<b>3.08%</b>	<b>2,474,912</b>	<b>100.00%</b>	<b>2,540,057</b>	<b>100.00%</b>	<b>2,401,060</b>	<b>100.00%</b>	<b>-2.56%</b>

## Client Deposits

Corporate Banking	-7.27%	605,228	53.42%	629,460	52.76%	652,712	49.22%	-3.85%
Retail Banking	-22.88%	280,410	24.75%	319,033	26.74%	363,584	27.42%	-12.11%
Wealth Management	22.08%	93,339	8.24%	96,702	8.10%	76,460	5.77%	-3.48%
Ukraine	-43.96%	121,045	10.68%	127,359	10.67%	215,991	16.29%	-4.96%
Belarus	NMF	25,401	2.24%	30,708	2.57%	-	0.00%	-17.28%
Galt & Taggart Securities	-56.92%	7,508	0.66%	16,036	1.34%	17,428	1.31%	-53.18%
Asset Management	0.00%	-	0.00%	-	0.00%	-	0.00%	NMF
Insurance	0.00%	-	0.00%	-	0.00%	-	0.00%	NMF
Corporate Center/Eliminations	0.00%	-	0.00%	(26,174)	-2.19%	-	0.00%	-100.00%
<b>Total Client Deposits</b>	<b>-14.57%</b>	<b>1,132,931</b>	<b>100.00%</b>	<b>1,193,124</b>	<b>100.00%</b>	<b>1,326,175</b>	<b>100.00%</b>	<b>-5.05%</b>

Book Value Per Share	Growth y-o-y	Contribution	Share	Contribution	Share	Contribution	Share	Growth, q-o-q
Corporate Banking	-42.36%	6.51	28.57%	6.58	28.63%	11.29	47.23%	-1.19%
Retail Banking	2.96%	18.50	81.25%	17.77	77.24%	17.97	75.18%	4.13%
Wealth Management	38.19%	(1.46)	-6.40%	(1.51)	-6.58%	(1.05)	-4.41%	-3.80%
Ukraine	-10.69%	1.95	8.58%	0.29	1.25%	2.19	9.15%	-6.92%
Belarus	NMF	1.07	4.71%	2.36	10.27%	-	0.00%	-19.53%
Galt & Taggart Securities	-88.85%	0.20	0.87%	0.46	1.99%	1.78	7.44%	-30.87%
Asset Management	15.57%	2.28	10.01%	1.33	5.80%	1.97	8.26%	-3.44%
Insurance	-14.70%	0.47	2.06%	2.10	9.13%	0.55	2.30%	2.64%
Corporate Center/Eliminations	-37.41%	(6.75)	-29.66%	(6.38)	-27.71%	(10.79)	-45.15%	5.96%
<b>Book Value Per Share</b>	<b>-4.72%</b>	<b>22.77</b>	<b>100.00%</b>	<b>23.00</b>	<b>100.00%</b>	<b>23.90</b>	<b>100.00%</b>	<b>-1.00%</b>



