



საქართველოს ბანკი
BANK OF GEORGIA

Bank of Georgia Q3 2009 & YTD 2009 financials

January 2010

Bank of Georgia consolidated Income Statement Q3 2009

Period ended	Q3 2009		Q2 2009		Growth Q-O-Q	Q3 2008		Growth Y-O-Y
	US\$ ¹	GEL	US\$ ²	GEL		US\$ ³	GEL	
Consolidated, IFRS Based								
<i>000s Unless otherwise noted</i>	(Unaudited)		(Unaudited)			(Unaudited)		
Interest Income	55,874	93,707	57,028	94,547	-0.9%	77,138	108,379	-13.5%
Interest Expense	26,703	44,783	27,201	45,097	-0.7%	35,251	49,527	-9.6%
Net Interest Income	29,172	48,924	29,827	49,450	-1.1%	41,888	58,852	-16.9%
Fees & Commission Income	8,091	13,569	8,494	14,082	-3.6%	10,798	15,171	-10.6%
Fees & Commission Expense	1,819	3,050	1,502	2,490	22.5%	1,580	2,220	37.4%
Net Fees & Commission Income	6,272	10,519	6,992	11,592	-9.3%	9,218	12,951	-18.8%
Income From Documentary Operations	1,669	2,799	1,434	2,377	17.8%	1,592	2,237	25.1%
Expense On Documentary Operations	286	480	363	601	-20.1%	390	548	-12.4%
Net Income From Documentary Operations	1,383	2,319	1,071	1,776	30.6%	1,202	1,689	37.3%
Net Foreign Currency Related Income	3,858	6,471	4,261	7,064	-8.4%	6,717	9,437	-31.4%
Net Insurance Income / (Loss)	2,935	4,923	3,047	5,052	-2.6%	1,750	2,459	100.2%
Brokerage And Investments Banking Income	1,138	1,908	813	1,348	41.5%	82	115	1559.1%
Asset Management Income	125	210	154	256	-18.0%	105	148	41.9%
Net Investment Gains / (Losses)	(314)	(526)	185	306	NMF	(814)	(1,144)	NMF
Other	2,717	4,557	2,255	3,739	21.9%	1,001	1,407	223.9%
Net Other Non-Interest Income	6,602	11,072	6,455	10,701	3.5%	2,125	2,985	270.9%
Net Non-Interest Income	18,115	30,381	18,779	31,133	-2.4%	19,261	27,062	12.3%
Total Operating Income (Revenue)	47,287	79,305	48,605	80,583	-1.6%	61,149	85,914	-7.7%
Personnel Costs	13,306	22,315	13,989	23,193	-3.8%	20,194	28,372	-21.3%
Selling, General & Administrative Expenses	6,278	10,529	6,017	9,976	5.5%	7,643	10,738	-1.9%
Procurement & Operations Support Expenses	1,762	2,955	2,345	3,888	-24.0%	2,523	3,545	-16.6%
Depreciation And Amortization	3,762	6,310	3,966	6,576	-4.0%	3,885	5,458	15.6%
Other Operating Expenses	1,700	2,851	1,623	2,691	5.9%	1,078	1,514	88.3%
Total Recurring Operating Costs	26,808	44,960	27,941	46,324	-2.9%	35,322	49,627	-9.4%
Normalized Net Operating Income / (Loss)	20,479	34,345	20,664	34,259	0.3%	25,827	36,287	-5.4%
Net Non-Recurring Income / (Costs)	(1,136)	(1,906)	(175)	(290)	557.2%	(1,854)	(2,605)	-26.8%
Profit / (Loss) Before Provisions	19,342	32,439	20,489	33,969	-4.5%	23,973	33,682	-3.7%
Net Provision Expense	17,889	30,001	24,543	40,690	-26.3%	73,431	103,171	-70.9%
Pre-Tax Income / (Loss)	1,454	2,438	(4,054)	(6,721)	NMF	(49,458)	(69,489)	NMF
Income Tax Expense / (Benefit)	(113)	(189)	(1,445)	(2,395)	NMF	(7,495)	(10,531)	NMF
Net Income / (Loss)	1,566	2,627	(2,609)	(4,326)	NMF	(41,963)	(58,958)	NMF

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6579 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 June 2009

3 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.4050 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2008

