



საქართველოს ბანკი
BANK OF GEORGIA

GROWTH AT THE RIGHT PRICE
LSE: BGEO / GSE: GEB

JSC Bank of Georgia Q3 and YTD 2009 results overview

January 2010

Introduction to Bank of Georgia

The leading universal bank in Georgia

- ☑ No.1 by assets (33.6%),(1) loans (31.1%),(1) client deposits (29.3%)(1) and equity (40.4%)(1)
- ☑ Leading retail banking, with top brand, best distribution network and broadest range of services of any bank in Georgia

	September 2009	June 2009	December 2008
☑ Retail Accounts	895,000+	880,000+	866,000+
☑ Cards Outstanding	569,000+	590,000+	639,000+
☑ Branches	140	140	151
☑ ATMs	380	394	416

- ☑ Leading corporate bank with approximately 81,000 legal entities and over 150,000 current accounts
- ☑ Leading card-processing, leasing, insurance, wealth management and asset management services provider
- ☑ The only Georgian entity with credit ratings from all three global rating agencies
 - ☑ S&P: 'B/B' – at the sovereign ceiling
 - ☑ Fitch Ratings: 'B/B'
 - ☑ Moody's: 'B3/NP (FC)' & 'Ba3/NP (LC)'
- ☑ Listed on the London Stock Exchange (GDRs) and Georgian Stock Exchange
 - ☑ Market Cap (LSE) US\$ 225 mln as of 6 November 2009
 - ☑ Approximately 95% free float
- ☑ Issue of the first ever Eurobonds in Georgia
 - ☑ Bloomberg: BKGE0; 5 year, 9%, US\$200 mln
 - ☑ B/Ba2/B (composite B+)

Investment highlights

- ☑ Undisputed leader of Georgian financial services industry with market-leading retail and corporate banking franchise
- ☑ Strongly positioned to benefit from US\$4.5 bln international assistance package pledged to Georgia by international donors in the aftermath of Russia-Georgia conflict in August 2008
- ☑ Disciplined capital management, low leverage, conservative liquidity position, no exposure to sub-prime
- ☑ Sophisticated management team with Western banking & finance background
- ☑ Transparency and good governance, over 89% institutionally owned. Supervisory Board includes two large institutional shareholders and two independent directors



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JSC Bank of Georgia Q3 2009 & 9 months 2009 results overview

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Q3 2009 & YTD 2009 P&L results highlights

Millions unless otherwise noted

Bank of Georgia (Consolidated, IFRS Based)	Q3 2009		Q2 2009		Growth Q-O-Q	Q3 2008		Growth ¹ Y-O-Y
	GEL (Unaudited)	US\$	GEL (Unaudited)	US\$		GEL (Unaudited)	US\$	
Net Interest Income	48.9	29.2	49.5	29.8	-1.1%	58.9	41.9	-16.9%
Net Non-Interest Income	30.4	18.1	31.1	18.8	-2.4%	27.1	19.3	12.3%
Total Operating Income (Revenue) ²	79.3	47.3	80.6	48.6	-1.6%	85.9	61.1	-7.7%
Recurring Operating Costs	45.0	26.8	46.3	27.9	-2.9%	49.6	35.3	-9.4%
Normalized Net Operating Income ³	34.3	20.5	34.3	20.7	0.3%	36.3	25.8	-5.4%
Net Non-Recurring Income (Costs)	(1.9)	(1.1)	(0.3)	(0.2)	NMF	(2.6)	(1.9)	NMF
Profit Before Provisions	32.4	19.3	34.0	20.5	-4.5%	33.7	24.0	-3.7%
Net Provision Expense	30.0	17.9	40.7	24.5	-26.3%	103.2	73.4	-70.9%
Net Income/ (Loss)	2.6	1.6	(4.3)	(2.6)	NMF	(59.0)	(42.0)	NMF
Tier I Capital Adequacy Ratio (BIS)	25.4%		23.9%		6.0%	24.7%		2.7%
Total Capital Adequacy Ratio (BIS)	34.6%		34.2%		1.3%	25.3%		37.0%
Tier I Capital Adequacy Ratio (NBG)	20.4%		17.8%		14.3%	18.2%		11.6%
Total Capital Adequacy Ratio (NBG)	21.2%		18.4%		15.2%	15.5%		37.1%

Millions, unless otherwise noted

Bank of Georgia (Consolidated, IFRS Based)	9 months 2009		9 months 2008		Growth ¹ Y-O-Y
	GEL (Unaudited)	US\$	GEL (Unaudited)	US\$	
Net Interest Income	150.8	89.9	164.5	117.0	-8.3%
Net Non-Interest Income	90.8	54.1	88.5	63.0	2.6%
Total Operating Income (Revenue) ²	241.6	144.1	252.9	180.0	-4.5%
Recurring Operating Costs	135.9	81.1	143.0	101.8	-4.9%
Normalized Net Operating Income ³	105.7	63.0	110.0	78.3	-3.9%
Net Non-Recurring Income (Costs)	(2.4)	(1.4)	9.3	6.6	-126.2%
Profit Before Provisions	103.2	61.6	119.2	84.9	-13.4%
Net Provision Expense	102.8	61.3	117.8	83.9	-12.8%
Net Income/ (Loss)	3.4	2.0	1.3	0.9	161.2%
Tier I Capital Adequacy Ratio (BIS)	25.4%		24.7%		2.7%
Total Capital Adequacy Ratio (BIS)	34.6%		25.3%		37.0%
Tier I Capital Adequacy Ratio (NBG)	20.4%		18.2%		11.6%
Total Capital Adequacy Ratio (NBG)	21.2%		15.5%		37.1%

¹ Compared to the same period in 2008; growth calculations based on GEL values.

² Revenue includes Net Interest Income and Net Non-Interest Income.

³ Normalized for Net Non-Recurring Costs.

September 2009 Balance Sheet results highlights

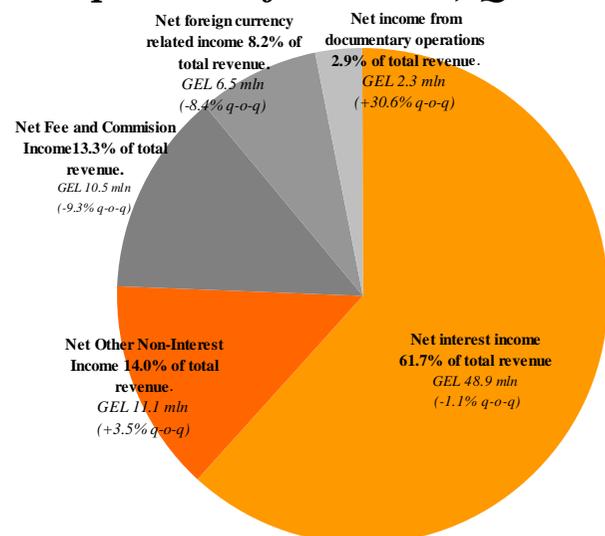
Millions, unless otherwise noted

Bank of Georgia (Consolidated, IFRS)	Q3 2009		Q2 2009		Q1 2009	
	GEL	US\$	GEL	US\$	GEL	US\$
	(Unaudited)		(Unaudited)		(Unaudited)	
Net Loans	1,659.3	989.4	1,749.6	1,055.3	1,911.6	1,144.7
Total Assets	2,980.2	1,777.0	2,907.8	1,753.9	3,186.8	1,908.2
Total Deposits	1,225.9	731.0	1,066.4	643.2	1,185.9	710.1
Borrowed Funds	918.6	547.7	1,011.4	610.0	1,162.8	696.3
Total Liabilities	2,261.6	1,348.5	2,197.9	1,325.7	2,474.9	1,482.0
Shareholders' Equity	718.5	428.4	709.9	428.2	711.8	426.3
Book Value Per Share, GEL & US\$	22.96	13.69	22.70	13.69	22.77	13.64

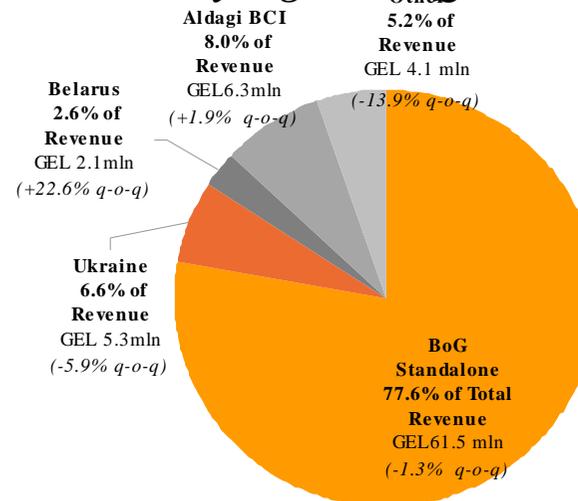
	Change Q3/Q2	Change Q3/Q1
Net Loans	-5.2%	-13.2%
Total Assets	2.5%	-6.5%
Total Deposits	15.0%	3.4%
Borrowed Funds	-9.2%	-21.0%
Total Liabilities	2.9%	-8.6%
Shareholders' Equity	1.2%	0.9%
Book Value Per Share,	1.1%	0.8%

Composition of revenue in Q3 2009 & 9 Months 2009

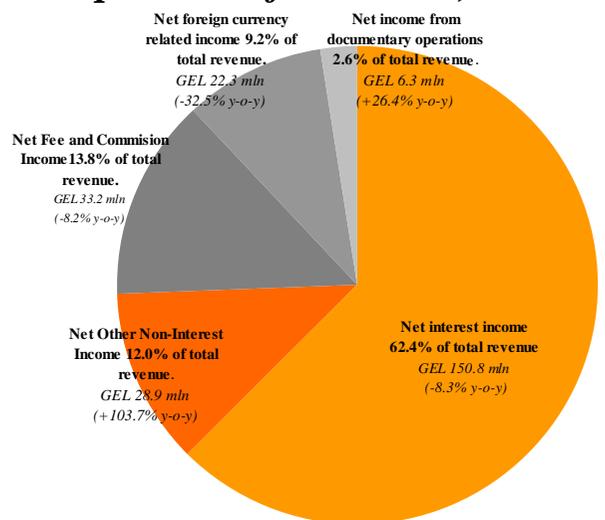
Composition of Revenue, Q3 2009



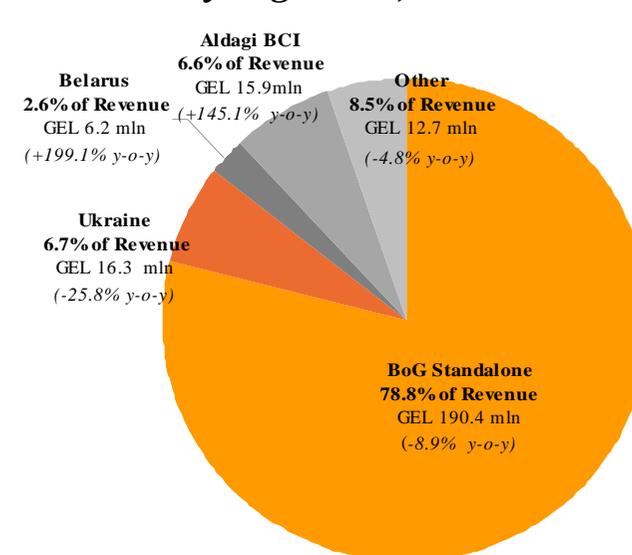
Revenue by segments, Q3 2009



Composition of Revenue, 9 Months 2009



Revenue by segments, 9 Months 2009



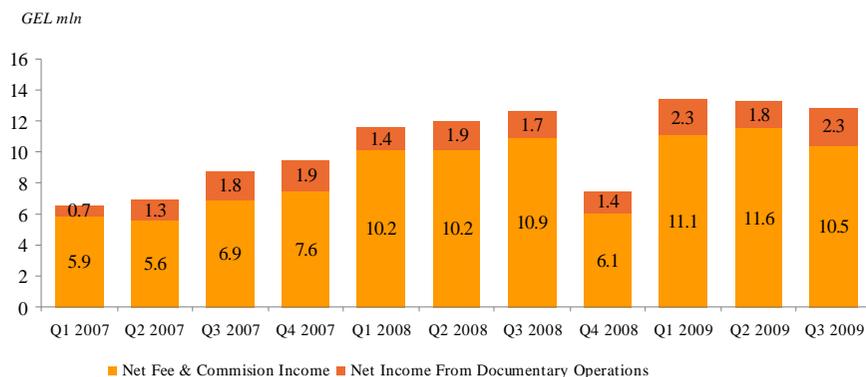
Total Revenue: GEL 79.3 million in Q3 2009 and GEL 241.6 million in 9 Months 2009

Analysis of revenue

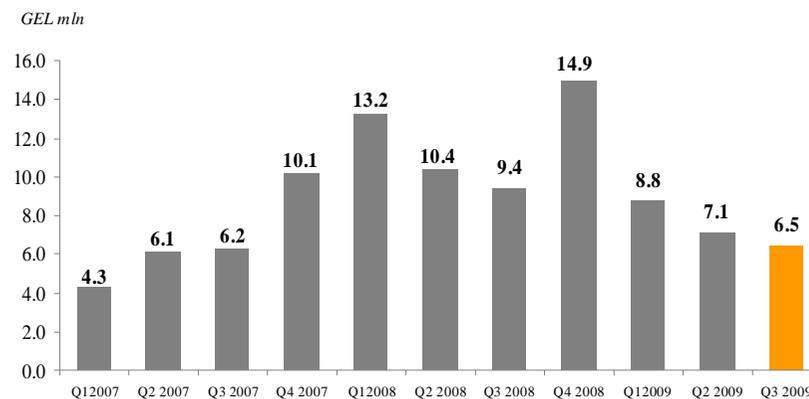
Revenue growth



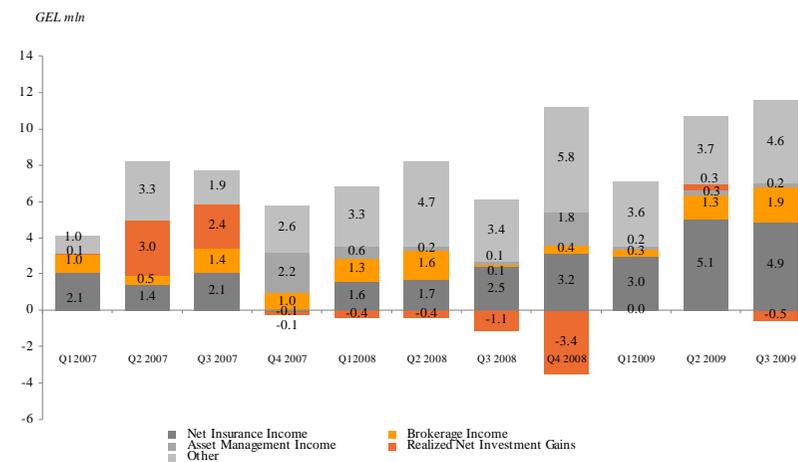
Net fee & commission income & Income from documentary operations