## STANDALONE Q1 2009 INCOME STATEMENT DATA

Period Ended	Q1 2009		Q4 2008		Growth <sup>3</sup> Q-O-Q	Q1 2008		Growth Y-O-Y
	US\$ <sup>1</sup>	GEL	US\$ <sup>2</sup>	GEL		US\$ <sup>4</sup>	GEL	
<b>Standalone, IFRS Based</b>								
<i>000s, unless otherwise noted</i>	<b>(Unaudited)</b>		<b>(Unaudited)</b>			<b>(Unaudited)</b>		
Interest Income	56,235	93,913	55,928	93,232	0.7%	54,772	80,843	16.2%
Interest Expense	24,323	40,620	25,300	42,175	-3.7%	24,071	35,529	14.3%
<b>Net Interest Income</b>	<b>31,912</b>	<b>53,293</b>	<b>30,629</b>	<b>51,058</b>	<b>4.4%</b>	<b>30,700</b>	<b>45,314</b>	<b>17.6%</b>
Fee & Commission Income	6,126	10,231	6,883	11,474	-10.8%	7,088	10,462	-2.2%
Fee & Commission Expense	1,336	2,231	1,368	2,281	-2.2%	901	1,329	67.8%
<b>Net Fee &amp; Commission Income</b>	<b>4,790</b>	<b>8,000</b>	<b>5,515</b>	<b>9,193</b>	<b>-13.0%</b>	<b>6,187</b>	<b>9,133</b>	<b>-12.4%</b>
Income From Documentary Operations	1,612	2,692	1,323	2,205	22.1%	1,319	1,947	38.3%
Expense On Documentary Operations	273	456	470	783	-41.8%	339	500	-8.9%
<b>Net Income From Documentary Operations</b>	<b>1,339</b>	<b>2,237</b>	<b>853</b>	<b>1,421</b>	<b>57.4%</b>	<b>980</b>	<b>1,447</b>	<b>54.6%</b>
<b>Net Foreign Currency Related Income</b>	<b>3,343</b>	<b>5,583</b>	<b>4,552</b>	<b>7,588</b>	<b>-26.4%</b>	<b>7,570</b>	<b>11,173</b>	<b>-50.0%</b>
<b>Net Other Non-Interest Income</b>	<b>270</b>	<b>450</b>	<b>402</b>	<b>670</b>	<b>-32.8%</b>	<b>(314)</b>	<b>(464)</b>	<b>NMF</b>
<b>Net Non-Interest Income</b>	<b>9,742</b>	<b>16,270</b>	<b>11,321</b>	<b>18,873</b>	<b>-13.8%</b>	<b>14,423</b>	<b>21,289</b>	<b>-23.6%</b>
<b>Total Operating Income (Revenue)</b>	<b>41,654</b>	<b>69,563</b>	<b>41,950</b>	<b>69,931</b>	<b>-0.5%</b>	<b>45,124</b>	<b>66,602</b>	<b>4.4%</b>
Personnel Costs	8,800	14,695	8,628	14,383	2.2%	11,823	17,451	-15.8%
Selling, General & Administrative Costs	3,788	6,325	4,411	7,353	-14.0%	3,167	4,675	35.3%
Procurement & Operations Support Expenses	1,631	2,725	2,158	3,598	-24.3%	2,103	3,104	-12.2%
Depreciation & Amortization	2,454	4,097	2,913	4,856	-15.6%	2,088	3,081	33.0%
Other Operating Expenses	566	945	(27)	(46)	NMF	69	102	825.5%
<b>Total Recurring Operating Costs</b>	<b>17,238</b>	<b>28,787</b>	<b>18,083</b>	<b>30,144</b>	<b>-4.5%</b>	<b>19,250</b>	<b>28,413</b>	<b>1.3%</b>
<b>Normalized Net Operating Income</b>	<b>24,417</b>	<b>40,776</b>	<b>23,867</b>	<b>39,786</b>	<b>2.5%</b>	<b>25,873</b>	<b>38,189</b>	<b>6.8%</b>
Net Non-Recurring Income (Costs)	322	538	7,398	12,332	-95.6%	1,113	1,642	-67.3%
<b>Profit Before Provisions</b>	<b>24,095</b>	<b>40,238</b>	<b>16,469</b>	<b>27,454</b>	<b>46.6%</b>	<b>24,761</b>	<b>36,547</b>	<b>10.1%</b>
<b>Net Provision Expense</b>	<b>16,146</b>	<b>26,963</b>	<b>(2,691)</b>	<b>(4,487)</b>	<b>NMF</b>	<b>4,536</b>	<b>6,695</b>	<b>302.7%</b>
<b>Pre-Tax Income</b>	<b>7,949</b>	<b>13,275</b>	<b>19,161</b>	<b>31,941</b>	<b>-58.4%</b>	<b>20,225</b>	<b>29,851</b>	<b>-55.5%</b>
Income Tax Expenses/(Benefit)	1,192	1,991	1,873	3,123	-36.2%	3,034	4,478	-55.5%
<b>Net Income</b>	<b>6,757</b>	<b>11,284</b>	<b>17,287</b>	<b>28,818</b>	<b>-60.8%</b>	<b>17,191</b>	<b>25,374</b>	<b>-55.5%</b>

<sup>1</sup> Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6700 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 March 2009

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

<sup>3</sup> Growth calculations based on GEL values

<sup>4</sup> Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.4760 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 March 2008

