

London, 3 June 2015

Bank of Georgia signs USD 90 million subordinated loan agreement with IFC

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 signed a USD 90 million subordinated loan agreement with the International Finance Corporation (“**IFC**”). IFC is providing long term financing to help increase the Bank’s role in diversifying Georgia’s economy, expand access to finance and boost sustainable growth. The loan facility, which includes USD 20 million from the European Fund for Southeast Europe (“**EFSE**”) bears a maturity of ten years and qualifies as Tier II capital under the Basel 2 framework.

“The loan package will help Bank of Georgia finance more smaller businesses, which are a driving force for development but often lack the capital to grow,” said **Jan van Bilsen**, IFC Regional Manager for the South Caucasus. “This project is yet another step forward in implementing our strategy in Georgia – one pillar of which focuses on mobilizing our partners’ resources to help expand the financial sector, boost access to finance, and reduce poverty.”

“I am pleased to announce the completion of one of the largest IFI debt transactions for Bank of Georgia. This financing will help us expand our already large small business customer base. This subordinated loan facility, which qualifies as Tier II Capital, will improve the overall capitalisation of the Bank and support further growth without compromising capital ratios. I would like to thank our long-time partners IFC and EFSE for their ongoing collaboration,” said **Irakli Gilauri**, Chief Executive Officer.

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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