4 Change calculations based on GEL values

Bank of Georgia consolidated Income Statement 9 Months 2009

Period ended	9 months 2009		9 months 2008		Growth ³ y-o-y
	US\$ ¹	GEL	US\$ ²	GEL	
Consolidated, IFRS Based					
<i>000s Unless otherwise noted</i>					
Interest Income	172,969	290,087	217,192	305,155	-4.9%
Interest Expense	83,053	139,289	100,145	140,704	-1.0%
Net Interest Income	89,916	150,798	117,047	164,451	-8.3%
Fees & Commission Income	24,609	41,271	30,120	42,318	-2.5%
Fees & Commission Expense	4,786	8,026	4,349	6,110	31.4%
Net Fees & Commission Income	19,823	33,245	25,771	36,208	-8.2%
Income From Documentary Operations	4,693	7,871	4,608	6,474	21.6%
Expense On Documentary Operations	917	1,538	1,043	1,465	5.0%
Net Income From Documentary Operations	3,776	6,333	3,565	5,009	26.4%
Net Foreign Currency Related Income	13,305	22,313	23,536	33,068	-32.5%
Net Insurance Income / (Loss)	7,762	13,017	4,152	5,833	123.2%
Brokerage And Investments Banking Income	2,142	3,593	2,104	2,956	21.5%
Asset Management Income	374	628	740	1,040	-39.6%
Net Investment Gains / (Losses)	(133)	(223)	(1,347)	(1,892)	-88.2%
Other	7,094	11,897	4,453	6,256	90.2%
Net Other Non-Interest Income	17,239	28,912	10,102	14,193	103.7%
Net Non-Interest Income	54,143	90,803	62,974	88,478	2.6%
Total Operating Income (Revenue)	144,059	241,601	180,021	252,929	-4.5%
Personnel Costs	40,244	67,493	57,909	81,362	-17.0%
Selling, General & Administrative Expenses	19,196	32,193	24,229	34,042	-5.4%
Procurement & Operations Support Expenses	5,843	9,800	7,039	9,890	-0.9%
Depreciation And Amortization	10,775	18,071	10,073	14,152	27.7%
Other Operating Expenses	4,992	8,372	2,505	3,520	137.8%
Total Recurring Operating Costs	81,050	135,929	101,755	142,966	-4.9%
Normalized Net Operating Income / (Loss)	63,009	105,672	78,265	109,963	-3.9%
Net Non-Recurring Income / (Costs)	(1,445)	(2,424)	6,589	9,257	-126.2%
Profit / (Loss) Before Provisions	61,563	103,248	84,854	119,220	-13.4%
Net Provision Expense	61,268	102,752	83,855	117,816	-12.8%
Pre-Tax Income / (Loss)	296	496	999	1,404	-64.7%
Income Tax Expense / (Benefit)	(1,721)	(2,886)	78	109	-2747.7%
Net Income / (Loss)	2,017	3,382	922	1,295	161.2%

1 Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 30 September 2009

2 Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.4050 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 30 September 2008

3 Change calculations based on GEL values

Bank of Georgia consolidated Balance Sheet Q3 2009

Period ended	30-Sep-09		30-Jun-09		31-Mar-09		Change ⁴ Sep 30 /June 30	Change Sep 30 /March 30
	US\$ ¹ (Unaudited)	GEL	US\$ ²	GEL	US\$ ³ (Unaudited)	GEL		
Consolidated, IFRS Based 000s Unless otherwise noted								
Cash And Cash Equivalents	98,714	165,553	85,886	142,390	102,477	171,136	16.3%	-3.3%
Loans And Advances To Credit Institutions	228,380	383,016	187,879	311,484	248,417	414,857	23.0%	-7.7%
Mandatory Reserves With NBG / NBU / NBRB	22,795	38,230	20,473	33,943	29,350	49,014	12.6%	-22.0%
Other Accountns With NBG / NBU / NBRB	52,408	87,893	78,692	130,464	43,249	72,226	-32.6%	21.7%
Balances With And Loans To Other Banks	153,177	256,893	88,713	147,077	175,819	293,617	74.7%	-12.5%
Investment Securities: Available-For-Sale & Trading	17,909	30,036	17,128	28,396	24,252	40,501	5.8%	-25.8%
Treasuries And Equivalents	21,826	36,605	-	-	-	-	-	-
Other Fixed Income Instruments	40,043	67,156	35,651	59,105	22,967	38,355	13.6%	75.1%
Loans To Clients, Gross	1,093,003	1,833,075	1,148,849	1,904,676	1,225,659	2,046,850	-3.8%	-10.4%
Less: Reserve For Loan Losses	(103,588)	(173,727)	(93,535)	(155,072)	(80,985)	(135,245)	12.0%	28.5%
Loans To Clients, Net	989,415	1,659,348	1,055,313	1,749,604	1,144,674	1,911,605	-5.2%	-13.2%
Insurance Related Assets	27,177	45,578	28,569	47,365	31,506	52,615	-3.8%	-13.4%
Investments In Other Business Entities, Net	45,010	75,486	48,787	80,884	21,875	36,531	-6.7%	106.6%
Property And Equipment Owned, Net	178,840	299,933	171,397	284,159	203,532	339,898	5.6%	-11.8%
Intangible Assets Owned, Net	7,271	12,194	7,195	11,928	6,839	11,421	2.2%	6.8%
Goodwill	80,931	135,729	81,604	135,291	80,992	135,257	0.3%	0.3%
Tax Assets, Current And Deferred	7,695	12,906	4,996	8,283	4,003	6,685	55.8%	93.1%
Prepayments And Other Assets	33,761	56,621	29,515	48,933	16,705	27,898	15.7%	103.0%
Total Assets	1,776,973	2,980,161	1,753,919	2,907,822	1,908,239	3,186,759	2.5%	-6.5%
Client Deposits	705,097	1,182,519	618,424	1,025,285	678,402	1,132,931	15.3%	4.4%
Deposits And Loans From Banks	25,877	43,398	24,805	41,124	31,702	52,942	5.5%	-18.0%
Borrowed Funds	547,746	918,625	610,037	1,011,380	696,288	1,162,801	-9.2%	-21.0%
Issued Fixed Income Securities	405	680	119	198	81	136	243.4%	400.0%
Insurance Related Liabilities	31,114	52,182	35,987	59,663	38,207	63,806	-12.5%	-18.2%
Tax Liabilities, Current And Deferred	13,609	22,824	11,679	19,362	11,348	18,951	17.9%	20.4%
Accruals And Other Liabilities	24,697	41,420	24,675	40,909	25,955	43,345	1.2%	-4.4%
Total Liabilities	1,348,547	2,261,648	1,325,726	2,197,921	1,481,983	2,474,912	2.9%	-8.6%
Share Capital - Ordinary Shares	18,660	31,295	18,862	31,272	18,719	31,261	0.1%	0.1%
Share Premium	280,198	469,920	277,125	459,446	274,512	458,435	2.3%	2.5%
Treasury Shares	(1,078)	(1,808)	(1,081)	(1,793)	(1,199)	(2,002)	0.8%	-9.7%
Retained Earnings	84,908	142,399	73,081	121,161	72,529	121,123	17.5%	17.6%
Revaluation And Other Reserves	13,033	21,857	28,653	47,504	27,890	46,577	-54.0%	-53.1%
Net Income For The Period	2,017	3,382	455	754	3,042	5,080	348.5%	-33.4%
Shareholders' Equity Excluding Minority Interest	397,737	667,045	397,095	658,344	395,493	660,474	1.3%	1.0%
Minority Interest	30,689	51,468	31,098	51,557	30,762	51,373	-0.2%	0.2%
Total Shareholders' Equity	428,426	718,513	428,193	709,901	426,256	711,847	1.2%	0.9%
Total Liabilities And Shareholders' Equity	1,776,973	2,980,161	1,753,919	2,907,822	1,908,239	3,186,759	2.5%	-6.5%