## STANDALONE Q1 2009 BALANCE SHEET DATA

Standalone, IFRS Based 000s, unless otherwise noted	31-Mar-09		31-Dec-08		31-Mar-08		Growth <sup>4</sup> Y-O-Y	Growth <sup>4</sup> Q-O-Q	
	US\$ <sup>1</sup> (Unaudited)	GEL	US\$ <sup>2</sup> (Unaudited)	GEL	US\$ <sup>3</sup> (Unaudited)	GEL			
Cash & Cash Equivalents	67,042	111,960	93,298	155,528	78,449	115,791	-3.3%	-28.0%	
Loans & Advances To Credit Institutions	254,884	425,656	193,831	323,117	171,531	253,179	68.1%	31.7%	
Mandatory Reserve With NBG	17,634	29,449	18,539	30,904	57,211	84,443	-65.1%	-4.7%	
Other Accounts With NBG	43,249	72,226	25,791	42,993	34,463	50,868	42.0%	68.0%	
Balances With & Loans To Other Banks	194,001	323,981	149,501	249,219	79,857	117,869	174.9%	30.0%	
Available-For-Sale & Trading Securities	-	-	-	-	-	-	-	NMF	NMF
Treasuries & Equivalents	-	-	4,963	8,274	18,726	27,639	-	NMF	-100.0%
Other Fixed Income Instruments	22,954	38,333	8,741	14,571	190,534	281,229	-86.4%	163.1%	
Gross Loans To Clients	1,109,171	1,852,315	1,189,616	1,983,090	1,101,759	1,626,196	13.9%	-6.6%	
Less: Reserve For Loan Losses	(61,464)	(102,645)	(58,868)	(98,133)	(21,466)	(31,684)	224.0%	4.6%	
Net Loans To Clients	1,047,707	1,749,670	1,130,748	1,884,957	1,080,293	1,594,512	9.7%	-7.2%	
Insurance Related Assets	-	-	-	-	-	-	-	NMF	NMF
Investments In Other Business Entities, Net	188,328	314,507	177,138	295,290	147,461	217,653	44.5%	6.5%	
Property & Equipment Owned, Net	138,605	231,471	139,239	232,112	137,670	203,201	13.9%	-0.3%	
Intangible Assets Owned, Net	4,076	6,807	8,034	13,393	1,279	1,888	260.5%	-49.2%	
Goodwill	13,642	22,783	13,646	22,748	14,935	22,044	3.4%	0.2%	
Tax Assets - Current & Deferred	-	-	3,974	6,624	1,414	2,086	-	NMF	NMF
Prepayments & Other Assets	9,140	15,263	18,463	30,778	19,990	29,505	-48.3%	-50.4%	
<b>Total Assets</b>	<b>1,746,378</b>	<b>2,916,451</b>	<b>1,792,077</b>	<b>2,987,392</b>	<b>1,862,282</b>	<b>2,748,729</b>	<b>6.1%</b>	<b>-2.4%</b>	
Client Deposits	586,214	978,977	626,992	1,045,195	740,320	1,092,712	-10.4%	-6.3%	
Deposits & Loans From Banks	17,573	29,348	35,854	59,768	15,041	22,201	32.2%	-50.9%	
Borrowed Funds	696,288	1,162,801	682,525	1,137,770	538,668	795,074	46.3%	2.2%	
Issued Fixed Income Securities	-	-	-	-	5,304	7,828	-	NMF	NMF
Insurance Related Liabilities	-	-	-	-	-	-	-	NMF	NMF
Tax Liabilities - Current & Deferred	9,682	16,169	12,064	20,110	11,199	16,530	-2.2%	-19.6%	
Accruals & Other Liabilities	13,644	22,786	16,289	27,153	79,904	117,938	-80.7%	-16.1%	
<b>Total Liabilities</b>	<b>1,323,402</b>	<b>2,210,082</b>	<b>1,373,723</b>	<b>2,289,996</b>	<b>390,436</b>	<b>2,052,283</b>	<b>7.7%</b>	<b>-3.5%</b>	
Ordinary Shares	18,719	31,261	18,748	31,253	21,168	31,244	0.1%	0.0%	
Share Premium	279,874	467,390	281,746	469,670	310,271	457,960	2.1%	-0.5%	
Treasury Shares	(699)	(1,167)	(676)	(1,128)	(1,033)	(1,525)	-23.5%	3.5%	
Retained Earnings	82,834	138,332	75,752	126,279	84,563	124,816	10.8%	9.5%	
Revaluation & Other Reserves	35,491	59,269	28,013	46,698	39,686	58,577	1.2%	26.9%	
Net Income (Loss) For The Period	6,757	11,284	14,771	24,624	17,191	25,374	-55.5%	-54.2%	
<b>Shareholders' Equity Excluding Minority Interest</b>	<b>422,976</b>	<b>706,370</b>	<b>418,354</b>	<b>697,396</b>	<b>471,847</b>	<b>696,446</b>	<b>1.4%</b>	<b>1.3%</b>	
Minority Interest	-	-	-	-	-	-	-	NMF	NMF
<b>Total Shareholders' Equity</b>	<b>422,976</b>	<b>706,370</b>	<b>418,354</b>	<b>697,396</b>	<b>471,847</b>	<b>696,446</b>	<b>1.4%</b>	<b>1.3%</b>	
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>1,746,378</b>	<b>2,916,451</b>	<b>1,792,077</b>	<b>2,987,392</b>	<b>1,862,282</b>	<b>2,748,729</b>	<b>6.1%</b>	<b>-2.4%</b>	

<sup>1</sup> Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6700 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 March 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 Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2008

<sup>3</sup> Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.4760 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 March 2008

