

London, 5 December 2016

JSC Bank of Georgia issues a GEL 21 million 2-year global note

BGEO Group PLC (the “**Group**” or “**BGEO**”), a Georgia focused investment platform, announces that its banking subsidiary, JSC Bank of Georgia (the “**Bank**” or “**BOG**”), has issued a 2-year local currency linked internationally clearable global note in the amount of GEL 21.0 million settled in US\$. The note has been issued through a private placement at par, pays an 8.0% coupon annually and matures on 5 December 2018.

The issuance of this GEL-linked global note is the first such transaction done in the country. It enables the Bank to further diversify its sources of funding. Furthermore, it provides overseas investors increased access to local currency notes issued by the private sector. The issuance of this note builds on the Bank’s previous local currency linked bond transactions, and serves BOG’s purpose to attract increasingly more local currency funds.

Name of authorised official of issuer responsible for making notification: Ekaterina Shavgulidze, Head of Investor Relations and Funding

About BGEO Group PLC

The Group: BGEO Group PLC (“BGEO” or the “Group” – LSE: BGEO LN) is a UK incorporated holding company of a Georgia-focused investment platform. BGEO invests in the banking and non-banking sectors in Georgia (BGEO and its subsidiaries, the “Group”). BGEO aims to deliver on a 4x20 strategy: at least 20% ROAE and at least 20% growth of retail loan book in Banking Business, and at least 20% IRR and up to 20% of the Group’s profit from Investment Business.

Banking Business: Our Banking Business comprises at least 80% of the Group’s profit and consists of Retail Banking, Corporate Banking and Investment Management businesses at its core and other banking businesses such as P&C Insurance, Leasing, Payment Services and Banking operations in Belarus (“BNB”). The Group strives to benefit from the underpenetrated banking sector in Georgia especially through its Retail Banking services. JSC Bank of Georgia (“BOG” or the “Bank”) is the main entity in the Group’s Banking Business.

Investment Business: Our Investment Business comprises up to 20% of the Group’s profit and consists of Georgia Healthcare Group (Healthcare Business) – an LSE (London Stock Exchange PLC) premium listed company, m2 Real Estate (Real Estate Business), Georgia Global Utilities (Utility Business or GGU) and Teliani Valley (Beverage Business). Georgia’s fast-growing economy provides opportunities in a number of underdeveloped markets and the Group is well positioned to capture growth opportunities in the Georgian corporate sector.

JSC BGEO Group has, as of the date hereof, the following credit ratings:

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

Fitch Ratings
Moody’s

‘BB-/B’
B1/NP (FC) & B1/NP (LC)

Fitch Ratings
Moody’s

‘BB-/B’
‘B1/NP’ (FC) & ‘Ba3/NP’ (LC)

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