1 Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 30 September 2009

2 Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6579 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 30 June 2009

3 Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.670 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 March 2009

4 Change calculations based on GEL values

Bank of Georgia standalone Income Statement Q3 2009

Period ended	Q3 2009		Q2 2009		Growth ⁵ Q-O-Q	Q3 2008		Growth Y-O-Y
	US\$ ¹	GEL	US\$ ²	GEL		US\$ ⁴	GEL	
Consolidated, IFRS Based								
<i>000s Unless otherwise noted</i>								
Interest Income	50,461	84,628	51,621	85,582	-1.1%	66,867	93,948	-9.9%
Interest Expense	23,911	40,101	24,179	40,087	0.0%	29,746	41,793	-4.0%
Net Interest Income	26,550	44,527	27,441	45,495	-2.1%	37,121	52,155	-14.6%
Fees & Commission Income	6,176	10,358	6,298	10,442	-0.8%	7,377	10,364	-0.1%
Fees & Commission Expense	1,361	2,283	1,334	2,212	3.2%	1,275	1,791	27.5%
Net Fees & Commission Income	4,815	8,075	4,964	8,230	-1.9%	6,102	8,573	-5.8%
Income From Documentary Operations	1,668	2,798	1,433	2,376	17.8%	1,592	2,237	25.1%
Expense On Documentary Operations	286	480	363	601	-20.1%	390	548	-12.4%
Net Income From Documentary Operations	1,382	2,318	1,071	1,775	30.6%	1,202	1,689	37.2%
Net Foreign Currency Related Income	3,576	5,998	3,855	6,392	-6.2%	5,902	8,293	-27.7%
Net Other Non-Interest Income	352	590	244	404	46.0%	466	655	-9.9%
Net Non-Interest Income	10,125	16,981	10,134	16,801	1.1%	13,673	19,210	-11.6%
Total Operating Income (Revenue)	36,675	61,508	37,575	62,296	-1.3%	50,794	71,365	-13.8%
Personnel Costs	8,769	14,707	8,949	14,836	-0.9%	13,688	19,232	-23.5%
Selling, General & Administrative Expenses	3,852	6,461	3,603	5,974	8.2%	3,950	5,550	16.4%
Procurement & Operations Support Expenses	1,503	2,521	1,551	2,571	-1.9%	2,382	3,347	-24.7%
Depreciation And Amortization	3,109	5,214	3,154	5,229	-0.3%	3,054	4,291	21.5%
Other Operating Expenses	699	1,173	653	1,082	8.4%	926	1,301	-9.8%
Total Recurring Operating Costs	17,933	30,076	17,909	29,692	1.3%	24,001	33,721	-10.8%
Normalized Net Operating Income / (Loss)	18,742	31,432	19,666	32,604	-3.6%	26,793	37,644	-16.5%
Net Non-Recurring Income / (Costs)	(583)	(978)	(1,169)	(1,938)	-49.5%	(1,403)	(1,971)	-50.4%
Profit / (Loss) Before Provisions	18,159	30,454	18,497	30,666	-0.7%	25,390	35,673	-14.6%
Net Provision Expense	10,561	17,712	17,853	29,598	-40.2%	73,916	103,852	-82.9%
Pre-Tax Income / (Loss)	7,598	12,742	644	1,068	1093.1%	(48,526)	(68,179)	-118.7%
Income Tax Expense / (Benefit)	1,139	1,911	97	160	1094.4%	(7,279)	(10,227)	-118.7%
Net Income / (Loss)	6,458	10,831	548	908	1092.8%	(41,247)	(57,952)	-118.7%