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

## BG BANK (UKRAINE) Q1 2009 INCOME STATEMENT DATA

Period Ended Standalone, IFRS Based 000s, unless otherwise noted	Q1 2009		Q4 2008		Growth <sup>3</sup> Q-O-Q	Q1 2008		Growth Y-O-Y
	US\$ <sup>1</sup>	GEL (Unaudited)	US\$ <sup>2</sup>	GEL (Unaudited)		US\$ <sup>4</sup>	GEL (Unaudited)	
Interest Income	6,649	11,103	5,139	8,566	30%	8,177	12,069	-8%
Interest Expense	4,935	8,241	2,870	4,785	72%	4,936	7,286	13%
<b>Net Interest Income</b>	<b>1,714</b>	<b>2,862</b>	<b>2,268</b>	<b>3,781</b>	<b>-24%</b>	<b>3,241</b>	<b>4,783</b>	<b>-40%</b>
Fee & Commission Income	493	823	552	921	-11%	887	1,309	-37%
Fee & Commission Expense	123	205	136	227	-10%	179	265	-23%
<b>Net Fee &amp; Commission Income</b>	<b>370</b>	<b>618</b>	<b>416</b>	<b>694</b>	<b>-11%</b>	<b>707</b>	<b>1,044</b>	<b>-41%</b>
Income From Documentary Operations	-	-	-	-	NMF	-	-	NMF
Expense On Documentary Operations	-	-	-	-	NMF	-	-	NMF
<b>Net Income From Documentary Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NMF</b>	<b>-</b>	<b>-</b>	<b>NMF</b>
<b>Net Foreign Currency Related Income</b>	<b>1,192</b>	<b>1,991</b>	<b>2,863</b>	<b>4,772</b>	<b>-58%</b>	<b>458</b>	<b>676</b>	<b>195%</b>
<b>Net Other Non-Interest Income</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>33</b>	<b>-100%</b>	<b>-</b>	<b>-</b>	<b>NMF</b>
<b>Net Non-Interest Income</b>	<b>1,562</b>	<b>2,609</b>	<b>3,299</b>	<b>5,499</b>	<b>-53%</b>	<b>1,165</b>	<b>1,720</b>	<b>52%</b>
<b>Total Operating Income (Revenue)</b>	<b>3,276</b>	<b>5,471</b>	<b>5,567</b>	<b>9,280</b>	<b>-41%</b>	<b>4,406</b>	<b>6,503</b>	<b>-16%</b>
Personnel Costs	1,938	3,236	1,546	2,577	26%	2,937	4,335	-25%
Selling, General & Administrative Costs	796	1,329	1,166	1,943	-32%	1,731	2,554	-48%
Procurement & Operations Support Expenses	-	-	-	-	NMF	-	-	NMF
Depreciation & Amortization	125	209	195	325	-36%	214	316	-34%
Other Operating Expenses	529	883	137	227	287%	(25)	(37)	NMF
<b>Total Recurring Operating Costs</b>	<b>3,387</b>	<b>5,657</b>	<b>3,043</b>	<b>5,072</b>	<b>12%</b>	<b>4,856</b>	<b>7,168</b>	<b>-21%</b>
<b>Normalized Net Operating Income</b>	<b>(111)</b>	<b>(186)</b>	<b>2,524</b>	<b>4,208</b>	<b>NMF</b>	<b>(451)</b>	<b>(665)</b>	<b>-72%</b>
Net Non-Recurring Income (Costs)	107	179	220	366	-51%	123	181	-1%
<b>Profit Before Provisions</b>	<b>(4)</b>	<b>(7)</b>	<b>2,744</b>	<b>4,574</b>	<b>NMF</b>	<b>(328)</b>	<b>(484)</b>	<b>-99%</b>
<b>Net Provision Expense</b>	<b>5,619</b>	<b>9,384</b>	<b>10,911</b>	<b>18,189</b>	<b>-48%</b>	<b>301</b>	<b>445</b>	<b>2010%</b>
<b>Pre-Tax Income</b>	<b>(5,623)</b>	<b>(9,391)</b>	<b>(8,167)</b>	<b>(13,615)</b>	<b>-31%</b>	<b>(629)</b>	<b>(929)</b>	<b>911%</b>
Income Tax Expenses/(Benefit)	(1,237)	(2,066)	(1,736)	(2,894)	-29%	(157)	(232)	789%
<b>Net Income</b>	<b>(4,386)</b>	<b>(7,325)</b>	<b>(6,431)</b>	<b>(10,721)</b>	<b>-32%</b>	<b>(472)</b>	<b>(697)</b>	<b>951%</b>

<sup>1</sup> Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6700 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 March 2009

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

<sup>3</sup> Growth calculations based on GEL values

<sup>4</sup> Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.4760 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 March 2008

## BNB (BELARUS) Q1 2009 INCOME STATEMENT DATA

Period Ended	Q1 2009		Q4 2008		Growth <sup>3</sup>
	US\$ <sup>1</sup>	GEL	US\$ <sup>2</sup>	GEL	Q-O-Q
<b>Standalone, IFRS Based</b>	<b>(Unaudited)</b>		<b>(Unaudited)</b>		
<i>000s, unless otherwise noted</i>					
Interest Income	971	1,621	1,127	1,880	-14%
Interest Expense	375	626	465	775	-19%
<b>Net Interest Income</b>	<b>596</b>	<b>995</b>	<b>663</b>	<b>1,105</b>	<b>-10%</b>
Fee & Commission Income	204	341	348	580	-41%
Fee & Commission Expense	30	50	51	84	-41%
<b>Net Fee &amp; Commission Income</b>	<b>174</b>	<b>291</b>	<b>298</b>	<b>496</b>	<b>-41%</b>
Income From Documentary Operations	2	3	-	-	NMF
Expense On Documentary Operations	1	1	-	-	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>704</b>	<b>1,175</b>	<b>591</b>	<b>986</b>	<b>19%</b>
<b>Net Other Non-Interest Income</b>	<b>(19)</b>	<b>(32)</b>	<b>100</b>	<b>167</b>	<b>-119%</b>
<b>Net Non-Interest Income</b>	<b>860</b>	<b>1,436</b>	<b>989</b>	<b>1,649</b>	<b>-13%</b>
<b>Total Operating Income (Revenue)</b>	<b>1,456</b>	<b>2,431</b>	<b>1,652</b>	<b>2,754</b>	<b>-12%</b>
Personnel Costs	455	761	475	792	-4%
Selling, General & Administrative Costs	95	159	440	733	-78%
Procurement & Operations Support Expenses	139	233	(119)	(198)	NMF
Depreciation & Amortization	99	166	192	320	-48%
Other Operating Expenses	113	188	75	125	51%
<b>Total Recurring Operating Costs</b>	<b>902</b>	<b>1,506</b>	<b>1,063</b>	<b>1,772</b>	<b>-15%</b>
<b>Normalized Net Operating Income</b>	<b>554</b>	<b>925</b>	<b>589</b>	<b>982</b>	<b>-6%</b>
Net Non-Recurring Income (Costs)	6	10	(5)	(9)	NMF
<b>Profit Before Provisions</b>	<b>560</b>	<b>935</b>	<b>584</b>	<b>973</b>	<b>-4%</b>
<b>Net Provision Expense</b>	<b>17</b>	<b>29</b>	<b>591</b>	<b>985</b>	<b>-97%</b>
<b>Pre-Tax Income</b>	<b>543</b>	<b>906</b>	<b>(7)</b>	<b>(12)</b>	<b>NMF</b>
Income Tax Expenses/(Benefit)	147	245	118	196	25%
<b>Net Income</b>	<b>396</b>	<b>661</b>	<b>(125)</b>	<b>(208)</b>	<b>NMF</b>