Net foreign currency related income

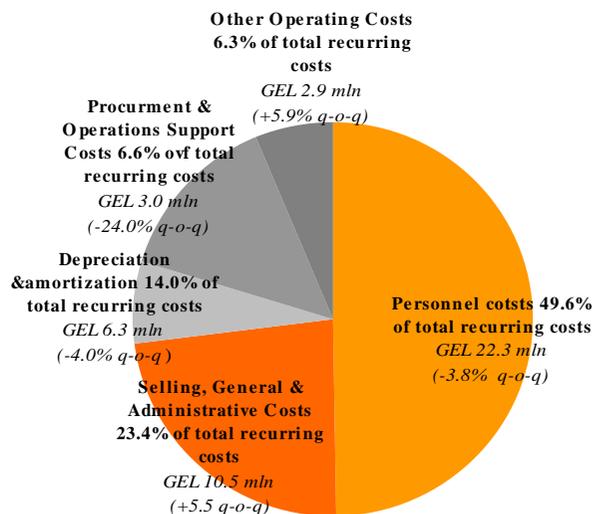


Other non-interest income

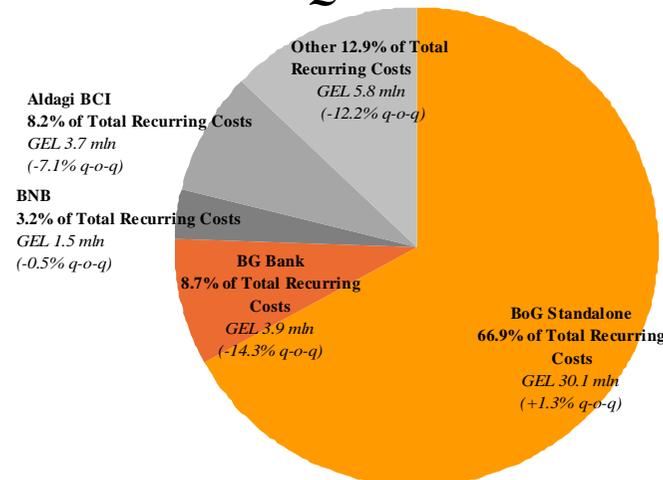


Analysis of recurring operating costs

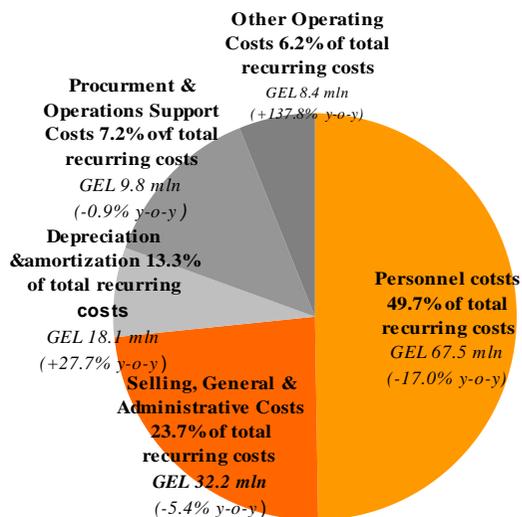
Recurring operating cost structure, Q3 2009



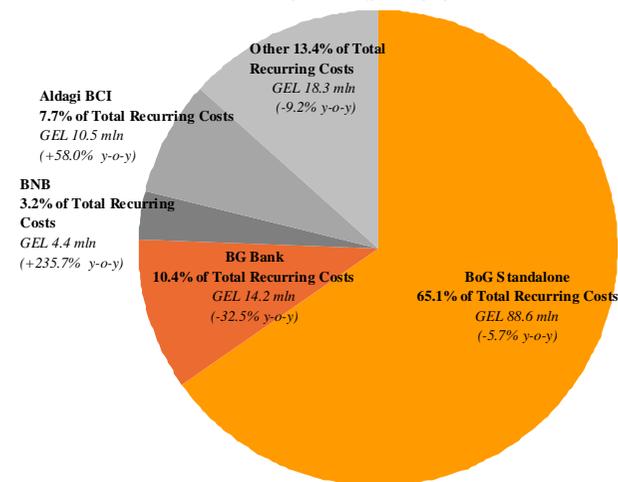
Recurring operating cost structure by segments, Q3 2009



Recurring operating cost structure, 9 months 2009



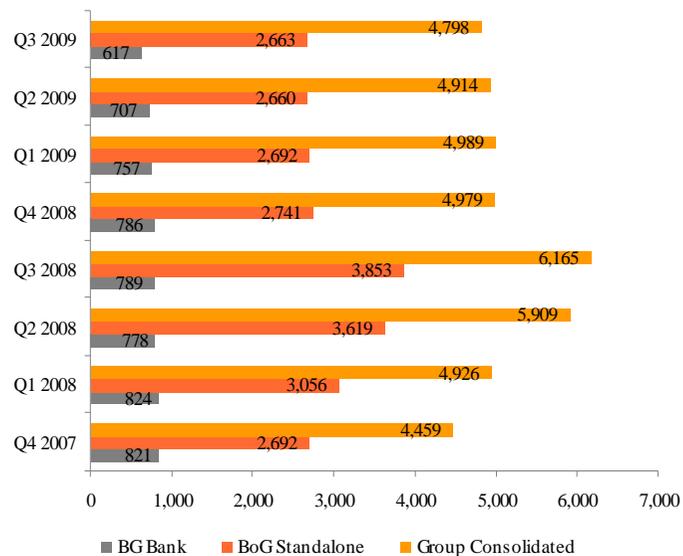
Recurring operating cost structure by segments, 9 months 2009



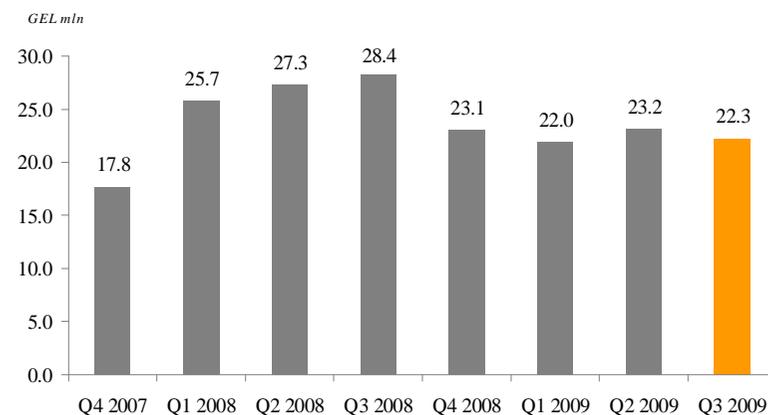
Total recurring operating costs: GEL 45.0 million in Q3 2009 (-3% q-o-q; -9% y-o-y) and GEL 135.9 mln in 9 months 2009 (-5% y-o-y)

Analysis of recurring operating costs cont'd

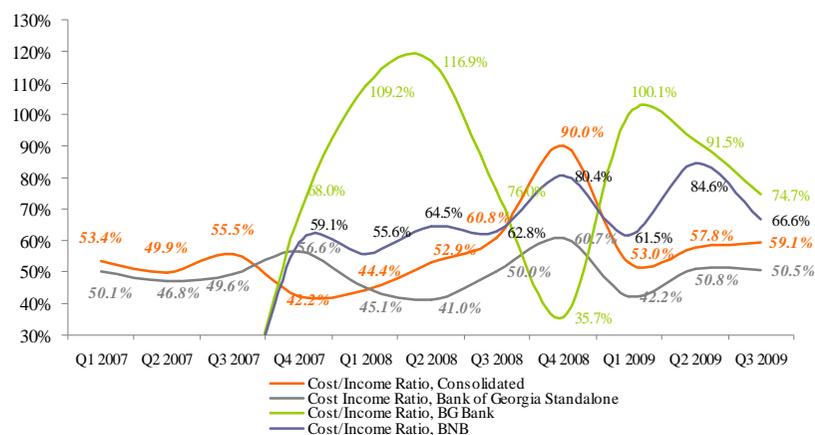
Employees



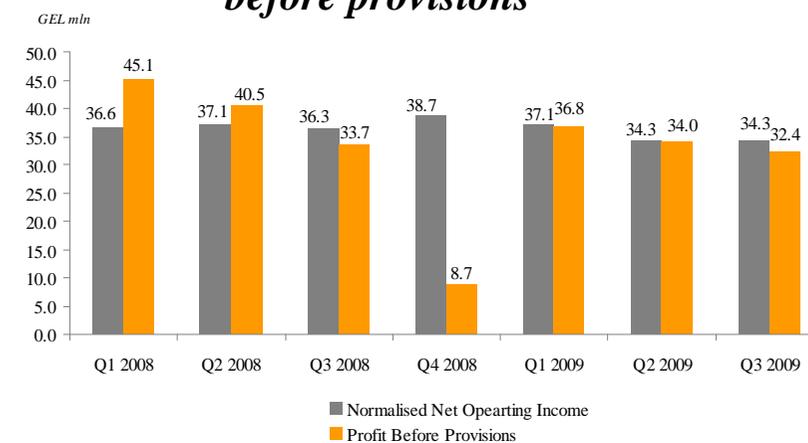
Personnel costs



Cost/Income ratio

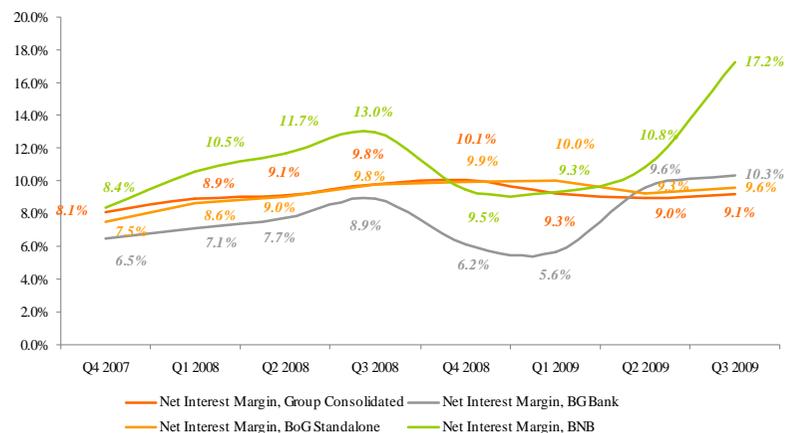


Normalized net operating income, Profit before provisions

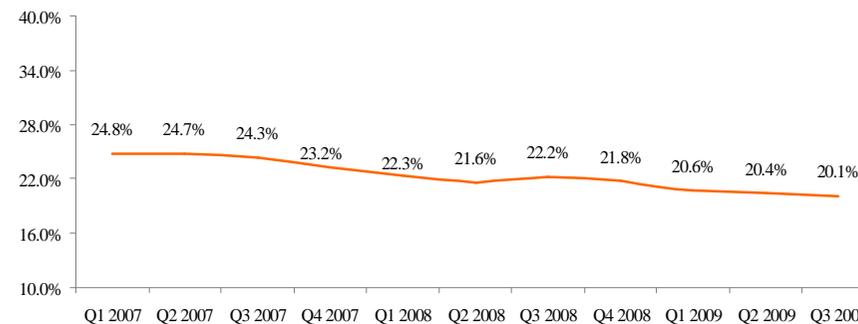


NIM & loan yields

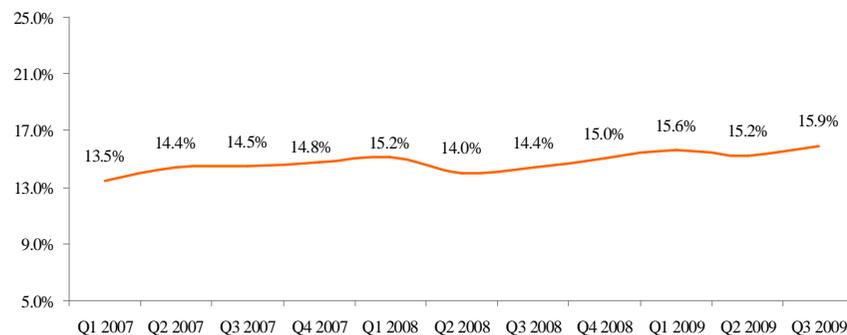
Net Interest Margin (annualized)



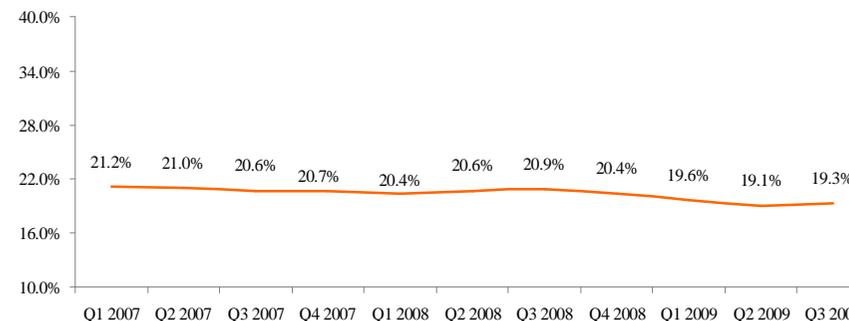
**RB & WM loan yield (annualized)
(Adjusted for provisions)**



**CB loan yield (annualized)
(Adjusted for provisions)**

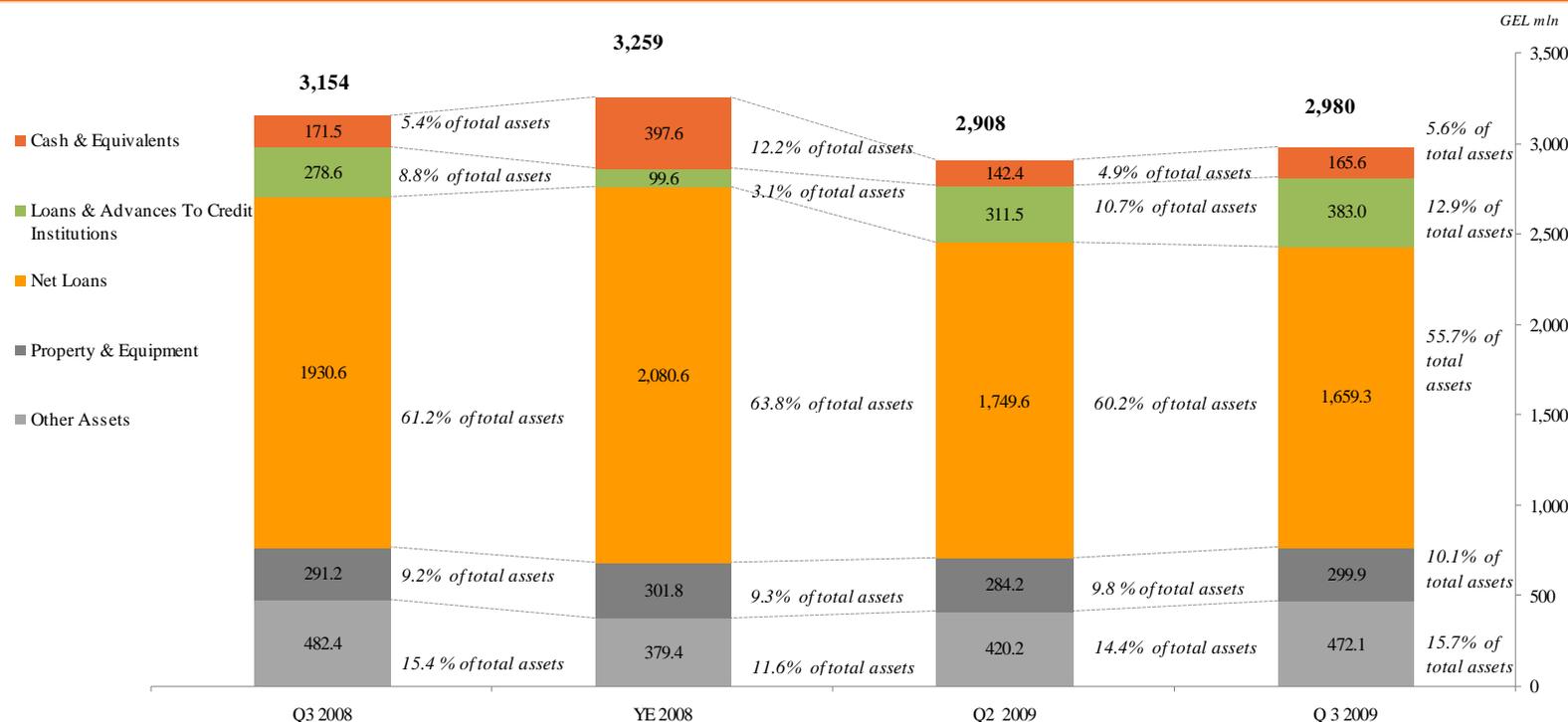


**Blended loan yield (annualized)*
(Adjusted for provisions)**



* Based on consolidated data, including Corporate Center where all loan recoveries are allocated