1 Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 30 September 2009

2 Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6579 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 30 June 2009

3 Change calculations based on GEL values

4 Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.4050 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 30 September 2008

Bank of Georgia standalone Income Statement 9 Months 2009

Period ended	9 months 2009		9 months 2008		Growth Y-O-Y
	US\$ ¹	GEL	US\$ ²	GEL	
Consolidated, IFRS Based					
<i>000s Unless otherwise noted</i>					
Interest Income	155,740	261,192	189,333	266,013	-1.8%
Interest Expense	72,033	120,807	84,308	118,453	2.0%
Net Interest Income	83,707	140,385	105,025	147,560	-4.9%
Fees & Commission Income	18,503	31,031	23,479	32,988	-5.9%
Fees & Commission Expense	4,010	6,725	3,645	5,121	31.3%
Net Fees & Commission Income	14,493	24,306	19,834	27,867	-12.8%
Income From Documentary Operations	4,691	7,867	4,608	6,474	21.5%
Expense On Documentary Operations	916	1,537	1,043	1,465	4.9%
Net Income From Documentary Operations	3,774	6,330	3,565	5,009	26.4%
Net Foreign Currency Related Income	10,717	17,973	20,375	28,627	-37.2%
Net Other Non-Interest Income	861	1,444	-	-	-
Net Non-Interest Income	29,845	50,053	43,774	61,503	-18.6%
Total Operating Income (Revenue)	113,552	190,438	148,799	209,063	-8.9%
Personnel Costs	26,378	44,239	38,284	53,789	-17.8%
Selling, General & Administrative Expenses	11,186	18,760	11,673	16,400	14.4%
Procurement & Operations Support Expenses	4,661	7,817	6,899	9,693	-19.4%
Depreciation And Amortization	8,670	14,541	8,013	11,258	29.2%
Other Operating Expenses	1,908	3,200	1,958	2,751	16.3%
Total Recurring Operating Costs	52,804	88,557	66,826	93,891	-5.7%
Normalized Net Operating Income / (Loss)	60,748	101,881	81,973	115,172	-11.5%
Net Non-Recurring Income / (Costs)	(2,060)	(3,454)	(715)	(1,004)	NMF
Profit / (Loss) Before Provisions	58,689	98,427	81,258	114,168	-13.8%
Net Provision Expense	42,539	71,342	84,769	119,100	-40.1%
Pre-Tax Income / (Loss)	16,150	27,085	(3,510)	(4,932)	NMF
Income Tax Expense / (Benefit)	2,423	4,063	(527)	(740)	NMF
Net Income / (Loss)	13,727	23,022	(2,984)	(4,192)	NMF

¹ Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 30 September 2009

² Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.4050 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 30 September 2008

³Change calculations based on GEL values

Bank of Georgia Standalone Balance Sheet Q3 2009

Period ended Consolidated, IFRS Based <i>000s Unless otherwise noted</i>	30-Sep-09		30-Jun-09		31-Mar-09		Change ⁴ Sep 30/ Jun 30	Change Sep 30/ Mar 31
	US\$ ¹	GEL	US\$ ²	GEL	US\$ ³	GEL		
Cash	74,866	125,557	66,203	109,758	67,042	111,960	14.4%	12.1%
Balances With NBG	71,885	120,559	95,401	158,165	60,883	101,675	-23.8%	18.6%
Balances With And Loans To Other Banks	158,404	265,660	98,333	163,026	194,001	323,981	63.0%	-18.0%
Treasuries And Equivalents	21,826	36,605	-	-	-	-	NMF	NMF
Other Fixed Income Instruments	39,137	65,636	34,537	57,259	22,954	38,333	14.6%	71.2%
Loans To Clients, Net	911,022	1,527,875	966,292	1,602,016	1,047,707	1,749,670	-4.6%	-12.7%
Investments In Other Business Entities, Net	181,484	304,367	189,709	314,518	188,328	314,507	-3.2%	-3.2%
Property And Equipment Owned, Net	142,965	239,767	135,255	224,240	138,605	231,471	6.9%	3.6%
Intangible Assets Owned, Net	3,891	6,526	4,379	7,260	4,076	6,807	-10.1%	-4.1%
Goodwill	13,846	23,221	13,742	22,783	13,643	22,783	1.9%	1.9%
Prepayments And Other Assets	21,920	36,762	16,379	27,155	9,140	15,263	35.4%	140.9%
Total Assets	1,641,247	2,752,535	1,620,230	2,686,180	1,746,377	2,916,450	2.5%	-5.6%
Client Deposits	630,570	1,057,529	548,436	909,252	586,214	978,977	16.3%	8.0%
Deposits And Loans From Banks	6,913	11,594	9,811	16,265	17,574	29,348	-28.7%	-60.5%
Borrowed Funds	545,180	914,322	609,036	1,009,720	696,288	1,162,801	-9.4%	-21.4%
Tax Liabilities, Current And Deferred	11,526	19,330	10,274	17,033	9,682	16,169	13.5%	19.5%
Accruals And Other Liabilities	12,996	21,795	14,246	23,619	13,644	22,786	-7.7%	-4.3%
Total Liabilities	1,207,185	2,024,570	1,191,802	1,975,889	1,323,402	2,210,081	2.5%	-8.4%
Share Capital - Ordinary Shares	18,660	31,295	18,862	31,272	18,719	31,261	0.1%	0.1%
Share Premium	284,741	477,539	283,702	470,349	279,874	467,390	1.5%	2.2%
Treasury Shares	(890)	(1,493)	(677)	(1,123)	(699)	(1,167)	32.9%	27.9%
Retained Earnings	95,706	160,509	83,438	138,332	82,834	138,332	16.0%	16.0%
Revaluation And Other Reserves	22,117	37,092	35,749	59,269	35,490	59,269	-37.4%	-37.4%
Net Income / (Loss) For The Period	13,728	23,023	7,354	12,192	6,757	11,284	88.8%	104.0%
Total Shareholders' Equity	434,062	727,965	428,428	710,291	422,975	706,369	2.5%	3.1%
Total Liabilities And Shareholders' Equity	1,641,247	2,752,535	1,620,230	2,686,180	1,746,377	2,916,450	2.5%	-5.6%