<sup>1</sup> Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6700 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 March 2009

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

<sup>3</sup> Growth calculations based on GEL values

## CONSOLIDATED Q1 2009 INCOME STATEMENT DATA

Period Ended Consolidated, IFRS Based <i>000s, unless otherwise noted</i>	Q1 2009		Q4 2008		Growth <sup>3</sup> Q-O-Q	Q1 2008		Growth Y-O-Y
	US\$ <sup>1</sup> (Unaudited)	GEL	US\$ <sup>2</sup> (Unaudited)	GEL		US\$ <sup>4</sup> (Unaudited)	GEL	
Interest Income	62,733	104,763	59,258	98,784	6.05%	62,724	92,580	13.16%
Interest Expense	29,586	49,409	25,433	42,396	16.54%	29,007	42,815	15.40%
<b>Net Interest Income</b>	<b>33,147</b>	<b>55,354</b>	<b>33,825</b>	<b>56,388</b>	<b>-1.83%</b>	<b>33,717</b>	<b>49,765</b>	<b>11.23%</b>
Fee & Commission Income	6,823	11,395	6,747	11,247	1.31%	7,975	11,771	-3.19%
Fee & Commission Expense	1,489	2,486	3,104	5,175	-51.96%	1,080	1,594	55.96%
<b>Net Fee &amp; Commission Income</b>	<b>5,334</b>	<b>8,909</b>	<b>3,643</b>	<b>6,072</b>	<b>46.71%</b>	<b>6,895</b>	<b>10,177</b>	<b>-12.46%</b>
Income From Documentary Operations	1,614	2,695	1,323	2,205	22.24%	1,319	1,947	38.42%
Expense On Documentary Operations	274	457	470	783,8201	-41.73%	339	500	-8.67%
<b>Net Income From Documentary Operations</b>	<b>1,340</b>	<b>2,238</b>	<b>853</b>	<b>1,421</b>	<b>57.53%</b>	<b>980</b>	<b>1,447</b>	<b>54.69%</b>
<b>Net Foreign Currency Related Income</b>	<b>5,256</b>	<b>8,778</b>	<b>8,938</b>	<b>14,900</b>	<b>-41.09%</b>	<b>8,961</b>	<b>13,226</b>	<b>-33.63%</b>
Net Insurance Income	1,821	3,042	1,910	3,184	-4.48%	1,109	1,638	85.76%
Brokerage Income	202	337	254	423	-20.32%	864	1,275	-73.53%
Asset Management Income	97	162	1,093	1,822	-91.12%	438	646	-74.96%
Realized Net Investment Gains (Losses)	(2)	(3)	(2,059)	(3,432)	-99.91%	(253)	(373)	-99.21%
Other	3,489	5,826	3,486	5,811	0.26%	2,232	3,294	76.85%
<b>Net Other Non-Interest Income</b>	<b>5,607</b>	<b>9,364</b>	<b>4,684</b>	<b>7,808</b>	<b>19.92%</b>	<b>4,390</b>	<b>6,480</b>	<b>44.51%</b>
<b>Net Non-Interest Income</b>	<b>17,537</b>	<b>29,289</b>	<b>18,117</b>	<b>30,201</b>	<b>-3.02%</b>	<b>21,226</b>	<b>31,330</b>	<b>-6.51%</b>
<b>Total Operating Income (Revenue)</b>	<b>50,684</b>	<b>84,643</b>	<b>51,943</b>	<b>86,589</b>	<b>-2.25%</b>	<b>54,943</b>	<b>81,095</b>	<b>4.38%</b>
Personnel Costs	13,165	21,985	13,832	23,057	-4.65%	17,432	25,730	-14.55%
Selling, General & Administrative Costs	6,999	11,688	6,387	10,648	9.77%	7,659	11,304	3.40%
Procurement & Operations Support Expenses	1,771	2,957	2,040	3,401	-13.04%	2,103	3,104	-4.72%
Depreciation & Amortization	3,105	5,185	3,827	6,380	-18.74%	2,730	4,029	28.68%
Other Operating Expenses	1,694	2,830	2,670	4,450	-36.41%	211	312	808.25%
<b>Total Recurring Operating Costs</b>	<b>26,734</b>	<b>44,645</b>	<b>28,756</b>	<b>47,936</b>	<b>-6.87%</b>	<b>30,135</b>	<b>44,479</b>	<b>0.38%</b>
<b>Normalized Net Operating Income</b>	<b>23,950</b>	<b>39,998</b>	<b>23,187</b>	<b>38,653</b>	<b>3.48%</b>	<b>24,808</b>	<b>36,616</b>	<b>9.24%</b>
Net Non-Recurring Income (Costs)	(137)	(228)	(17,984)	(29,980)	-99.24%	5,737	8,468	-102.70%
<b>Profit Before Provisions</b>	<b>23,813</b>	<b>39,770</b>	<b>5,203</b>	<b>8,673</b>	<b>358.51%</b>	<b>30,545</b>	<b>45,084</b>	<b>-11.79%</b>
<b>Net Provision Expense</b>	<b>20,953</b>	<b>34,992</b>	<b>6,528</b>	<b>10,882</b>	<b>221.57%</b>	<b>5,048</b>	<b>7,451</b>	<b>369.63%</b>
<b>Pre-Tax Income</b>	<b>2,860</b>	<b>4,778</b>	<b>(1,325)</b>	<b>(2,209)</b>	<b>NMF</b>	<b>25,497</b>	<b>37,633</b>	<b>-87.30%</b>
Income Tax Expenses/(Benefit)	(181)	(302)	(652)	(1,088)	-72.21%	3,873	5,715	NMF
<b>Net Income</b>	<b>3,041</b>	<b>5,080</b>	<b>(673)</b>	<b>(1,121)</b>	<b>NMF</b>	<b>21,624</b>	<b>31,918</b>	<b>-84.08%</b>
Weighted Average Number of Shares Outstanding ( <i>000s</i> )		31,261		31,253	0.03%		29,237	6.92%
Fully Diluted Number of Shares Period End ( <i>000s</i> )		35,074		31,253	12.23%		31,244	12.26%
EPS (Basic)	0.10	0.16	(0.02)	(0.04)	NMF	0.74	1.09	-85.11%
EPS (Fully Diluted)	0.09	0.14	(0.02)	(0.04)	NMF	0.69	1.02	-85.82%

