

London, 12 August 2015

Bank of Georgia completes legal restructuring

Bank of Georgia Holdings PLC (“**BGH**”), the holding company of JSC Bank of Georgia (“**the Bank**”), Georgia’s leading bank, announces that the Bank has completed its legal restructuring as announced in December 2014 (link to December 2014 announcement: <http://bogh.co.uk/en/announcements/bank-of-georgia-holdings-plc/press-releases>). The reorganisation was undertaken in accordance with the National Bank of Georgia’s intention to regulate banks in Georgia on a standalone basis and thereby limit investments in non-banking subsidiaries by locally regulated banking entities.

BGH has established a 100% subsidiary **JSC BGEO Group** to act as an ultimate Georgian holding company, for the Group. The group’s subsidiaries are grouped into banking businesses and investment businesses under JSC BGEO Group, which represents an optimal fit to manage the group as a Georgia-focused banking group with an investment arm. The detailed group structure can be found on this link: <http://bogh.co.uk/en/announcements/bank-of-georgia-holdings-plc/press-releases>. The board also intends to rename Bank of Georgia Holdings PLC, UK registered holding company, into **BGEO Group PLC**.

There are no changes to the management structure of Bank of Georgia Holdings PLC, where Neil Janin will remain as Chairman of Board of Directors and Irakli Gilauri will continue as Chief Executive Officer. At the Georgian holding company level, the Board has appointed Irakli Gilauri as CEO of BGEO Group where he is joined by Archil Gachechiladze as Group CFO, in addition to his existing role (Mr Gachechiladze currently is Deputy CEO, Investment Management at JSC Bank of Georgia), and by Avto Namicheishvili as Group Deputy CEO, Legal. Murtaz Kikoria, currently Deputy CEO, Finance will succeed Irakli Gilauri as CEO of JSC Bank of Georgia and Irakli Gilauri will become the chairman of JSC Bank of Georgia. In line with the group restructuring, the board intends to sign new service agreements with senior management.

“Our recently updated strategy and the changes in our regulatory requirements, both of which were announced last year, created the need for the new legal structure. The new structure, which is now very well streamlined for our strategy, will facilitate our continued commitment to growing Bank of Georgia’s strong retail and corporate banking franchise and allow the Group to continue to capture compelling investment opportunities in Georgia’s corporate sector,” said **Irakli Gilauri**, CEO of Bank of Georgia Holdings PLC.

About Bank of Georgia Holdings PLC

Bank of Georgia Holdings PLC is a UK-incorporated holding company of Bank of Georgia. Bank of Georgia is the leading Georgian bank, based on total assets (with a 36.9% market share), total loans (with a 34.7% market share) and client deposits (with a 32.5% market share) as of 31 March 2015, all data based on standalone financial information filed by banks in Georgia with the National Bank of Georgia and includes Privatbank’s market shares. The Bank offers a broad range of corporate banking, retail banking, wealth management, brokerage and insurance and healthcare services to its clients. As of 31 March 2015, the Bank served approximately 1.5 million client accounts through one of the largest distribution networks in Georgia, with 219 branches, the country’s largest ATM network, comprising 554 ATMs, 2,245 Express pay (self-service) terminals and a full-service remote banking platform and a modern call center.

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

Standard & Poor’s	‘BB-/B’
FitchRatings	‘BB-/B’
Moody’s	‘B1/NP’ (FC) & ‘Ba3/NP’ (LC)

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