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6579 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 June 2009

3 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.670 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 March 2009

4 Change calculations based on GEL values

BG Bank standalone Income Statement 9 Months 2009

Period ended Consolidated, IFRS Based 000s Unless otherwise noted	9 months 2009		9 months 2008		Growth ³ Y-O-Y
	US\$ ¹	GEL	US\$ ²	GEL	
Interest Income	17,017	28,539	26,944	37,857	-24.6%
Interest Expense	10,356	17,368	15,056	21,153	-17.9%
Net Interest Income	6,661	11,171	11,889	16,704	-33.1%
Fees & Commission Income	2,264	3,797	2,875	4,039	-6.0%
Fees & Commission Expense	674	1,130	668	939	20.3%
Net Fees & Commission Income	1,590	2,667	2,206	3,100	-14.0%
Income From Documentary Operations	-	-	-	-	-
Expense On Documentary Operations	-	-	-	-	-
Net Income From Documentary Operations	-	-	-	-	-
Net Foreign Currency Related Income	1,470	2,466	1,537	2,159	14.2%
Net Other Non-Interest Income	-	-	-	-	-
Net Non-Interest Income	3,061	5,133	3,743	5,259	-2.4%
Total Operating Income (Revenue)	9,722	16,304	15,632	21,963	-25.8%
Personnel Costs	5,400	9,057	9,502	13,350	-32.2%
Selling, General & Administrative Expenses	1,500	2,515	4,971	6,984	-64.0%
Procurement & Operations Support Expenses	755	1,267	-	-	-
Depreciation And Amortization	467	784	452	635	23.5%
Other Operating Expenses	327	549	19	26	2011.5%
Total Recurring Operating Costs	8,450	14,172	14,943	20,995	-32.5%
Normalized Net Operating Income / (Loss)	1,271	2,132	689	968	120.2%
Net Non-Recurring Income / (Costs)	(200)	(336)	(260)	(366)	NMF
Profit / (Loss) Before Provisions	1,071	1,796	428	602	198.3%
Net Provision Expense	19,866	33,317	(236)	(332)	NMF
Pre-Tax Income / (Loss)	(18,795)	(31,521)	665	934	NMF
Income Tax Expense / (Benefit)	(4,699)	(7,881)	179	252	NMF
Net Income / (Loss)	(14,096)	(23,640)	485	682	NMF

¹ Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2009

² Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.4050 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2008

³ Change calculations based on GEL values

BG Bank standalone Income Statement Q3 2009

Period ended	Q3 2009		Q2 2009		Growth ³ Q-O-Q
	US\$ ¹	GEL	US\$ ²	GEL	
Consolidated, IFRS Based					
<i>000s Unless otherwise noted</i>					
Interest Income	4,942	8,288	5,518	9,148	-9.4%
Interest Expense	2,573	4,315	2,902	4,812	-10.3%
Net Interest Income	2,369	3,973	2,615	4,336	-8.4%
Fees & Commission Income	1,132	1,898	650	1,077	76.2%
Fees & Commission Expense	420	705	133	221	219.0%
Net Fees & Commission Income	711	1,193	516	856	39.4%
Income From Documentary Operations	-	-	-	-	-
Expense On Documentary Operations	-	-	-	-	-
Net Income From Documentary Operations	-	-	-	-	-
Net Foreign Currency Related Income	50	84	235	390	-78.5%
Net Other Non-Interest Income	-	-	-	-	-
Net Non-Interest Income	761	1,277	752	1,246	2.5%
Total Operating Income (Revenue)	3,130	5,250	3,367	5,582	-5.9%
Personnel Costs	1,542	2,586	1,952	3,236	-20.1%
Selling, General & Administrative Expenses	433	727	277	459	58.4%
Procurement & Operations Support Expenses	110	185	653	1,082	-82.9%
Depreciation And Amortization	177	297	168	278	6.8%
Other Operating Expenses	81	136	(283)	(470)	NMF
Total Recurring Operating Costs	2,344	3,931	2,766	4,585	-14.3%
Normalized Net Operating Income / (Loss)	786	1,319	601	997	32.3%
Net Non-Recurring Income / (Costs)	4	6	(314)	(521)	NMF
Profit / (Loss) Before Provisions	790	1,325	287	476	178.4%
Net Provision Expense	7,698	12,911	6,649	11,023	17.1%
Pre-Tax Income / (Loss)	(6,908)	(11,586)	(6,362)	(10,547)	9.9%
Income Tax Expense / (Benefit)	(3,612)	(6,058)	147	243	NMF
Net Income / (Loss)	(3,296)	(5,528)	(6,508)	(10,790)	NMF