Composition of assets as at 30 September 2009



GEL million	30-Sep-08	YE 2008	30-Jun-09	30-Sep-09
Available-For-Sale & Trading Securities	50.6	33.7	28.4	30.0
Treasuries And Equivalents	18.1	8.3	-	36.6
Other Fixed Income Instruments	16.5	14.6	59.1	67.1
Insurance Related Assets	46.6	42.0	47.4	45.6
Investments In Other Business Entities & Investment Property	104.2	64.0	80.9	75.4
Intangible Assets Owned & Goodwill	144.0	152.5	147.2	147.9
Tax Assets, Current And Deferred	0.9	12.8	8.3	12.9
Prepayments And Other Assets	101.5	51.5	48.9	56.6
Other Assets	482.4	379.4	420.2	472.1

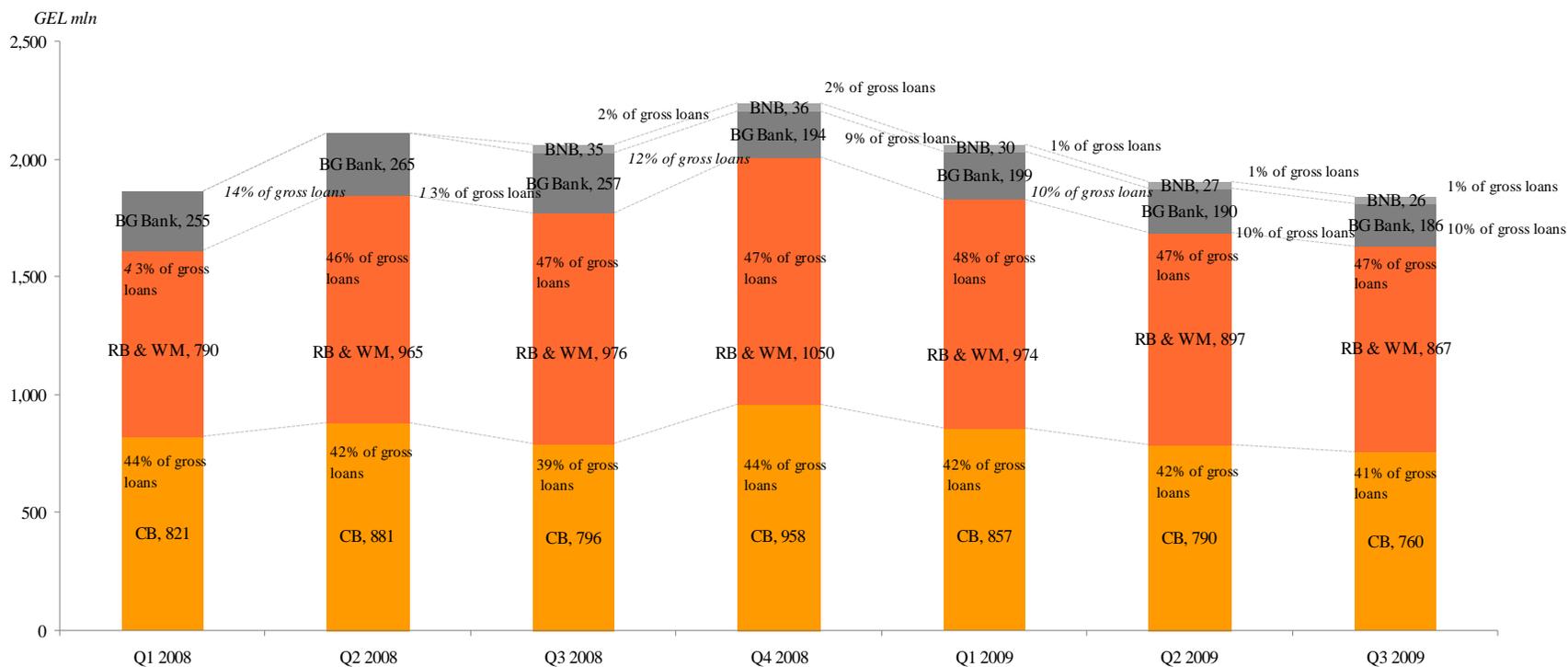
Note: Net loans include Net finance lease receivables

Composition of gross loan book as at 30 September 2009

Georgia: RB & WM, CB

Ukraine: BG Bank

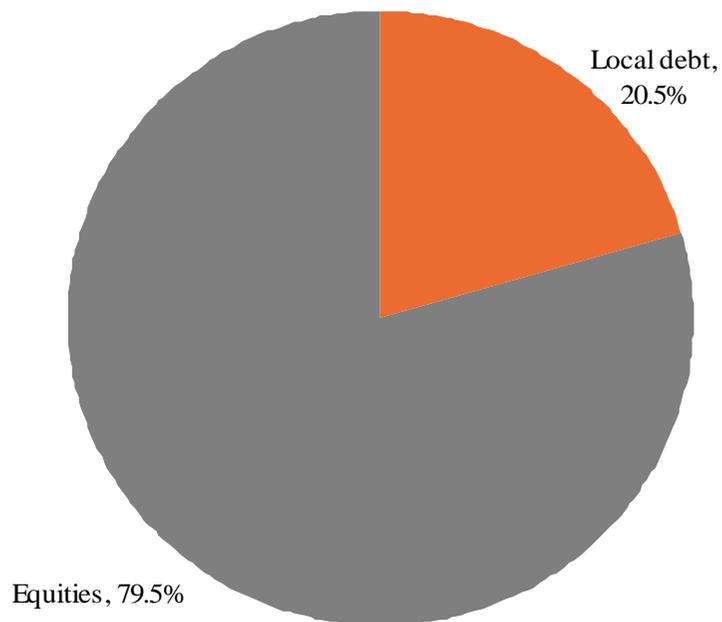
Belarus: BNB



Gross loan book Q3 2009: GEL 1,833.1 million

Securities portfolio as at 30 September 2009

*Breakdown of securities portfolio,
30 September 2009*

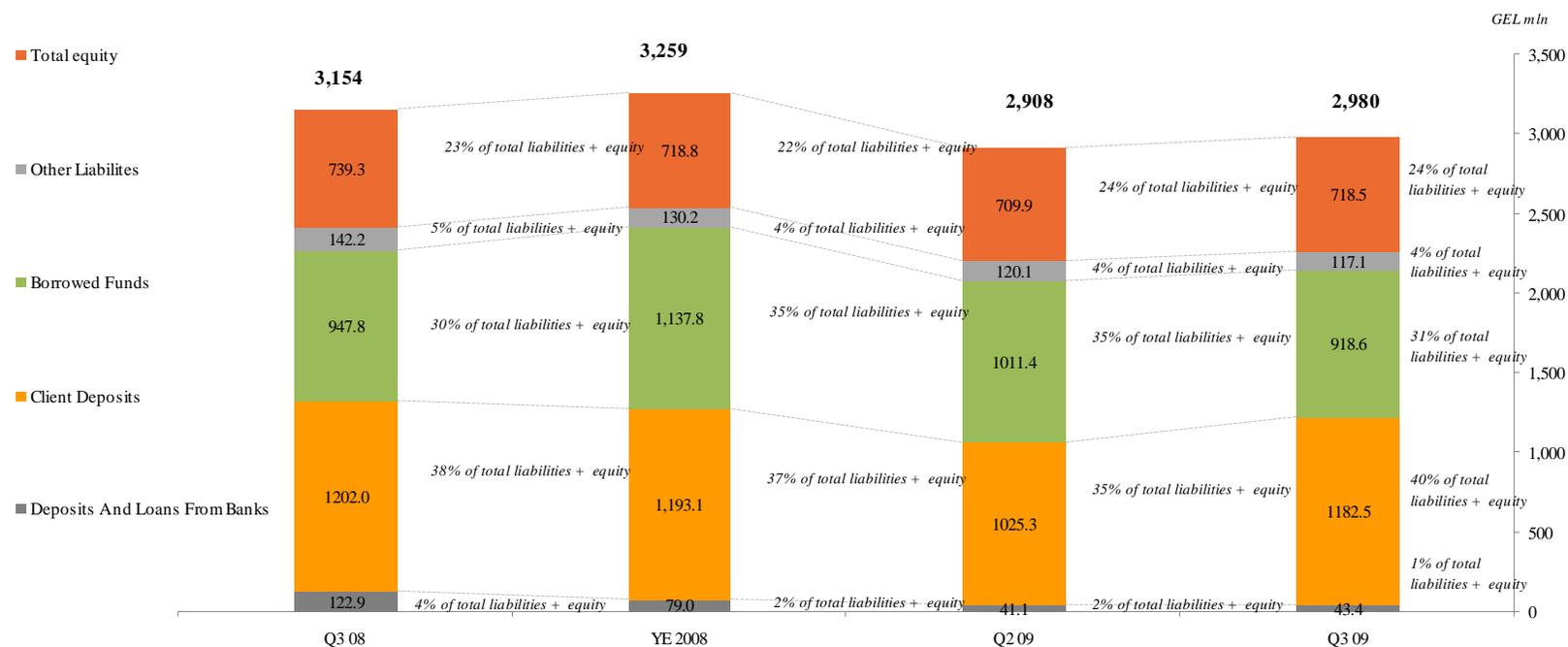


Total securities portfolio: GEL 30 million

Breakdown of securities investments

GEL '000s	Debt	Equity	Total
GTS	-	1,627	1,627
LC	-	17,532	17,532
BG Bank (Ukraine)	6,146	-	6,146
BNB (Belarus)	-	-	-
Other	-	4,730	4,730
Total	6,146	23,889	30,036

Liabilities breakdown as at 30 September 2009

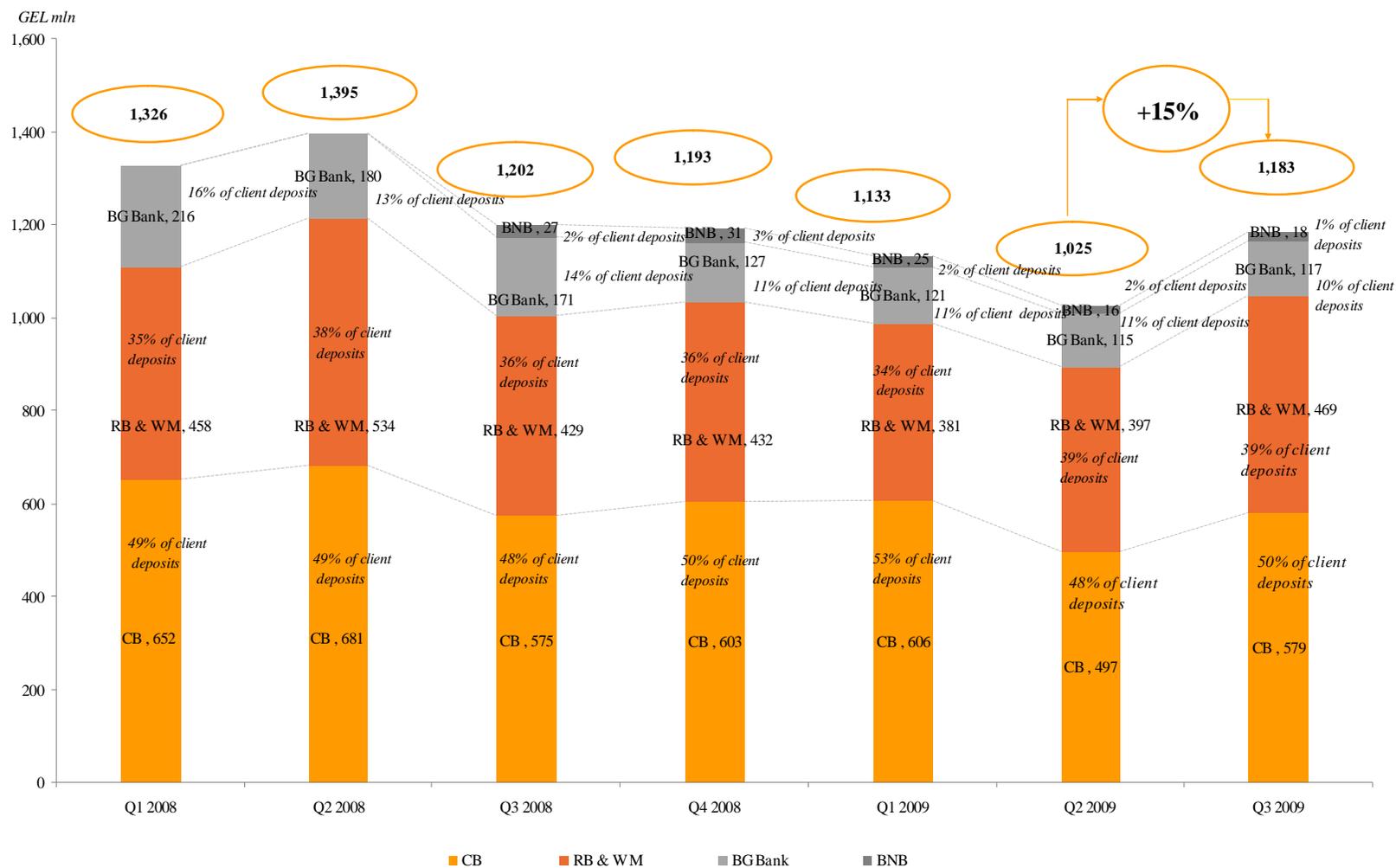


	Q3 08	YE 2008	Q2 09	Q3 09
Issued Fixed Income Securities	4.7	-	0.2	0.7
Insurance Related Liabilities	57.7	55.4	59.7	52.2
Tax Liabilities, Current And Deferred	26.7	24.4	19.4	22.8
Accruals And Other Liabilities	53.1	50.4	40.8	41.4
Other liabilities	142.2	130.2	120.1	117.1

Total liabilities 30 September 2009: GEL 2,262 million

Client deposits breakdown

Georgia: RB & WM, CB
 Ukraine: BG Bank
 Belarus: BNB



Client deposits Q3 2009: GEL 1,183 million

Note: RB & WM client deposits include deposits at BG Capital



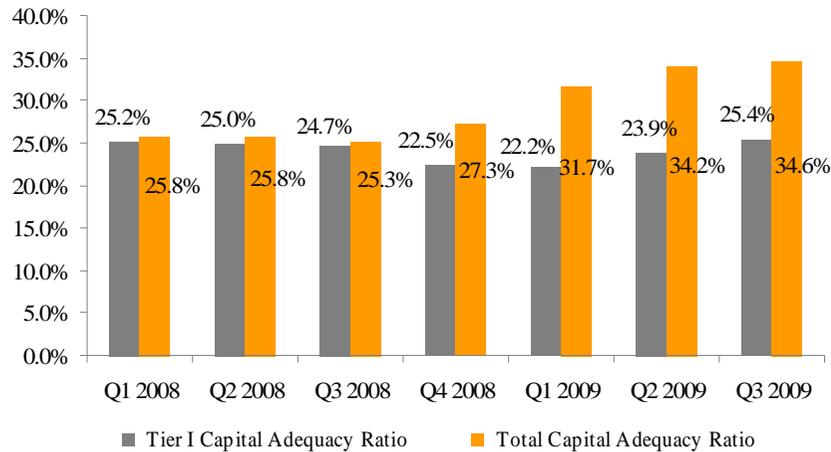
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Capital adequacy & wholesale funding

