

## **TO THE ATTENTION OF THE SHAREHOLDERS OF JSC BANK OF GEORGIA**

**The Annual General Meeting (the “AGM”) of the shareholders of JSC Bank of Georgia (the “Bank”) is scheduled to be held on 30 May 2008, at 15:00. The agenda of the meeting is as follows:**

1. On approval of the Bank’s audited results for 2007;
2. On management’s report on the performance of the Bank in 2007;
3. On increase of the authorized capital of the Bank and cancellation of the pre-emptive rights to the newly issued shares;
4. On changes in the charter of the Bank;
5. On merger of JSC Galt & Taggart Bank with JSC Bank of Georgia.

With respect to the items included in the agenda of the AGM to be held on 30 May 2008, the Management Board and the Supervisory Board of the Bank recommend the following:

With respect to the first item of the agenda:

1. Approve the Audited Financial Results for 2007 of the Bank audited by Ernst & Young.

With respect to the second item of the agenda:

1. Approve Management Report on the performance of the Bank for the year 2007.

With respect to the third item of the agenda:

1. Approve an increase of the Bank’s authorized capital by 7,000,000 (seven million) shares, which shall be reserved for the Bank’s general funding purposes and acquisitions. The issuance of the newly authorized shares by the Management Board will be possible only upon prior consent of the Supervisory Board, within 5 (five) years from the date of the AGM. The consent of the Supervisory Board shall include the purpose, subscription price and other terms of issuance.

The increase of the authorized capital will be reflected in the Charter of JSC Bank of Georgia.

2. Approve cancellation of the pre-emptive rights with regard to the newly issued shares so authorized.

With respect to the fourth item of the agenda:

1. In order to reflect the resolutions of the AGM and bring the charter in compliance with the recently amended laws of Georgia, it is recommended to make amendments to the Bank’s charter.

2. The revised charter of the Bank with a note explaining the proposed changes is available at the Bank's head office at the Investor Relations Department or at the Bank's website.
3. The shareholders of the Bank will be able to submit written proposals or comments (or receive clarifications) with regard to the revised version of the charter to the Investor Relations Department at the head office of the Bank until May 20, 2008. Such proposals or comments, if any, shall be discussed at the AGM.

With respect to the fifth item of the agenda:

1. Approve merger of JSC Galt & Taggart Bank (a wholly owned subsidiary of the Bank) with JSC Bank of Georgia, subject to the following terms and conditions:
  - a. JSC Galt & Taggart Bank and JSC Bank of Georgia obtaining all the necessary regulatory approvals;
  - b. JSC Bank of Georgia (currently 90.1% shareholder) to acquire 9.9% of the shares in JSC Galt & Taggart Bank from JSC Galt & Taggart Securities (a wholly owned subsidiary of the Bank);
  - c. merger to take place on the basis of the same date audited financial statements of JSC Galt & Taggart Bank and JSC Bank of Georgia, which date will be determined in the merger agreement;
  - d. the merger agreement to be entered into between JSC Galt & Taggart Bank and JSC Bank of Georgia on the following terms:
    - § JSC Galt & Taggart Bank will merge into JSC Bank of Georgia;
    - § as a result of the merger JSC Galt & Taggart Bank will cease to exist as a legal entity;
    - § the assets and liabilities of JSC Galt & Taggart Bank will be reflected on the balance sheet of JSC Bank of Georgia without changing its (Bank of Georgia's) authorized capital;
    - § As a result of the merger, the equity share of the existing shareholders of JSC Bank of Georgia will remain unchanged;
    - § The merger will be considered completed upon registration with the relevant registering authorities;
    - § As a result of the merger the management structure of JSC Bank of Georgia will remain unchanged;
    - § Upon completion of the merger the employees of JSC Galt & Taggart Bank will be employed by JSC Bank of Georgia;
    - § JSC Bank of Georgia will be the legal successor of JSC Galt & Taggart Bank.

**The AGM will be held at Bank of at Sheraton Metechi Palace Hotel, Conference Room Odishi, 20 Telavi Street, Tbilisi, 0103, Georgia.**

**The registration of shareholders will start on 30 May 2008 at 14:00.**

**The record date of the AGM is 30 April 2008.**

**The rights of the shareholders to participate in the meeting may be checked from 20 May 2008 with the share registrar of JSC Bank of Georgia – JSC Kavkasreestri, at 74a Chavchavadze Avenue, Tbilisi, Georgia.**