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6579 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 June 2009

3 Change calculations based on GEL values

BNB standalone Income Statement 9 Months 2009

Period ended	9 months 2009		9 months 2008		Growth ³ Y-O-Y
	US\$ ¹	GEL	US\$ ²	GEL	
Consolidated, IFRS Based					
<i>000s Unless otherwise noted</i>					
Interest Income	2,997	5,026	1,208	1,697	196.2%
Interest Expense	979	1,642	335	470	249.4%
Net Interest Income	2,018	3,384	873	1,227	175.8%
Fees & Commission Income	723	1,212	261	367	230.2%
Fees & Commission Expense	101	170	36	50	240.0%
Net Fees & Commission Income	621	1,042	226	317	228.7%
Income From Documentary Operations	2	4	-	-	-
Expense On Documentary Operations	1	1	-	-	-
Net Income From Documentary Operations	2	3	-	-	-
Net Foreign Currency Related Income	1,035	1,735	386	543	219.5%
Net Other Non-Interest Income	47	78	-	-	-
Net Non-Interest Income	1,704	2,858	612	860	232.3%
Total Operating Income (Revenue)	3,722	6,242	1,485	2,087	199.1%
Personnel Costs	1,351	2,266	470	660	243.3%
Selling, General & Administrative Expenses	301	505	100	141	258.2%
Procurement & Operations Support Expenses	427	716	141	198	261.6%
Depreciation And Amortization	229	384	100	140	174.3%
Other Operating Expenses	323	542	125	176	208.0%
Total Recurring Operating Costs	2,631	4,413	936	1,315	235.6%
Normalized Net Operating Income / (Loss)	1,091	1,829	549	772	136.9%
Net Non-Recurring Income / (Costs)	42	71	6	9	688.9%
Profit / (Loss) Before Provisions	1,133	1,900	556	781	143.3%
Net Provision Expense	(103)	(172)	(242)	(340)	-49.4%
Pre-Tax Income / (Loss)	1,235	2,072	798	1,121	84.8%
Income Tax Expense / (Benefit)	357	598	73	102	486.3%
Net Income / (Loss)	879	1,474	725	1,019	44.7%

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.4050 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2008

3 Change calculations based on GEL values

BNB standalone Income Statement Q3 2009

Period ended	Q3 2009		Q2 2009		Growth ³ Q-O-Q
	US\$ ¹	GEL	US\$ ²	GEL	
Consolidated, IFRS Based					
<i>000s Unless otherwise noted</i>					
Interest Income	1,179	1,977	861	1,428	38.4%
Interest Expense	321	538	288	478	12.6%
Net Interest Income	858	1,439	573	950	51.5%
Fees & Commission Income	281	471	241	400	17.8%
Fees & Commission Expense	38	63	34	57	10.5%
Net Fees & Commission Income	243	408	207	343	19.0%
Income From Documentary Operations	-	-	-	1	-
Expense On Documentary Operations	-	-	-	-	-
Net Income From Documentary Operations	-	-	-	1	-
Net Foreign Currency Related Income	165	276	171	284	-2.8%
Net Other Non-Interest Income	(14)	(24)	81	134	-117.9%
Net Non-Interest Income	394	660	459	762	-13.4%
Total Operating Income (Revenue)	1,252	2,099	1,032	1,712	22.6%
Personnel Costs	440	738	463	768	-3.9%
Selling, General & Administrative Expenses	114	191	94	156	22.4%
Procurement & Operations Support Expenses	148	249	142	235	6.0%
Depreciation And Amortization	48	80	83	138	-42.0%
Other Operating Expenses	115	193	97	161	19.9%
Total Recurring Operating Costs	865	1,451	879	1,458	-0.5%
Normalized Net Operating Income / (Loss)	386	648	153	254	155.1%
Net Non-Recurring Income / (Costs)	31	52	5	9	477.8%
Profit / (Loss) Before Provisions	417	700	158	263	166.2%
Net Provision Expense	(103)	(173)	(17)	(28)	517.9%
Pre-Tax Income / (Loss)	521	873	175	291	200.0%
Income Tax Expense / (Benefit)	153	257	57	95	170.5%
Net Income / (Loss)	367	616	118	196	214.3%

1 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6771 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 September 2009

2 Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.6579 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 30 June 2009