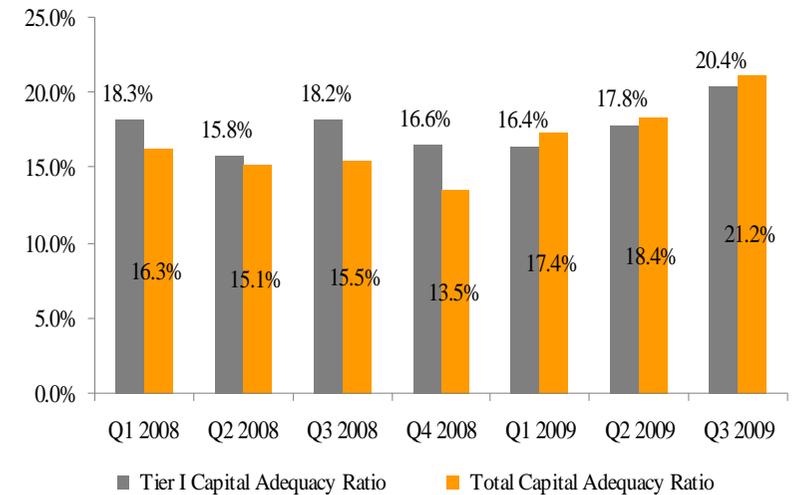
January 2010

Capital adequacy

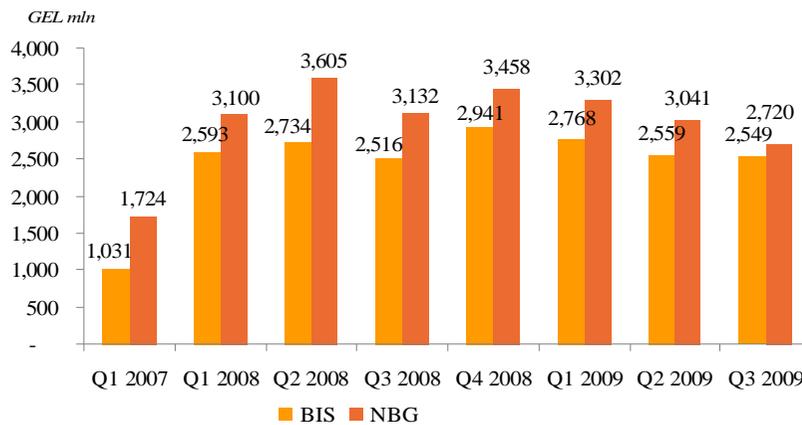
BIS capital adequacy ratios, BoG consolidated



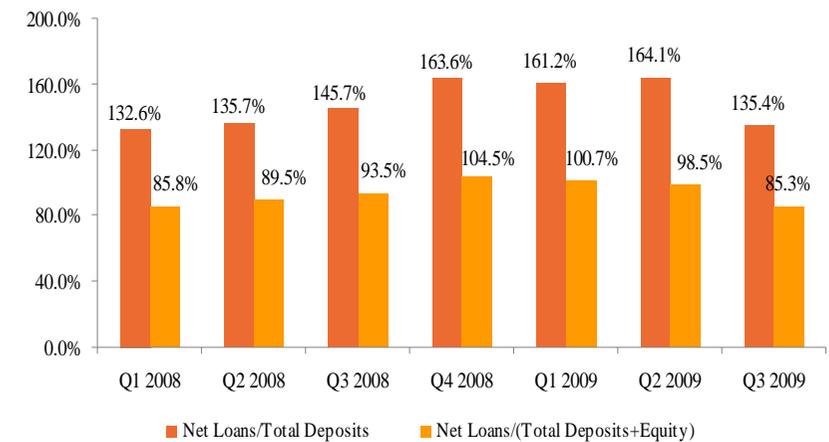
NBG capital adequacy ratios, BoG standalone



Risk-weighted assets BIS vs. NBG



Net loans/deposits & loans/(deposits+equity), BoG consolidated



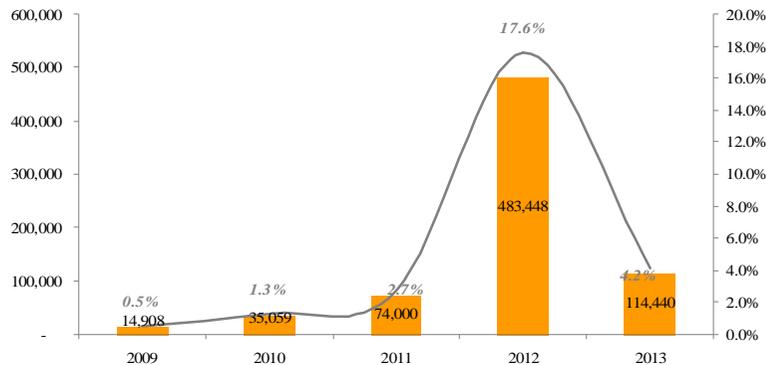
International borrowings

Selected international loans

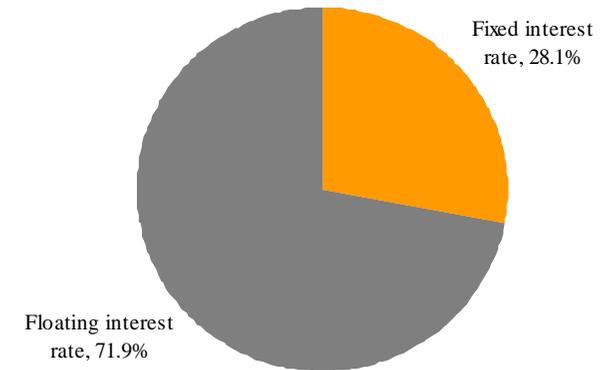
Key Lenders	Principle Amount Outstanding as at 30 September 2009	Maturity
Syndicated Loan arranged by Citi and ADB, 3rd Tranche	US\$ 16.7 million	2010
Eurobonds	US\$ 200.0 million	2012
Senior Term Loan from FMO	US\$ 10.3 million	2014
Senior Term Loan from World Business Capital	US\$ 6.9 million	2016
Subordinated Loan from Thames River Capital (Call in 2011)	US\$ 5.0 million	2016
Subordinated Loan from HBK Investments (Call in 2012)	US\$ 15.0 million	2017
Subordinated Loan from Merrill Lynch (Call in 2012)	US\$ 35.0 million	2017
Senior Term Loan from World Business Capital (GLC)	US\$ 4.9 million	2017
Subordinated loan from FMO and DEG (Call in 2013)	US\$ 30.0 million	2018
Senior Loan from OPIC	US\$ 29.0 million	2018
Subordinated Loan from OPIC	US\$ 10.0 million	2018
Senior Term Loan from IFC	US\$ 50.0 million	2013
Senior Term Loan from EBRD	US\$ 50.0 million	2014
Subordinated Loan from IFC	US\$ 24.0 million	2019
Subordinated Loan from EBRD	US\$ 24.0 million	2019
Convertible Loan from IFC	US\$ 26.0 million	2019
Convertible Loan from EBRD	US\$ 26.0 million	2019
Other, USD denominated	US\$ 4.8 million	NMF
Other, EUR denominated	EUR 1.0 million	NMF
Total	US\$ 569.1 million	

Note: Depicts final maturity dates
Excluding credit lines as part of documentary business

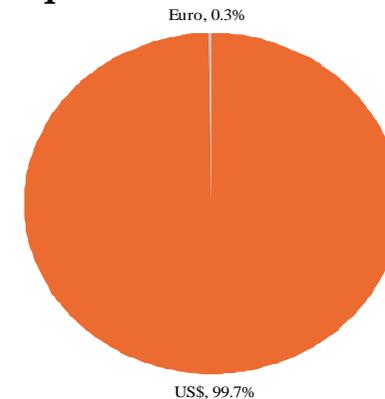
International borrowings repayment schedule



International borrowings - fixed vs. floating rates, 30 September 2009



International borrowings by currencies, 30 September 2009



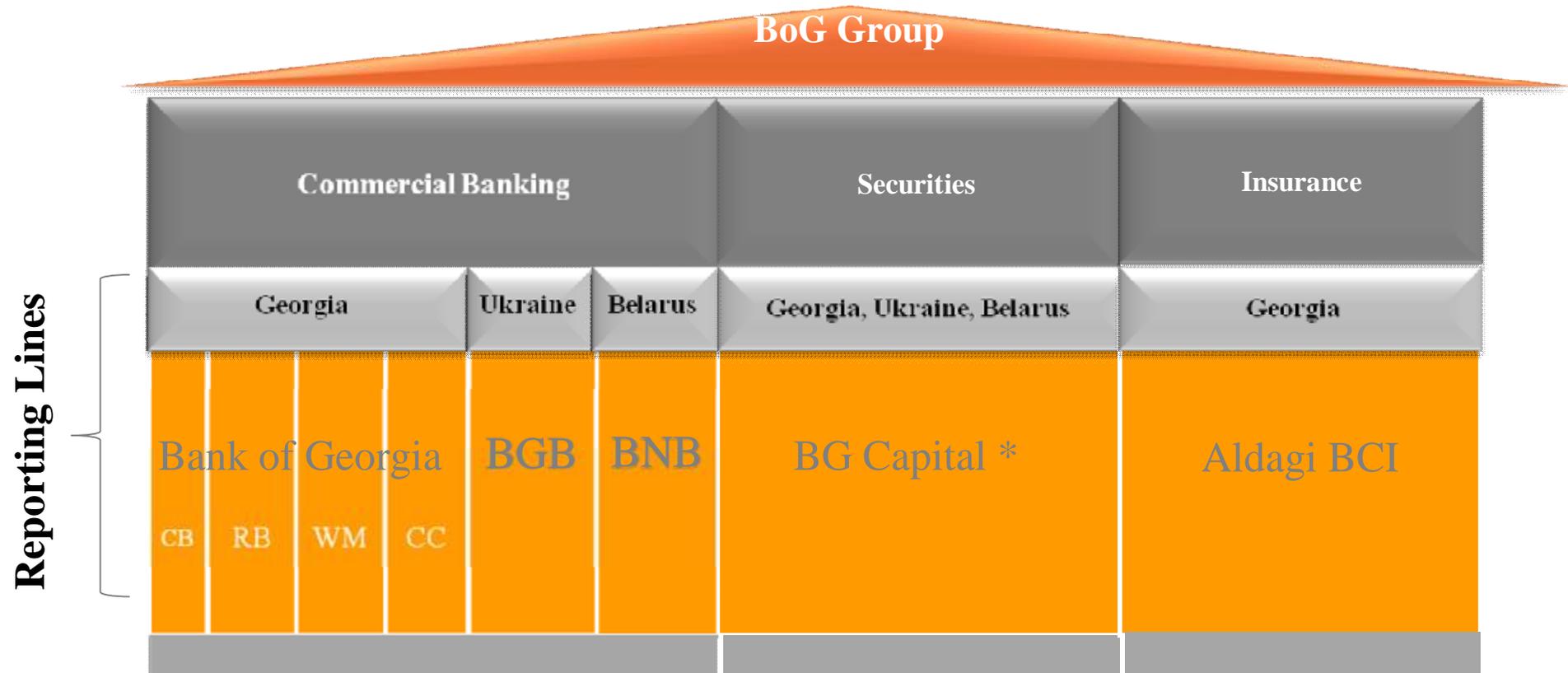


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Business overview

January 2010

Group structure



* Formerly Galt & Taggart Securities

Note: Following the sale of GTAM, its asset management arm, BoG owns approximately 65% of Liberty Consumer, which in turn owns approximately 52% of SBRE. Both Liberty Consumer and SBRE are fully consolidated in BoG financials



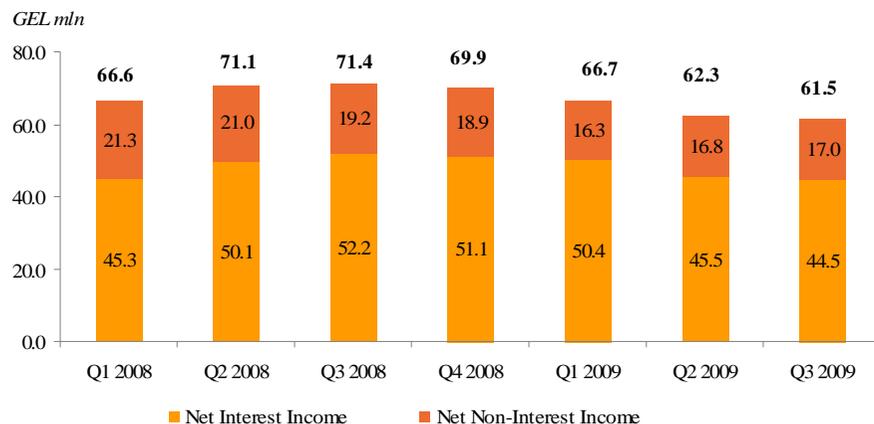
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BoG standalone results overview

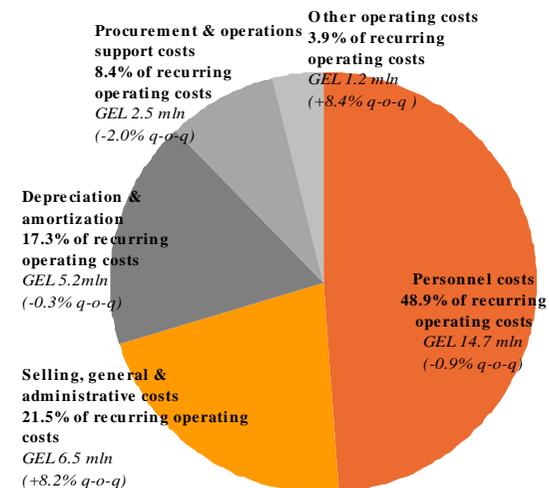
January 2010

BoG standalone performance

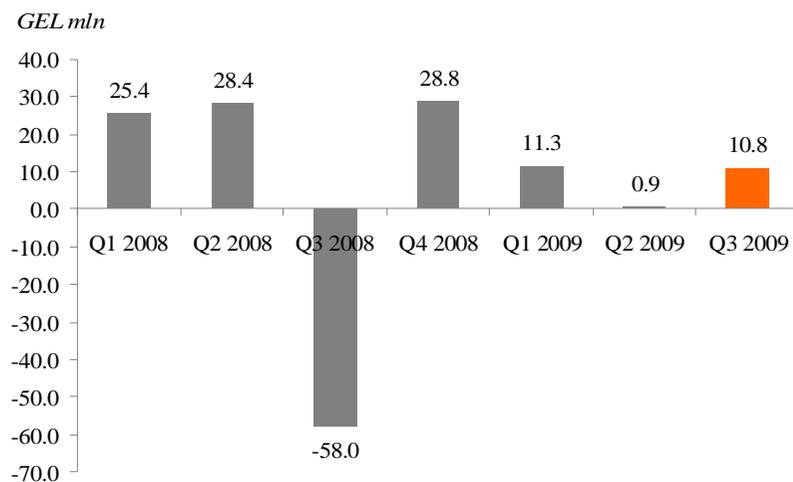
Revenue performance



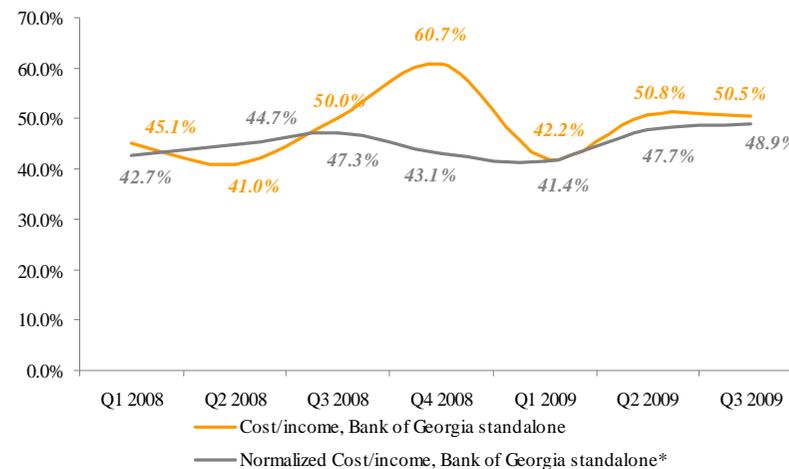
Recurring operating cost structure, Q3 2009