<sup>1</sup> Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6700 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 March 2009

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

<sup>3</sup> Growth calculations based on GEL values

<sup>4</sup> Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.4760 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 March 2008

## CONSOLIDATED Q1 2009 BALANCE SHEET DATA

Consolidated, IFRS Based <i>000s, unless otherwise noted</i>	31-Mar-09		31-Dec-08		Growth <sup>3</sup> , q-o-q	31-Mar-08		Growth <sup>3</sup> Y-O-Y
	US\$ <sup>1</sup> (Unaudited)	GEL	US\$ <sup>2</sup> (Audited)	GEL		US\$ <sup>4</sup> (Unaudited)	GEL	
Cash & Cash Equivalents	102,477	171,136	238,507	397,591	-56.96%	146,001	215,497	-20.59%
Loans & Advances To Credit Institutions	248,418	414,857	59,768	99,633	316.39%	157,305	232,182	78.68%
Mandatory Reserve With NBG/NBU/NBRB	29,350	49,014	23,787	39,653	23.61%	59,344	87,591	-44.04%
Other Accounts With NBG/NBU/NBRB	43,249	72,226	25,791	42,993	68.00%	34,463.11	50,868	41.99%
Balances With & Loans To Other Banks	175,818	293,617	10,190	16,987	1628.48%	63,498	93,723	213.28%
Available-For-Sale & Trading Securities	24,252	40,501	20,238	33,737	20.05%	34,830	51,409	-21.22%
Treasuries & Equivalents	-	-	4,963	8,274	-100.00%	18,726	27,639	NMF
Other Fixed Income Instruments	22,967	38,355	8,741	14,571	163.23%	190,534	281,229	-86.36%
Gross Loans To Clients	1,225,658	2,046,850	1,313,372	2,189,391	-6.51%	1,257,235	1,855,678	10.30%
Less: Reserve For Loan Losses	(80,985)	(135,245)	(65,245)	(108,764)	24.35%	(26,818)	(39,584)	241.67%
Net Loans To Clients	1,144,673	1,911,605	1,248,127	2,080,627	-8.12%	1,230,417	1,816,094	5.26%
Insurance Related Assets	31,506	52,615	25,189	41,990	25.30%	22,955	33,882	55.29%
Investments In Other Business Entities, Net	21,875	36,531	38,398	64,009	-42.93%	45,623	67,339	-45.75%
Property & Equipment Owned, Net	203,532	339,898	181,034	301,784	12.63%	167,416	247,107	37.55%
Intangible Assets Owned, Net	6,839	11,421	10,930	18,220	-37.31%	4,220	6,229	83.36%
Goodwill	80,992	135,257	80,527	134,238	0.76%	74,679	110,227	22.71%
Tax Assets - Current & Deferred	4,003	6,685	7,670	12,786	-47.72%	2,371	3,499	91.03%
Prepayments & Other Assets	16,705	27,897	30,861	51,447	-45.77%	37,577	55,464	-49.70%
<b>Total Assets</b>	<b>1,908,238</b>	<b>3,186,758</b>	<b>1,954,953</b>	<b>3,258,907</b>	<b>-2.21%</b>	<b>2,132,654</b>	<b>3,147,797</b>	<b>1.24%</b>
Client Deposits	678,402	1,132,931	715,731	1,193,124	-5.05%	898,493	1,326,175	-14.57%
Deposits & Loans From Banks	31,702	52,942	47,362	78,952	-32.94%	29,541	43,602	21.42%
Borrowed Funds	696,288	1,162,801	682,525	1,137,770	2.20%	538,668	795,074	46.25%
Issued Fixed Income Securities	81	136	-	-	NMF	9,173	13,540	-99.00%
Insurance Related Liabilities	38,207	63,806	33,237	55,406	15.16%	29,221	43,130	47.94%
Tax Liabilities - Current & Deferred	11,348	18,951	14,633	24,394	-22.31%	18,357	27,095	-30.06%
Accruals & Other Liabilities	25,955	43,344	30,243	50,412	-14.02%	103,283	152,446	-71.57%
<b>Total Liabilities</b>	<b>1,481,983</b>	<b>2,474,911</b>	<b>1,523,731</b>	<b>2,540,058</b>	<b>-2.56%</b>	<b>1,626,736</b>	<b>2,401,062</b>	<b>3.08%</b>
Ordinary Shares	18,719	31,261	18,748	31,253	0.03%	21,168	31,244	0.05%
Share Premium	274,512	458,435	281,183	468,732	-2.20%	302,975	447,191	2.51%
Treasury Shares	(1,199)	(2,002)	(1,211)	(2,018)	-0.81%	(1,250)	(1,846)	8.46%
Retained Earnings	72,529	121,123	82,540	137,594	-11.97%	97,705	144,213	-16.01%
Revaluation & Other Reserves	27,890	46,577	15,717	26,201	77.77%	42,537	62,785	-25.81%
Net Income (Loss) For The Period	3,042	5,080	104	174	2819.65%	21,624	31,918	-84.08%
<b>Shareholders' Equity Excluding Minority Interest</b>	<b>395,493</b>	<b>660,474</b>	<b>397,081</b>	<b>661,936</b>	<b>-0.22%</b>	<b>484,759</b>	<b>715,505</b>	<b>-7.69%</b>
Minority Interest	30,762	51,373	34,141	56,913	-9.73%	21,159	31,230	64.50%
<b>Total Shareholders' Equity</b>	<b>426,255</b>	<b>711,847</b>	<b>431,222</b>	<b>718,849</b>	<b>-0.97%</b>	<b>505,918</b>	<b>746,735</b>	<b>-4.67%</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>1,908,238</b>	<b>3,186,758</b>	<b>1,954,953</b>	<b>3,258,907</b>	<b>-2.21%</b>	<b>2,132,654</b>	<b>3,147,797</b>	<b>1.24%</b>
Shares Outstanding		31,261		31,253			31,244	0.05%
Book Value Per Share	13.64	22.77	13.80	23.00		16.19	23.90	4.72%