3 Change calculations based on GEL values

Key Ratios, Bank of Georgia Consolidated, unless otherwise noted

	9 months 2009	9 months 2008
Profitability Ratios		
ROAA ¹ , Annualized	0.1%	0.1%
ROAE ² , Annualized	0.6%	0.2%
Interest Income To Average Interest Earning Assets ³ , Annualized	17.5%	17.2%
Cost Of Funds ⁴ , Annualized	8.5%	8.2%
Net Spread ⁵	9.1%	8.9%
Net Interest Margin ⁶ , Annualized	9.1%	9.2%
Net Interest Margin Normalized, Annualized	9.1%	9.2%
Loan Yield ⁷ , Annualized	12.8%	12.9%
Interest Expense To Interest Income	48.0%	46.1%
Net Non-Interest Income To Average Total Assets, Annualized	4.0%	3.7%
Net Non-Interest Income To Revenue ⁸	37.6%	35.0%
Net Fee And Commission Income To Average Interest Earning Assets ⁹ , Annualized	2.0%	1.8%
Net Fee And Commission Income To Revenue	13.8%	12.4%
Operating Leverage ¹⁰	-7.9%	0.3%
Total Operating Income (Revenue) To Total Assets, Annualized	10.8%	10.7%
Recurring Earning Power ¹¹ , Annualized	4.5%	5.9%
Net Income To Revenue	1.4%	0.5%
Efficiency Ratios		
Operating Cost To Average Total Assets ¹² , Annualized	6.0%	5.1%
Cost To Average Total Assets ¹³ , Annualized	6.1%	5.6%
Cost / Income ¹⁴	57.2%	52.9%
Cost / Income, Normalized ¹⁵	56.0%	56.5%
Cost / Income, Bank of Georgia, Stand-Alone ¹⁶	48.3%	45.4%
Cost / Income, Bank of Georgia, Stand-Alone, Normalized	46.5%	44.9%
Cash Cost / Income	49.8%	47.3%
Total Employee Compensation Expense To Revenue ¹⁷	27.9%	32.2%
Total Employee Compensation Expense To Cost	48.8%	60.8%
Total Employee Compensation Expense To Average Total Assets, Annualized	3.0%	3.4%
Liquidity ratios		
Net Loans To Total Assets ¹⁸	55.7%	61.2%
Average Net Loans To Average Total Assets	59.6%	59.1%
Interest Earning Assets To Total Assets	72.0%	71.1%
Average Interest Earning Assets To Average Total Assets	72.8%	74.8%
Liquid Assets To Total Assets ¹⁹	21.6%	16.2%
Liquid Assets To Total Short-Term Liabilities, NBG Stand-Alone	43.5%	27.2%
Liquid Assets To Total Liabilities, IFRS Consolidated	30.2%	28.9%
Net Loans To Client Deposits	140.3%	160.6%
Average Net Loans To Average Client Deposits	164.4%	141.8%
Net Loans To Total Deposits ²⁰	135.4%	145.7%
Net Loans To (Total Deposits + Equity)	85.3%	93.5%
Net Loans To Total Liabilities	73.4%	79.9%
Total Deposits To Total Liabilities	54.2%	54.9%
Client Deposits To Total Deposits	96.5%	90.7%
Client Deposits To Total Liabilities	52.3%	49.8%
Current Account Balances To Client Deposits	42.8%	39.2%
Demand Deposits To Client Deposits	9.2%	3.8%
Time Deposits To Client Deposits	48.0%	57.1%
Total Deposits To Total Assets	41.1%	42.0%
Client Deposits To Total Assets	39.7%	38.1%
Client Deposits To Total Equity (Times) ²¹	1.6	1.6
Due From Banks / Due To Banks ²²	882.6%	226.7%
Total Equity To Net Loans	43.3%	38.3%
Leverage (Times) ²³	3.1	3.3

Key Ratios, cont'd

	9 months 2009	9 months 2008
Asset Quality		
NPLs (in GEL) ²⁴	139,829	23,274
NPLs To Gross Loans To Clients ²⁵	7.60%	1.10%
Cost of Risk ²⁶ , Annualized	7.00%	8.10%
Cost of Risk Normalized ²⁷ , Annualized	7.00%	8.10%
Reserve For Loan Losses To Gross Loans To Clients ²⁸	9.50%	6.30%
NPL Coverage Ratio ²⁹	124.20%	554.40%
Equity To Average Net Loans To Clients	39.80%	39.50%
Capital Adequacy		
Equity To Total Assets	24.10%	23.40%
BIS Tier I Capital Adequacy Ratio, consolidated ³⁰	25.40%	24.70%
BIS Total Capital Adequacy Ratio, consolidated ³¹	34.60%	25.30%
NBG Tier I Capital Adequacy Ratio ³²	20.40%	18.20%
NBG Total Capital Adequacy Ratio ³³	21.20%	15.50%
Per Share Values		
Basic EPS (GEL) ³⁴	0.11	0.04
Basic EPS (US\$)	0.06	0.03
Fully Diluted EPS (GEL) ³⁵	0.1	0.04
Fully Diluted EPS (US\$)	0.06	0.03
Book Value Per Share (GEL) ³⁶	22.96	23.66
Book Value Per Share (US\$)	13.69	16.84
Ordinary Shares Outstanding - Weighted Average, Basic	31,271,060	30,450,867
Ordinary Shares Outstanding - Period End	31,294,603	31,250,211
Ordinary Shares Outstanding - Fully Diluted	34,769,217	31,250,211
Selected Operating Data:		
Full Time Employees (FTE)	4,798	6,165
FTEs, Bank of Georgia Stand-Alone	2,663	3,853
Total Assets Per FTE (GEL Thousands)	621	512
Total Assets Per FTE, Bank of Georgia Stand-Alone (GEL Thousands)	1,119	819
Number Of Active Branches	140	139
Number Of ATMs	380	386
Number Of Cards (Thousands)	570	918
Number Of POS Terminals	1,892	2,969