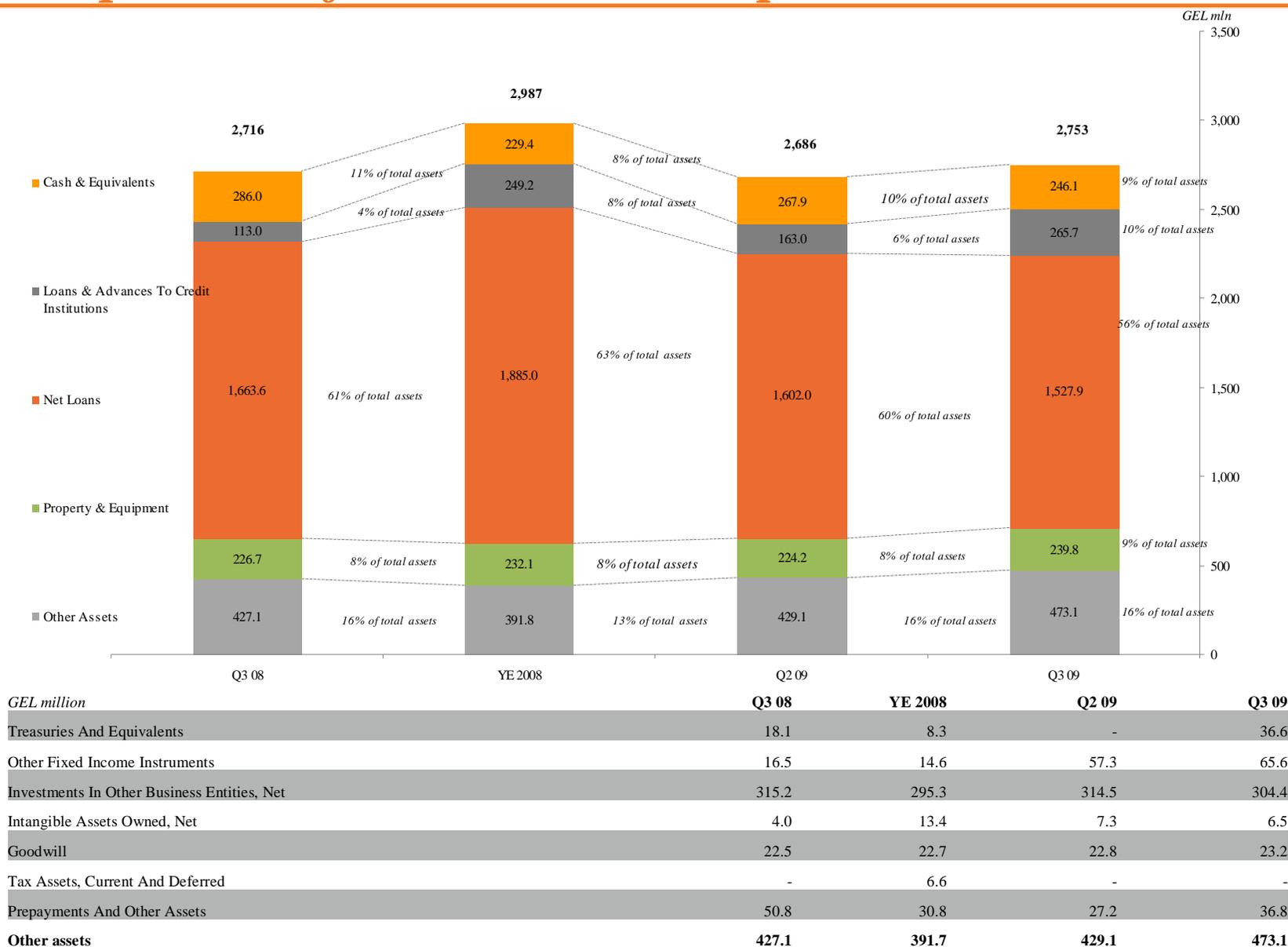
Net income



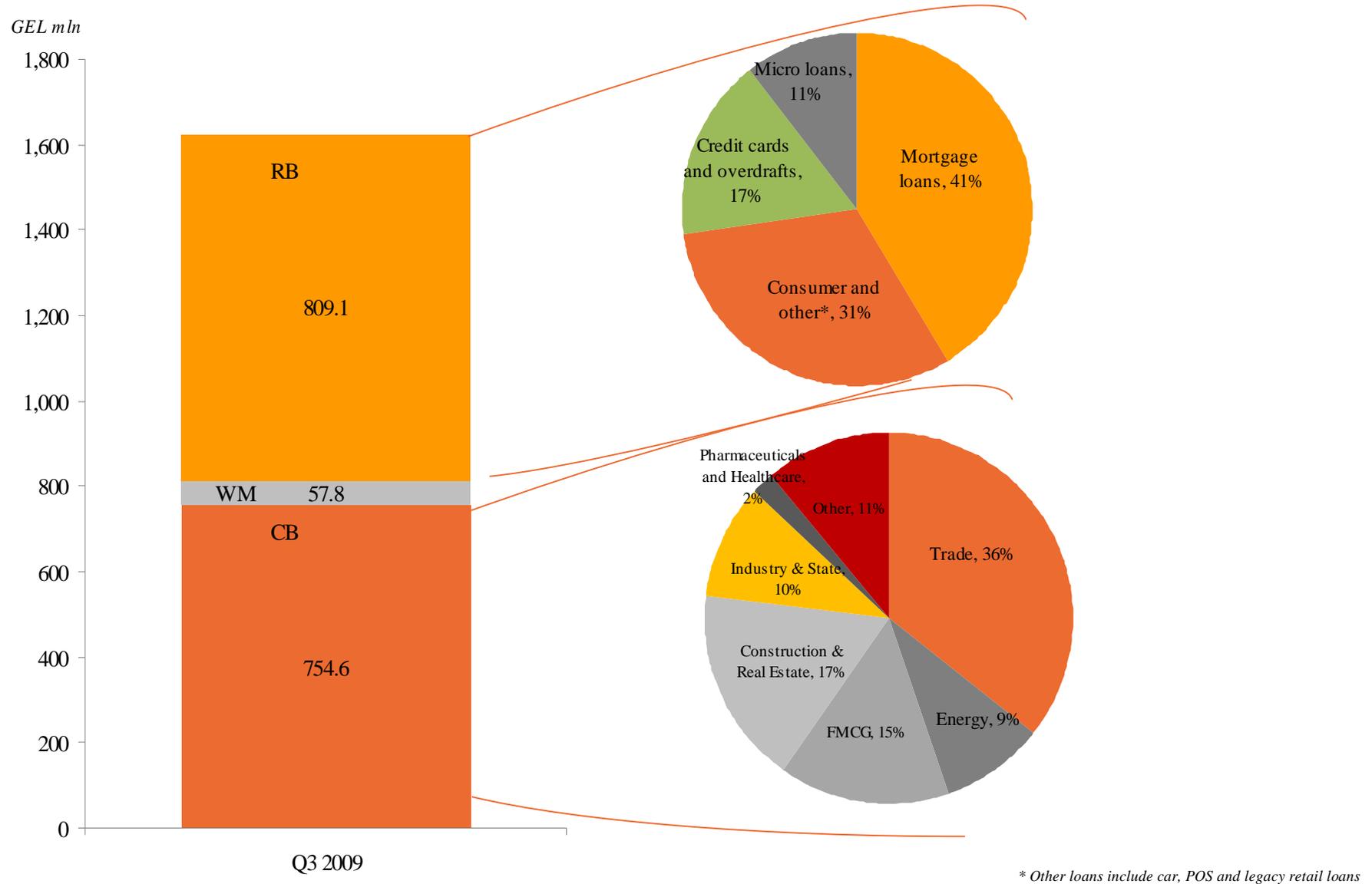
Cost/Income Ratio



Composition of assets as at 30 September 2009

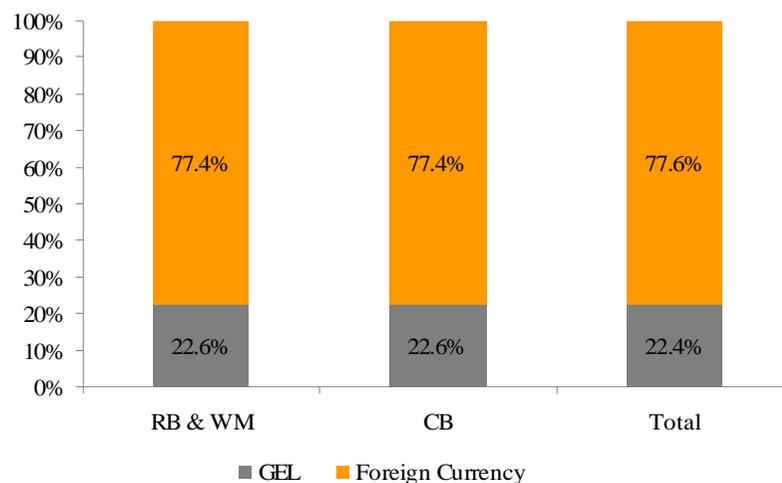


Analysis of the loan book

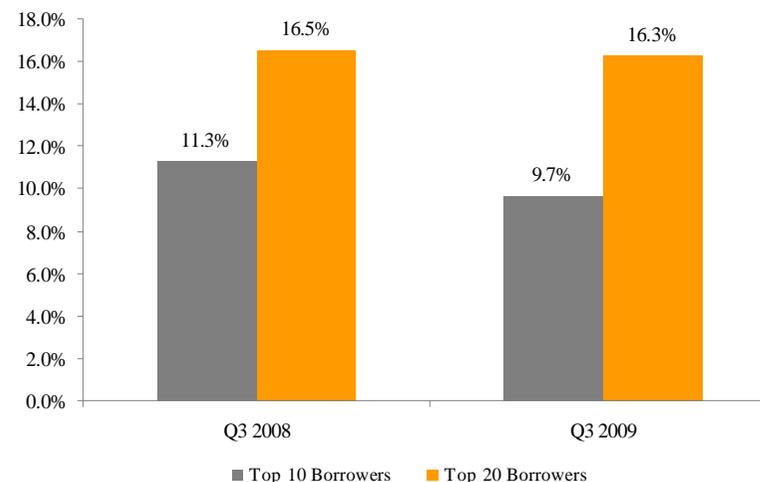


Analysis of the loan book

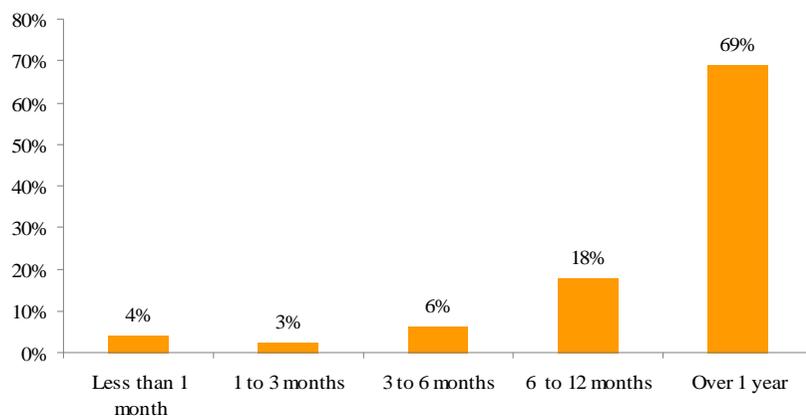
Loans by currency, 30 September 2009



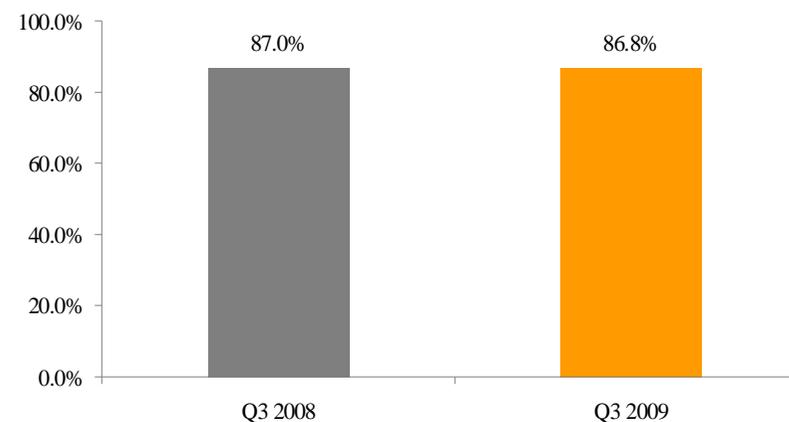
Loan concentration



Loans by maturity, 30 September 2009

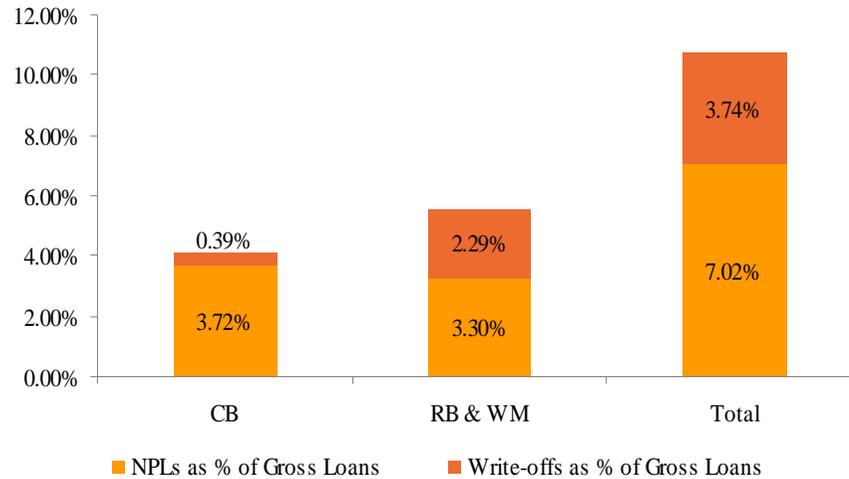


Loan book collateralization

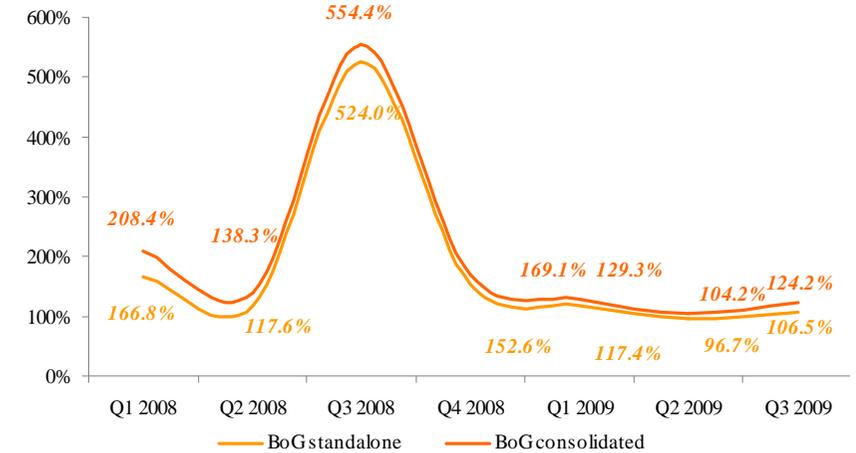


Provisioning policy

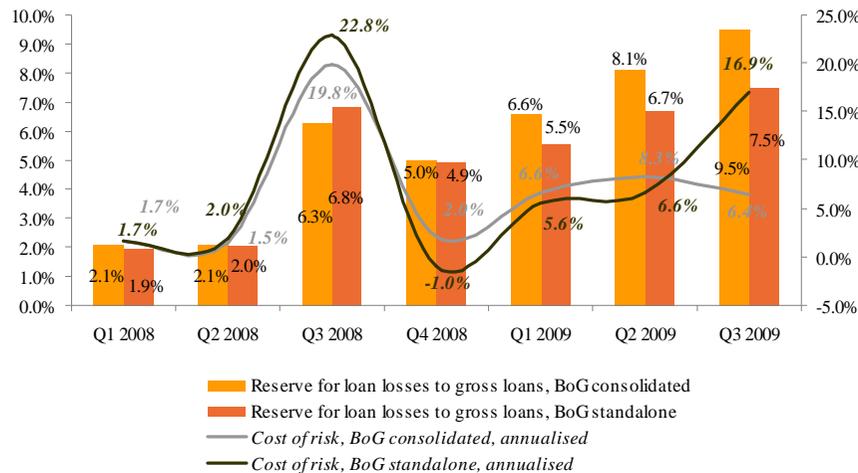
NPLs & write-offs, 30 September 2009



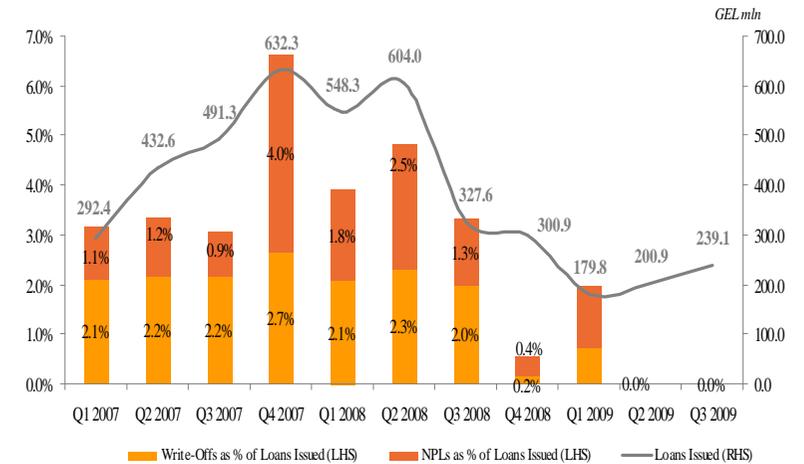
NPL coverage ratio



Reserve for loan losses to gross loans

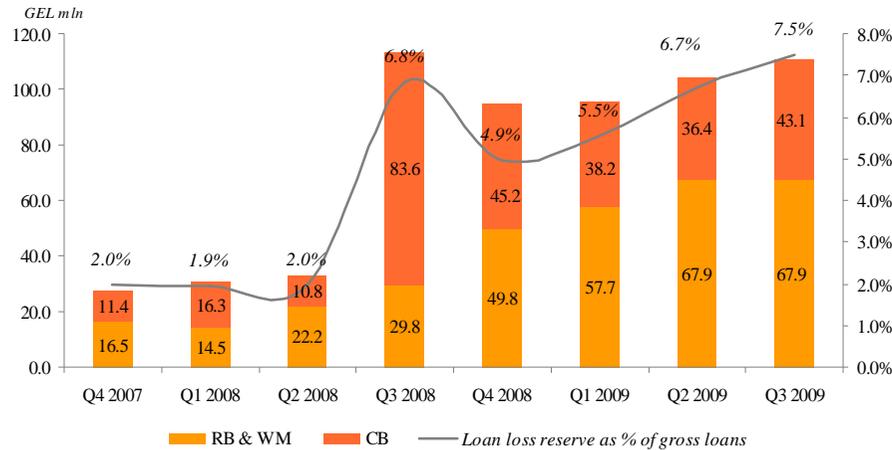


Impairment seasoning, Q3 2009

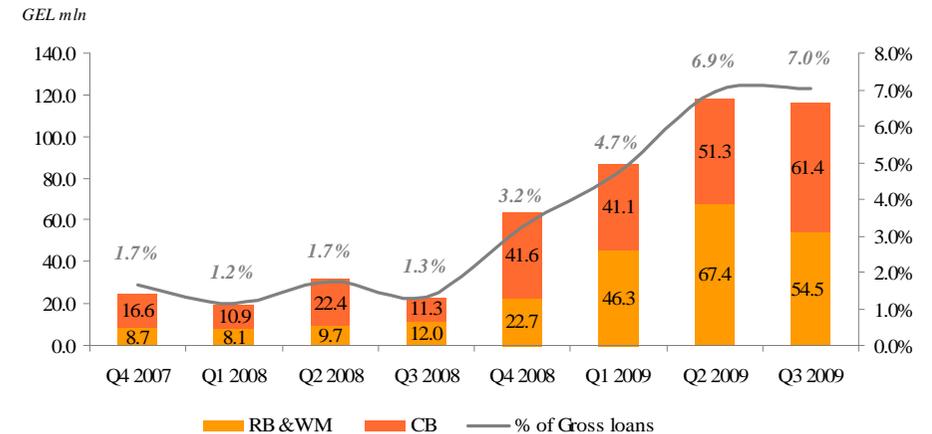


