

London, 6 February 2014

Bank of Georgia receives US\$65 million subordinated loan from IFC Capitalization Fund

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 received a US\$65 million subordinated loan facility from IFC Capitalization Fund. The loan facility bears a maturity of ten years and will enable the Bank to further optimise its cost of funding.

“I am pleased with the opportunity to once again join forces with IFC and successfully close this important transaction. The subordinated loan facility, which qualifies as Tier II Capital will improve the overall capitalisation of the Bank, while at the same time help to drive down our cost of funding as it enables us to repay more costly subordinated facilities. I would like to thank our long-standing partner and shareholder IFC for continuous collaboration and our funding team for the successful completion of the transaction,” said **Irakli Gilauri**, Chief Executive Officer.

“We are happy to partner with Bank of Georgia as it continues to grow and improve access to finance by expanding its lending operations,” said **Marcos Brujic**, Head of the IFC Capitalization Fund.

“This subordinated loan will enable Bank of Georgia to further strengthen its capital base and continue lending to Georgian companies and individuals, supporting economic growth and job creation,” said **Thomas Lubeck**, IFC Regional Manager for the South Caucasus. “This project is another step in a long and productive partnership between Bank of Georgia and IFC.”

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 33.8% market share), total loans (with a 32.5% market share) and total deposits (with a 30.4% market share) as of 31 December 2013, all data based on standalone financial information filed by banks in Georgia with the National Bank of Georgia. The Bank offers a broad range of corporate banking, retail banking, wealth management, brokerage and insurance services to its clients.

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)

For further information, please visit www.bgh.co.uk, www.bog.ge/ir or contact:

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