Bank of Georgia consolidated Income Statement 9 Months 2009

- 1 Return On Average Total Assets (ROAA) equals Net Income of the period divided by quarterly Average Total Assets for the same period;
- 2 Return On Average Total Equity (ROAE) equals Net Income of the period divided by quarterly Average Total Equity for the same period;
- 3 Average Interest Earning Assets are calculated on a quarterly basis; Interest Earning Assets include: Loans And Advances To Credit Institutions, Treasuries And Equivalents, Other Fixed Income Instruments and Net Loans to Clients;
- 4 Cost Of Funds equals Interest Expense of the period divided by quarterly Average Interest Bearing Liabilities; Interest Bearing Liabilities Include: Client Deposits, Deposits And Loans From Banks, Borrowed Funds and Issued Fixed Income Securities;

- 5 Net Spread equals Interest Income To Average Interest Earning Assets less Cost Of Funds;
- 6 Net Interest Margin equals Net Interest Income of the period divided by quarterly Average Interest Earning Assets of the same period;
- 7 Loan Yield equals Interest Income, less Net Provision Expense, divided by quarterly Average Gross Loans To Clients;
- 8 Revenue equals Total Operating Income;
- 9 Net Fee And Commission Income includes Net Income From Documentary Operations of the period ;
- 10 Operating Leverage equals percentage change in Revenue less percentage change in Total Costs;
- 11 Recurring Earning Power equals Profit Before Provisions of the period divided by average Total Assets of the same period;
- 12 Operating Cost equals Total Recurring Operating Costs;
- 13 Cost includes Total Recurring Operating Costs and Net Non-Recurring Costs (Income);
- 14 Cost/Income Ratio equals Costs of the period divided by Total Operating Income (Revenue);
- 15 Cost/Income Normalized equals Total Recurring Operating cost (excludes net non-recurring costs) divided by total operating income.
- 16 Cost/ Income, Bank of Georgia, standalone, equals non-consolidated Total Costs of the bank of the period divided by non-consolidated Revenue of the bank of the same period;
- 17 Total Employee Compensation Expense includes Personnel Costs;
- 18 Net Loans equal Net Loans To Clients;
- 19 Liquid Assets include: Cash And Cash Equivalents, Other Accounts With NBG, Balances With And Loans To Other Banks, Treasuries And Equivalents and Other Fixed Income Securities as of the period end and are divided by Total Assets as of the same date;
- 20 Total Deposits include Client Deposits and Deposits And Loans from Banks;
- 21 Total Equity equals Total Shareholders' Equity;
- 22 Due From Banks/ Due To Banks equals Loans And Advances To Credit Institutions divided by Deposits And Loans From Banks;
- 23 Leverage (Times) equals Total Liabilities as of the period end divided by Total Equity as of the same date;
- 24 NPLs (in GEL) equals consolidated total gross non-performing loans as of the period end; non-performing loans are loans that have debts in arrears for more than 90 calendar days;
- 25 Gross Loans equals Gross Loans To Clients;
- 26 Cost Of Risk equals Net Provision For Loan Losses of the period, plus provisions for (less recovery of) other assets, divided by quarterly average Gross Loans To Clients over the same period;
- 27 Cost Of Risk Normalized equals Net Provision For Loan Losses of the period, less provisions for the interest income generated by non-performing loans through the date of their write-off, plus provisions for (less recovery of) other assets, divided by quarterly average Gross Loans To Clients over the same period;
- 28 Reserve For Loan Losses To Gross Loans To Clients equals reserve for loan losses as of the period end divided by gross loans to clients as of the same date;
- 29 NPL Coverage Ratio equals Reserve For Loan losses as of the period end divided by NPLs as of the same date;
- 30 BIS Tier I Capital Adequacy Ratio equals Tier I Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements of Basel Accord I;
- 31 BIS Total Capital Adequacy Ratio equals Total Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements of Basel Accord I;
- 32 NBG Tier I Capital Adequacy Ratio equals Tier I Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements the National Bank of Georgia;
- 33 NBG Total Capital Adequacy Ratio equals Total Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements of the National Bank of Georgia;
- 34 Basic EPS equals Net Income of the period divided by the weighted average number of outstanding ordinary shares over the same period;
- 35 Fully Diluted EPS equals net income of the period divided by the number of outstanding ordinary shares as of the period end plus number of ordinary shares in contingent liabilities;
- 36 Book Value Per Share equals Equity as of the period end, plus Treasury Shares, divided by the total number of Outstanding Ordinary shares as of the same date
- 37 Equals total consolidated assets divided by total number of full-time employees.