Provisioning policy cont'd – BoG standalone

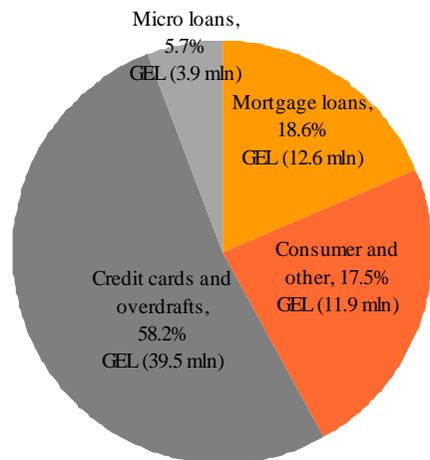
Loan loss reserve, 30 September 2009



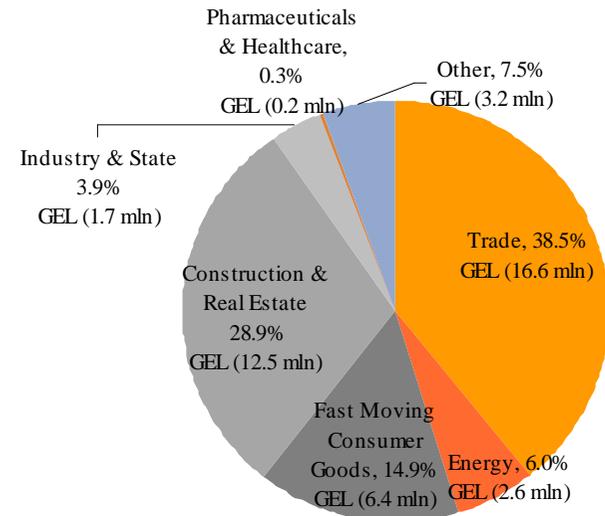
NPLs, 30 September 2009



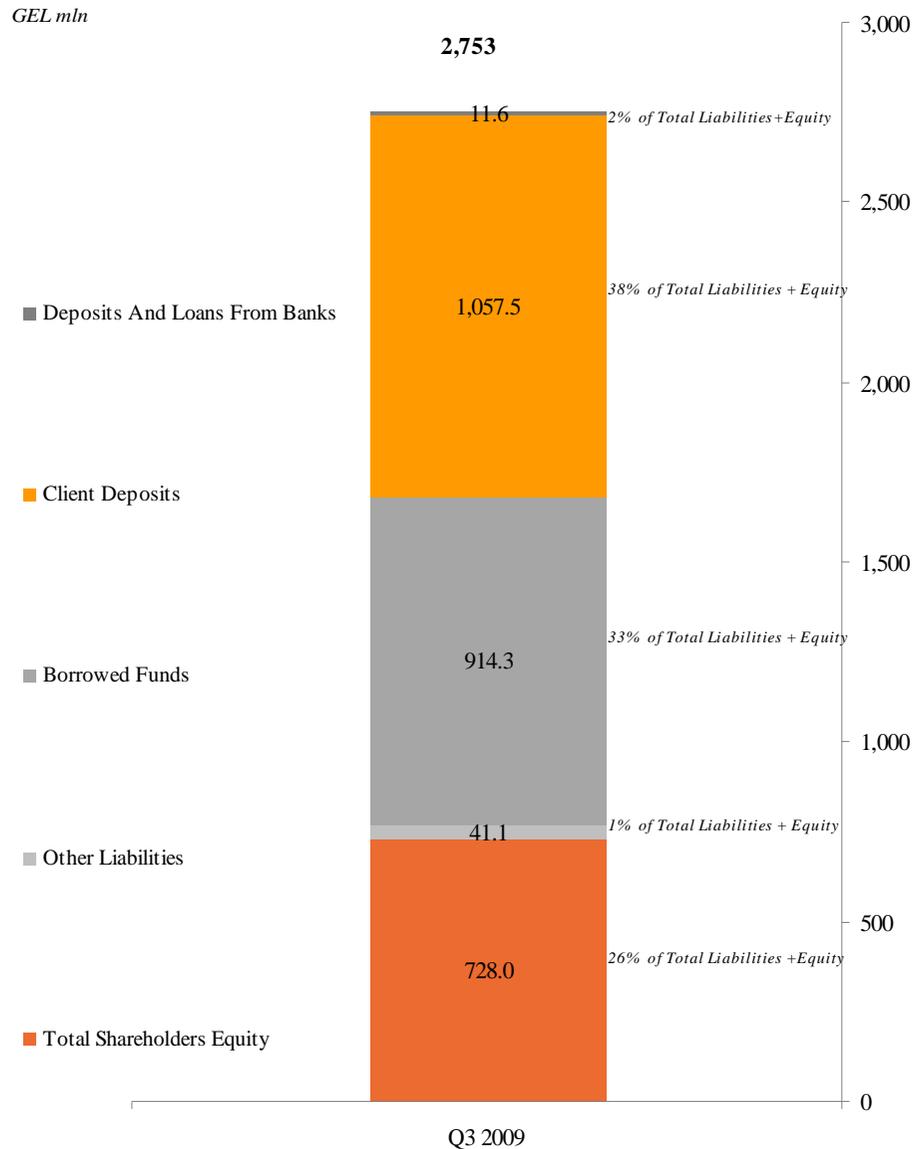
RB & WM loan loss reserve breakdown by loan type, 30 September 2009



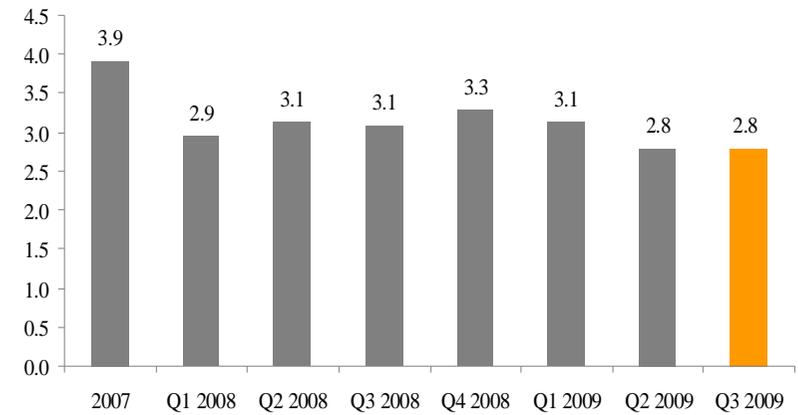
CB loan loss reserve breakdown by loan type, 30 September 2009



BoG standalone liabilities

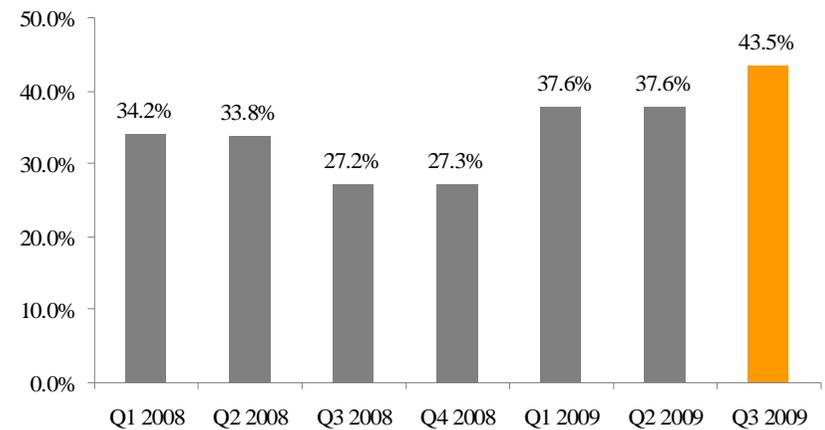


Leverage ratio, BoG standalone



Leverage (Times) equals Total Liabilities as of the period end divided by Total Equity as of the same date

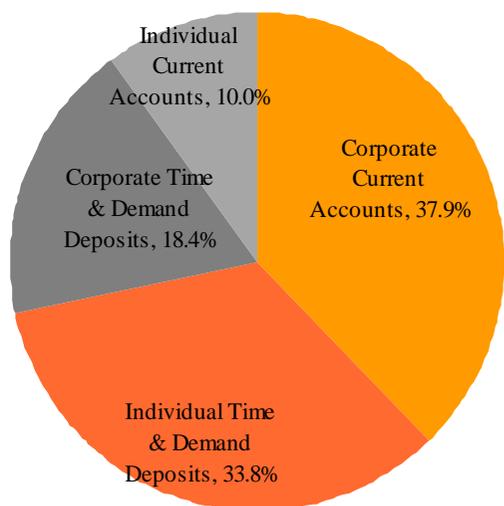
Liquidity ratio, BoG standalone



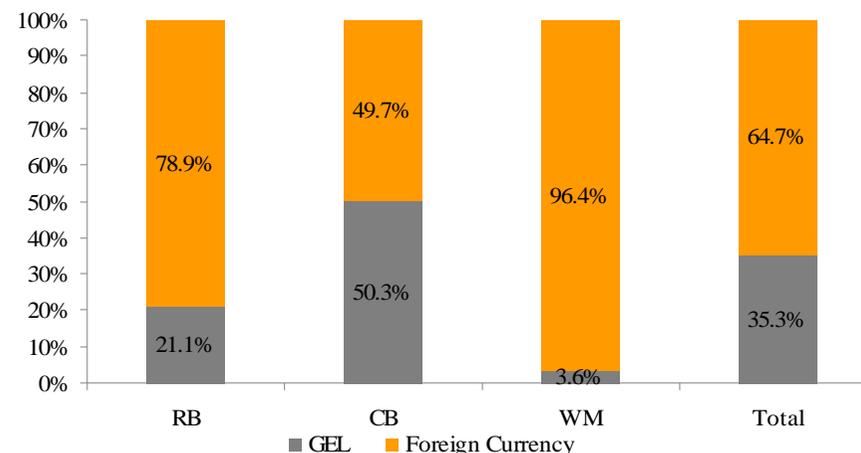
Liquidity ratio is calculated by dividing liquid assets by Total liabilities

Analysis of deposits

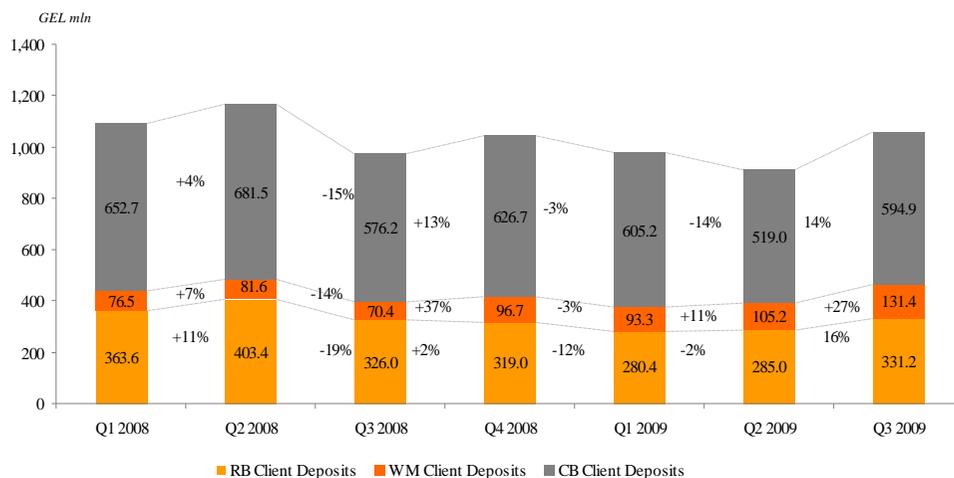
Client deposit breakdown, 30 September 2009