<sup>1</sup> Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6700 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 March 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>3</sup> Growth calculations based on GEL values

<sup>4</sup> Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.4760 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 March 2008

## KEY RATIOS

	Q1 2009	Q1 2008
<b>Profitability Ratios</b>		
ROAA <sup>1</sup> , Annualised	0.63%	4.18%
ROA	0.64%	4.06%
ROAE <sup>2</sup> , Annualised	2.85%	19.57%
ROE	2.85%	17.10%
Interest Income To Average Interest Earning Assets <sup>3</sup> , Annualised	17.52%	16.60%
Cost Of Funds <sup>4</sup> , Annualised	8.25%	7.71%
Net Spread <sup>5</sup>	9.27%	8.89%
Net Interest Margin <sup>6</sup> , Annualised	9.26%	8.92%
Net Interest Margin Normalized <sup>5,6</sup> , Annualised	9.26%	8.92%
Loan Yield <sup>7</sup> , Annualised	13.15%	18.88%
Interest Expense To Interest Income	47.16%	46.25%
Net Non-Interest Income To Average Total Assets, Annualised	3.62%	4.11%
Net Non-Interest Income To Revenue <sup>8</sup>	34.60%	38.63%
Net Fee And Commission Income To Average Interest Earning Assets <sup>9</sup> , Annualised	1.49%	1.82%
Net Fee And Commission Income To Revenue	10.53%	12.55%
Operating Leverage <sup>10</sup>	-20.24%	33.36%
Total Operating Income (Revenue) To Total Assets, Annualised	10.62%	10.30%
Recurring Earning Power <sup>11</sup> , Annualised	4.91%	7.05%
Net Income To Revenue	6.00%	39.36%
<b>Efficiency Ratios</b>		
Operating Cost To Average Total Assets <sup>12</sup> , Annualised	5.51%	4.69%
Cost To Average Total Assets <sup>13</sup> , Annualised	5.54%	4.72%
Cost / Income <sup>14</sup>	53.01%	44.40%
Cost / Income, Normalized <sup>15</sup>	52.74%	54.85%
Cost / Income, Bank of Georgia, Standalone <sup>15</sup>	42.16%	45.13%
Cost/Income, Normalized, Bank of Georgia, Standalone	41.38%	44.46%
Cash Cost / Income	46.89%	39.44%
Total Employee Compensation Expense To Revenue <sup>16</sup>	25.97%	31.73%
Total Employee Compensation Expense To Cost	48.99%	71.45%
Total Employee Compensation Expense To Average Total Assets, Annualised	2.71%	3.37%
<b>Liquidity Ratios</b>		
Net Loans To Total Assets <sup>17</sup>	59.99%	57.69%
Average Net Loans To Average Total Assets	61.64%	57.99%
Interest Earning Assets To Total Assets	74.21%	74.88%
Average Interest Earning Assets To Average Total Assets	73.82%	73.13%
Liquid Assets To Total Assets <sup>18</sup>	19.32%	22.88%
Liquid Assets To Total Liabilities, NBG Stand-Alone	37.63%	34.19%
Liquid Assets To Total Liabilities, IFRS Consolidated	26.86%	33.65%
Net Loans To Client Deposits	168.73%	136.94%
Average Net Loans To Average Client Deposits	168.52%	131.95%
Net Loans To Total Deposits <sup>19</sup>	161.20%	132.58%
Net Loans To (Total Deposits + Equity)	100.73%	85.81%
Net Loans To Total Liabilities	77.24%	75.64%
Total Deposits To Total Liabilities	47.92%	57.05%
Client Deposits To Total Deposits	95.54%	96.82%
Client Deposits To Total Liabilities	45.78%	55.23%
Current Account Balances To Client Deposits	42.15%	43.75%
Demand Deposits To Client Deposits	7.56%	6.99%
Time Deposits To Client Deposits	50.29%	49.26%
Total Deposits To Total Assets	37.21%	43.52%
Client Deposits To Total Assets	35.55%	42.13%
Client Deposits To Total Equity (Times) <sup>20</sup>	1.59	1.78
Due From Banks / Due To Banks <sup>21</sup>	783.61%	532.50%
Total Equity To Net Loans	37.24%	41.12%
Leverage (Times) <sup>22</sup>	3.48	3.22