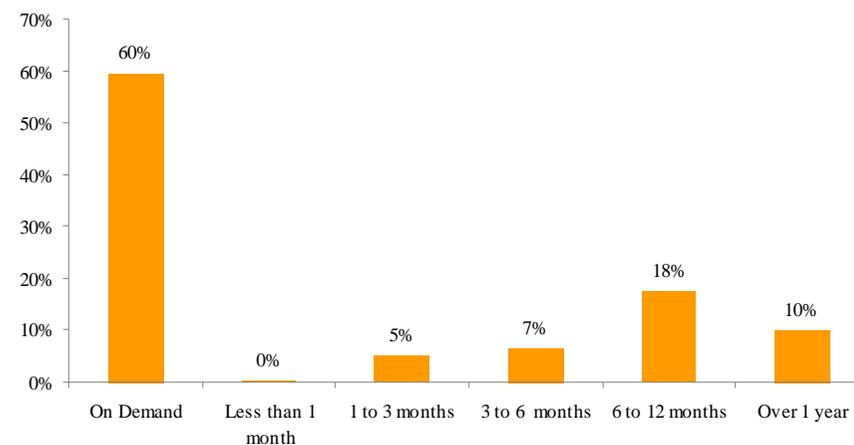
Client deposits by currency, 30 September 2009



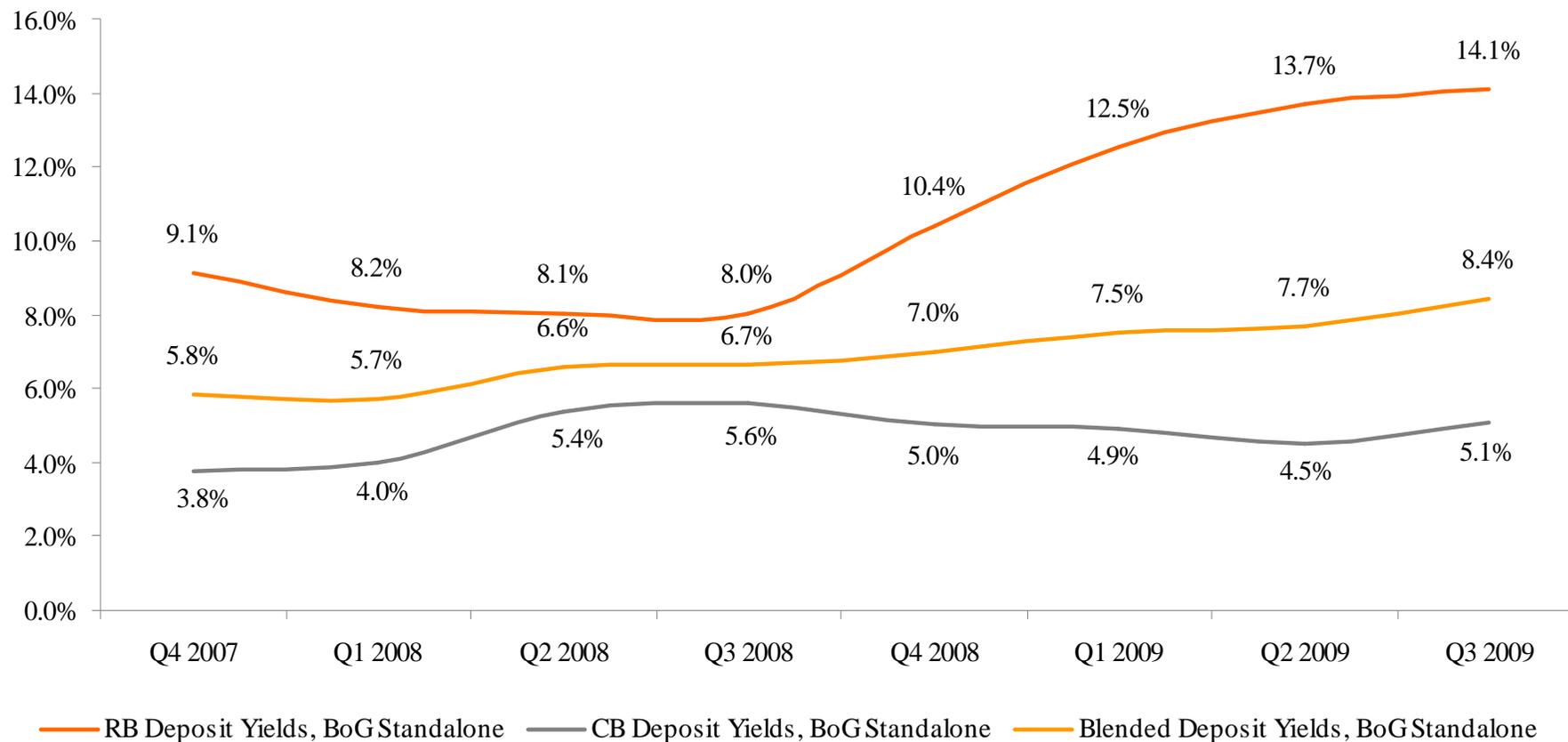
CB, RB & WM deposits, BoG standalone



Deposits by maturity, 30 September 2009

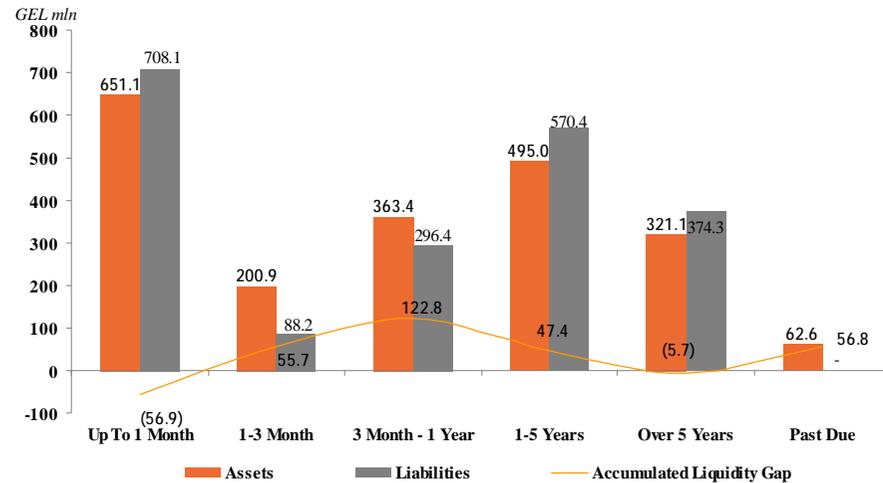


Deposit yields

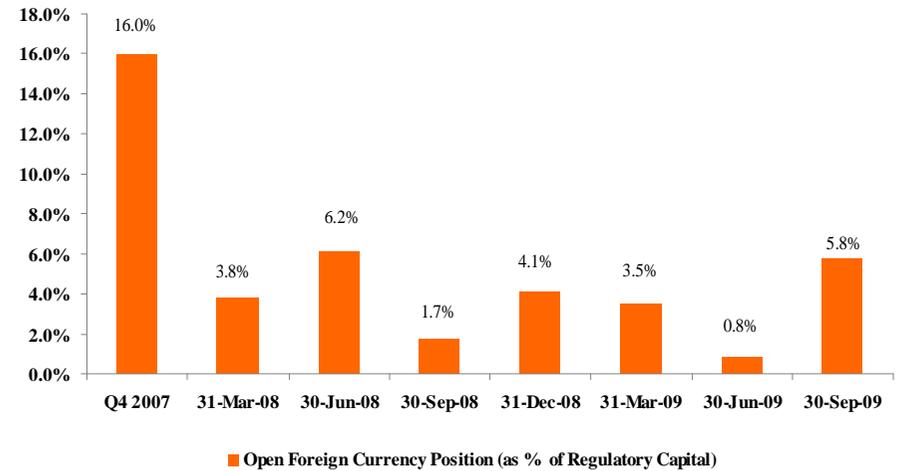


Risk management

Liquidity risk management, Q3 2009



Currency risk management, Q3 2009



Corporate banking

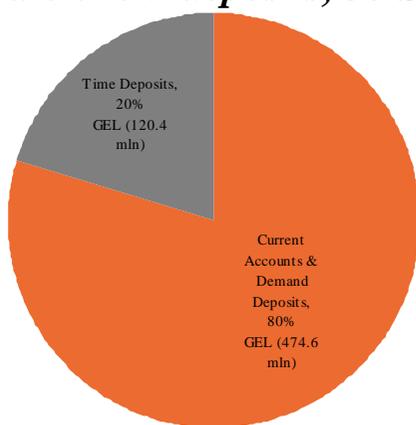
Integrated client coverage in the following key sectors

- Construction & Real Estate
- Energy
- Fast Moving Consumer Goods
- Financial Institutions
- Foreign Organizations & Diplomatic Missions
- Pharmaceuticals & Healthcare
- Retail & Wholesale Trade
- State & Industry
- Telecommunications, Media & Technology
- Transport & Logistics
- SME

Overview

- No.1 corporate bank in Georgia
- Circa 35% market share based on customer deposits⁽¹⁾
- Circa 27% market share based on corporate loans⁽²⁾
- Integrated client coverage in key sectors
- 81,000+ clients of which 8,938 served by dedicated relationship bankers
- Circa 45% market share in trade finance and documentary operations⁽²⁾
- Second largest leasing company in Georgia⁽²⁾ – Georgian Leasing Company (GLC)
- Increased the number of corporate clients using the Bank’s payroll services from approximately 1,035 at 31 December 2008 to 1,244 in Q3 2009
- Approximately 1,912 legal entities opened accounts at the bank in Q3 2009, bringing the total number of current accounts to approximately 150,000

Corporate client deposits, 30 September 2009



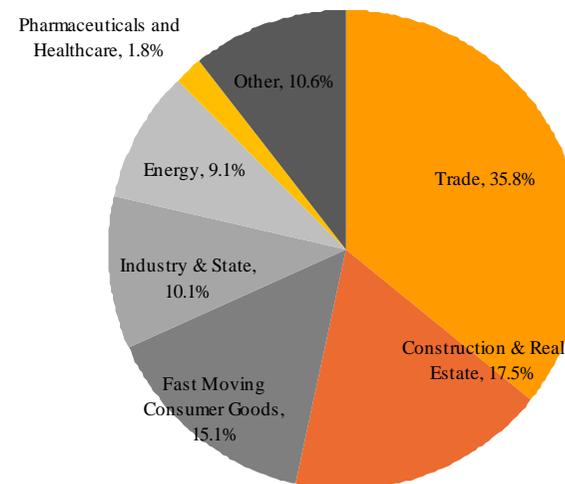
Total corporate deposits: GEL 595 mln

Notes:

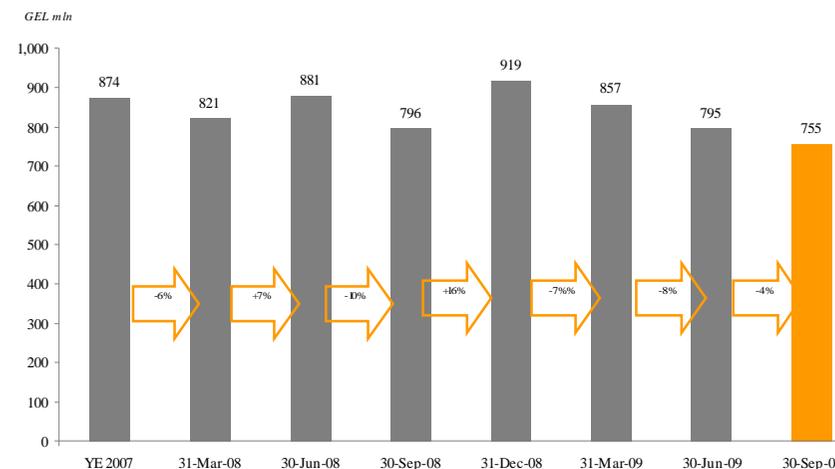
(1) As of September 2009, source: National Bank of Georgia, does not include interbank deposits

(2) Management estimates (based on the NBG data)

Corporate loan portfolio, 30 September 2009

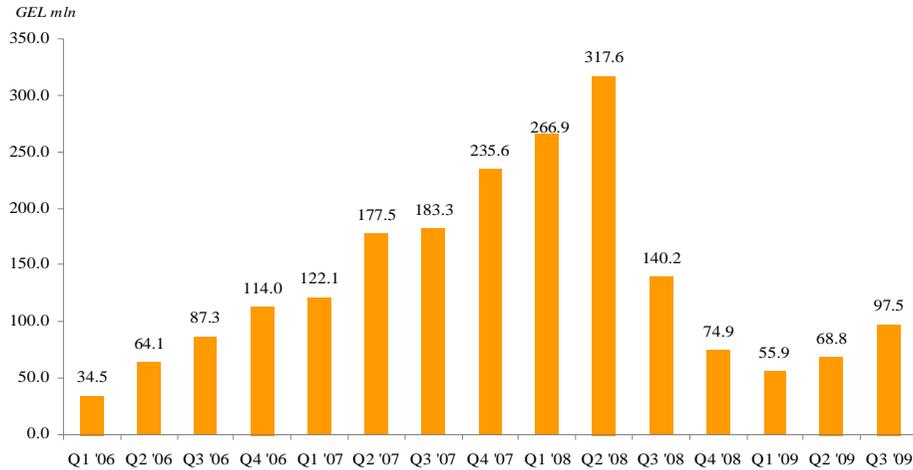


Corporate gross loan portfolio growth



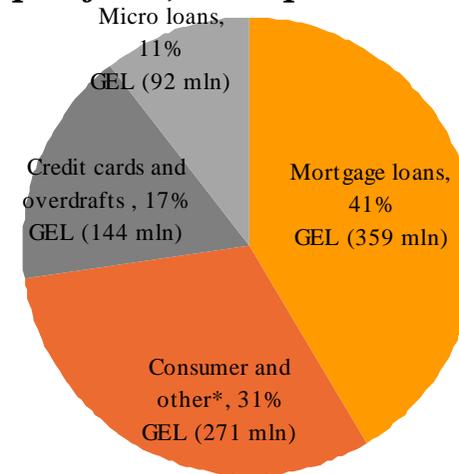
Retail Banking – No. 1 retail bank in Georgia

Retail loans originated



(1) Monthly average

RB loan portfolio, 30 September 2009



Total retail loans: GEL 809 mln

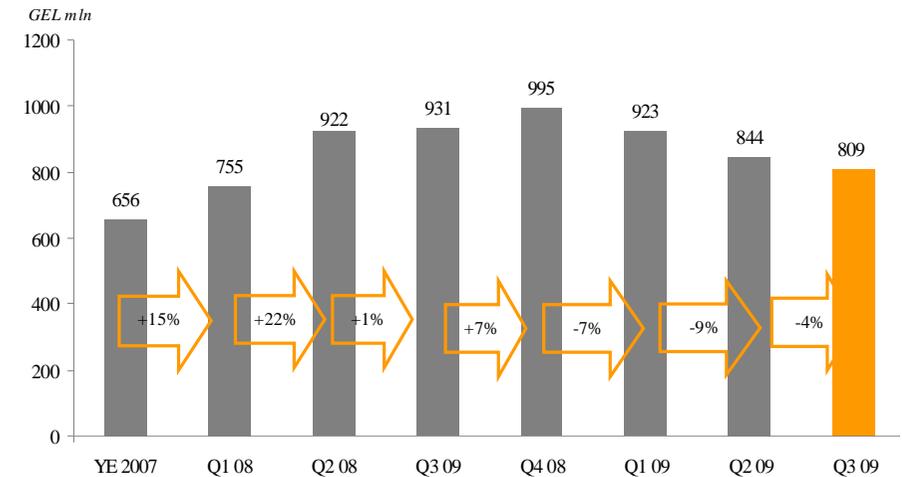
Note: does not include Ukraine & Belarus