## KEY RATIOS CONT'D

	Q1 2009	Q1 2008
<b>Asset Quality</b>		
NPLs (in GEL) <sup>23</sup>	104,587	18,992
NPLs To Gross Loans To Clients <sup>24</sup>	5.11%	1.02%
Cost of Risk <sup>25</sup> , Annualized	6.59%	1.65%
Cost of Risk Normalized <sup>26</sup> , Annualized	6.59%	1.65%
Reserve For Loan Losses To Gross Loans To Clients <sup>26</sup>	6.61%	2.13%
NPL Coverage Ratio <sup>27</sup>	129.31%	208.42%
Equity To Average Net Loans To Clients	35.63%	42.21%
<b>Capital Adequacy</b>		
Equity To Total Assets	22.34%	23.72%
BIS Tier I Capital Adequacy Ratio, consolidated <sup>28</sup>	22.25%	25.24%
BIS Total Capital Adequacy Ratio, consolidated <sup>29</sup>	31.75%	25.81%
NBG Tier I Capital Adequacy Ratio <sup>30</sup>	16.40%	18.26%
NBG Total Capital Adequacy Ratio <sup>31</sup>	17.37%	16.33%
<b>Per Share Values</b>		
Basic EPS (GEL) <sup>32</sup>	0.16	1.09
Basic EPS (US\$)	0.10	0.74
Fully Diluted EPS (GEL) <sup>33</sup>	0.14	1.02
Fully Diluted EPS (US\$)	0.09	0.69
Book Value Per Share (GEL) <sup>34</sup>	22.77	23.90
Book Value Per Share (US\$)	13.64	16.19
Ordinary Shares Outstanding - Weighted Average, Basic	31,260,888	29,237,387
Ordinary Shares Outstanding - Period End	31,260,888	31,244,092
Ordinary Shares Outstanding - Fully Diluted	35,074,482	31,244,092
<b>Selected Operating Data</b>		
Full Time Employees (FTEs)	4,989	4,926
FTEs, Bank of Georgia Standalone	2,692	3,056
Total assets per FTE <sup>25</sup> (GEL Thousands)	639	639
Total Assets per FTE, Bank of Georgia Standalone (GEL Thousands)	1,184	1,030
Number Of Active Branches	142	131
Number Of ATMs	420	310
Number Of Cards (Thousands)	645	743
Number Of POS Terminals	2,548	2,063



## 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, 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;
- 16 Total Employee Compensation Expense includes Personnel Costs;
- 17 Net Loans equal Net Loans To Clients;
- 18 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;
- 19 Total Deposits include Client Deposits and Deposits And Loans from Banks;
- 20 Total Equity equals Total Shareholders' Equity;
- 21 Due From Banks/ Due To Banks equals Loans And Advances To Credit Institutions divided by Deposits And Loans From Banks;
- 22 Leverage (Times) equals Total Liabilities as of the period end divided by Total Equity as of the same date;
- 23 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;
- 24 Gross Loans equals Gross Loans To Clients;
- 25 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;
- 26 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;
- 27 NPL Coverage Ratio equals Reserve For Loan losses as of the period end divided by NPLs as of the same date;
- 28 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;
- 29 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;
- 30 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;
- 31 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;
- 32 Basic EPS equals Net Income of the period divided by the weighted average number of outstanding ordinary shares over the same period;
- 33 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;
- 34 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.
- 35 Net Interest Margin Normalized equals Net Interest Income of the period, less interest income generated by non-performing loans through the date of their write-off, divided by quarterly Average Interest Earning Assets of the same period;
- 36 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;
- 37 Cost / Income Normalized equals Recurring Operating Costs divided by Total Operating Income (Revenue) for the same period