Leadership in consumer lending

YE 2007 YE 2008 Q3 2009

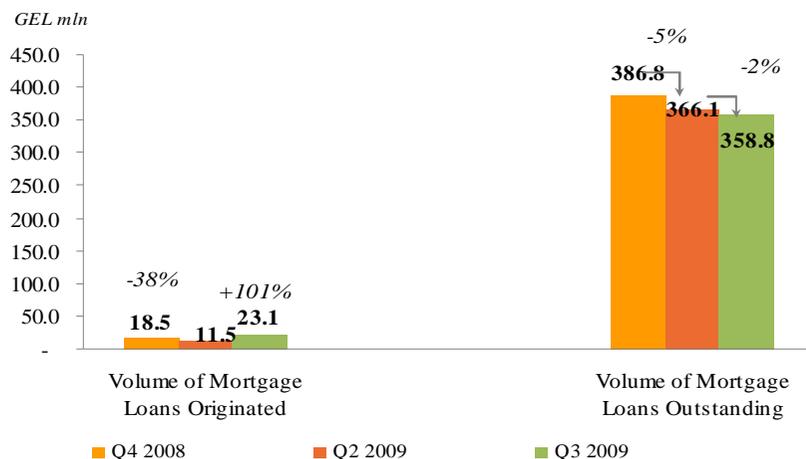
Number of Consumer Loans Outstanding*	50,120	67,252	53,027
• Volume of Consumer Loans Outstanding (GEL mln)*	119.6	178.9	122.1
• Credit Cards Outstanding	108,616	164,938	105,040

Retail gross loan portfolio growth



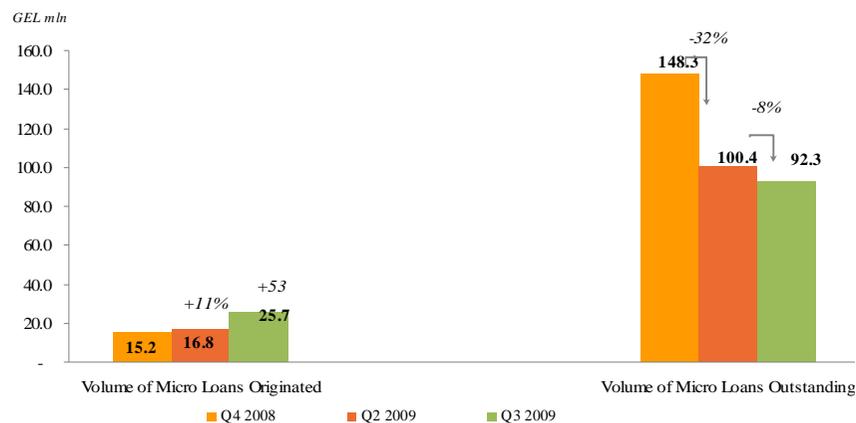
Loan origination

Mortgage loans (RB & WM)



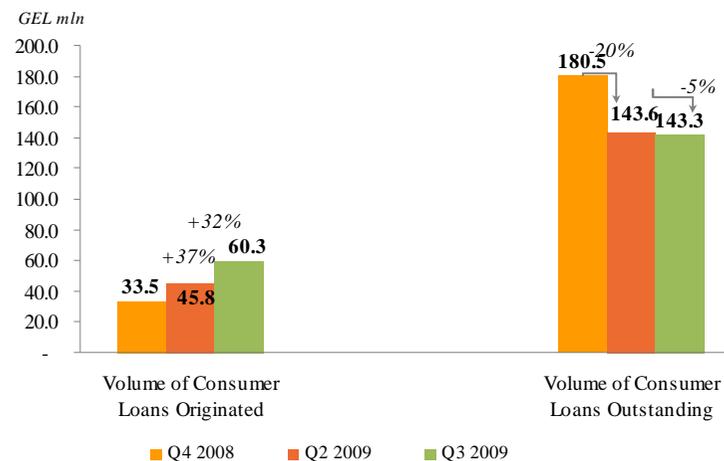
Note: does not include Ukraine & Belarus

Micro loans (RB & WM)

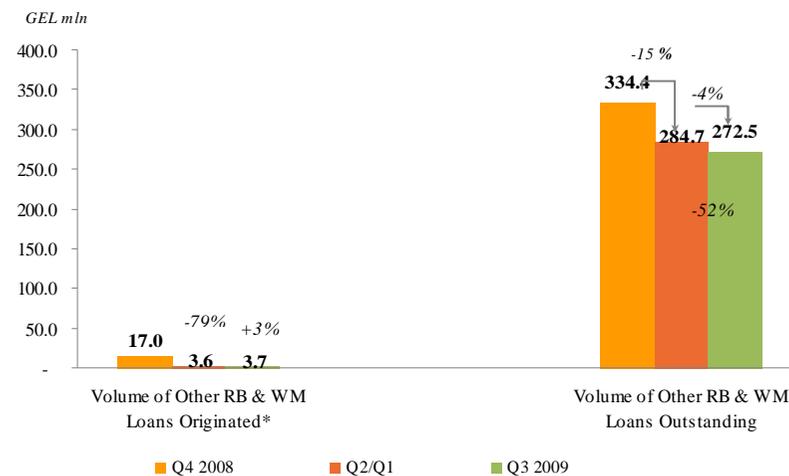


Note: does not include Ukraine & Belarus

Consumer loans (RB & WM)

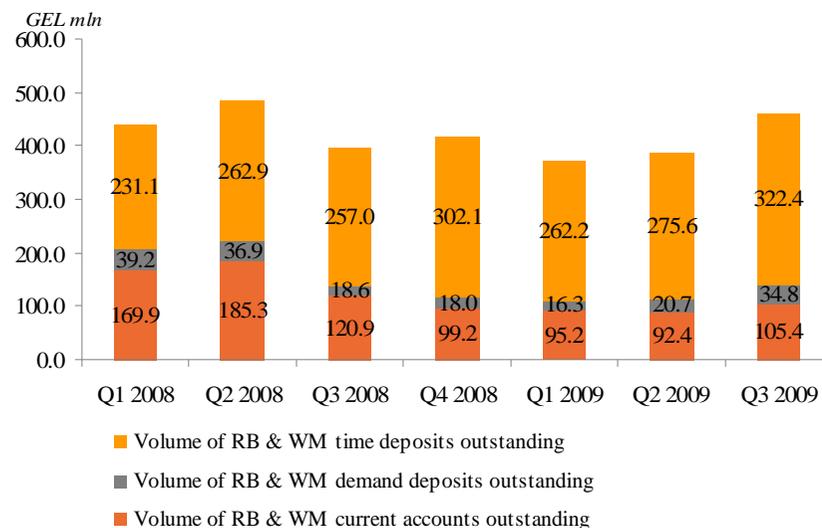


Other RB & WM loans

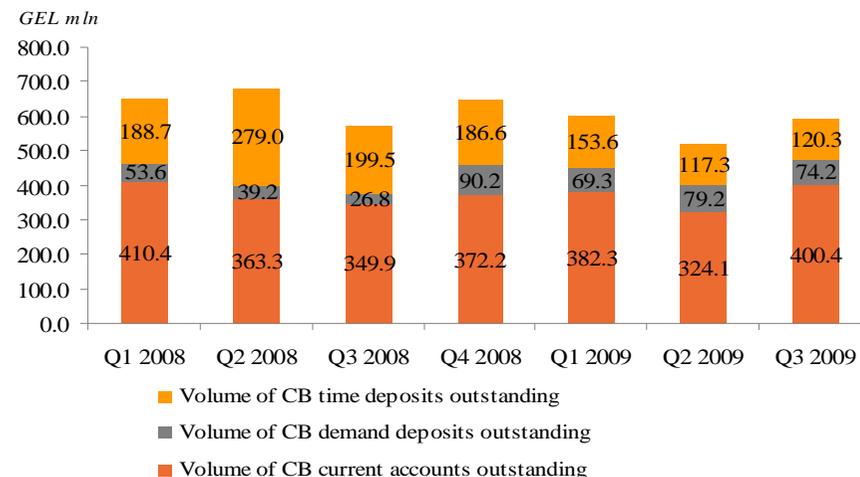


Deposit origination

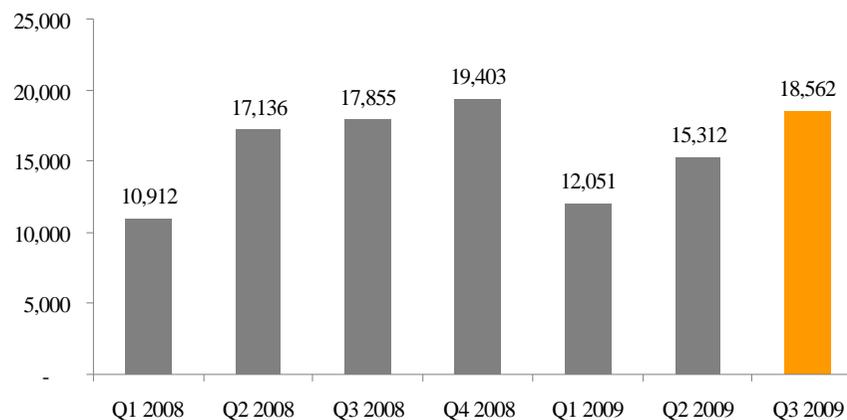
Volume of deposits outstanding (RB & WM)



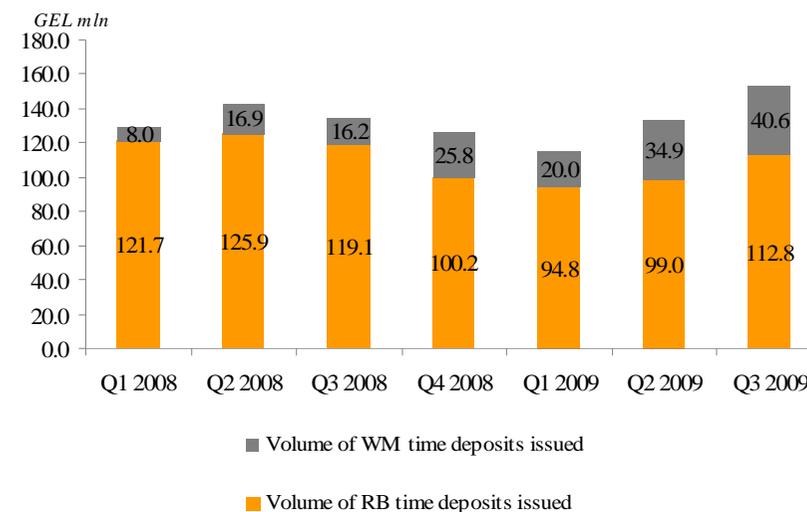
Volume of deposits outstanding (CB)



Number of RB & WM time deposits issued

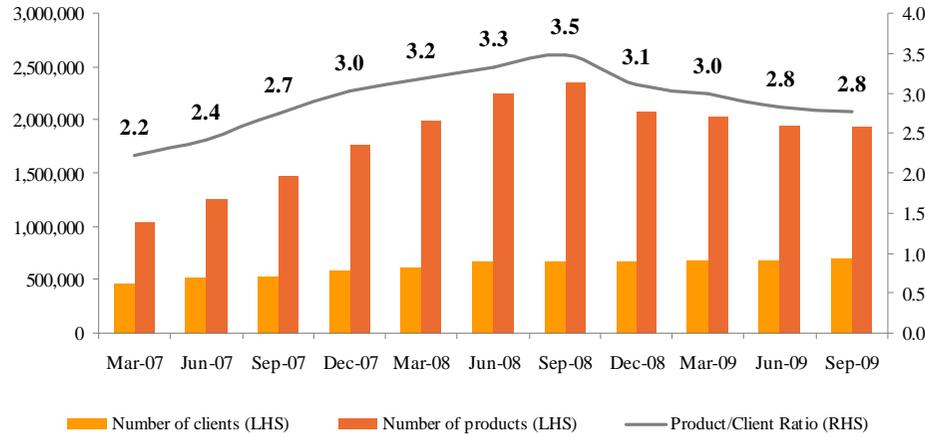


Volume of RB & WM time deposits issued

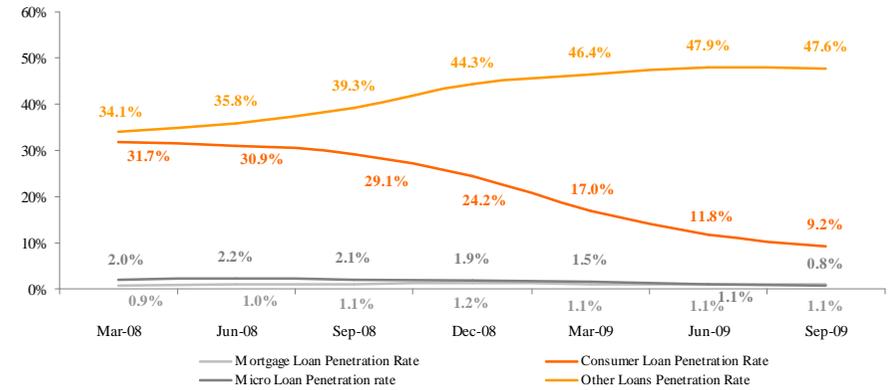


RB cross-selling

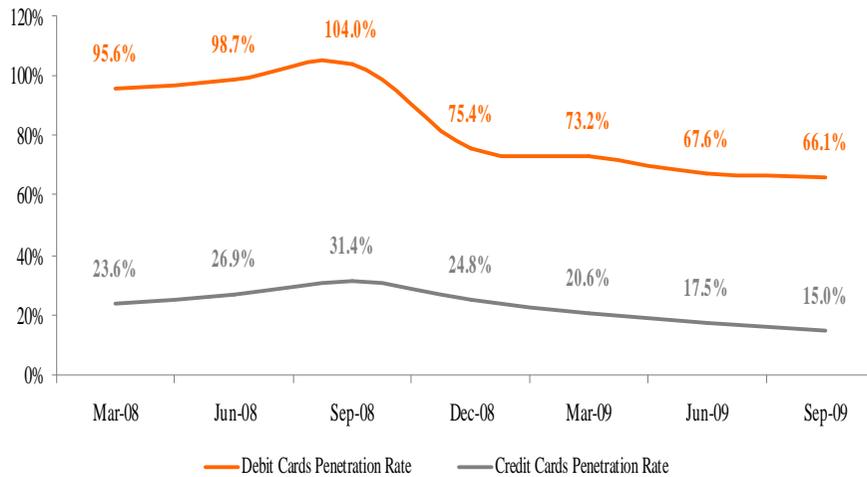
Product/client ratio



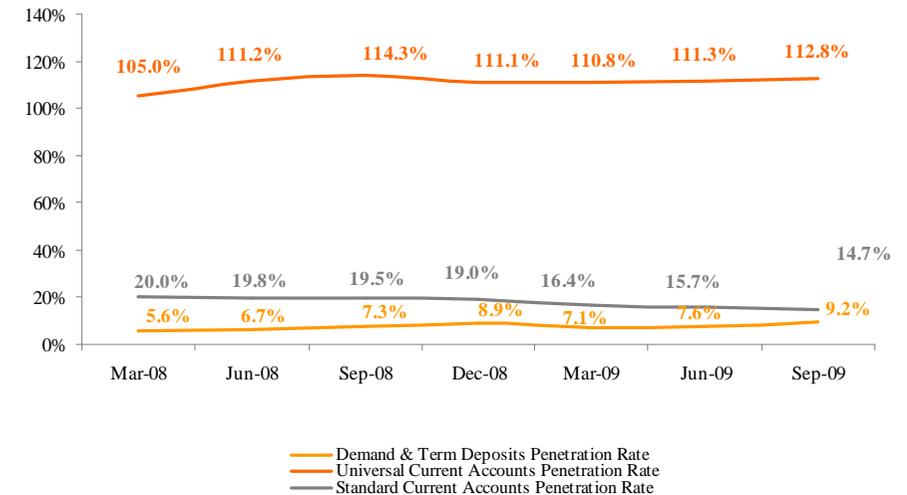
RB loans penetration rate*



Cards penetration rate*



Current accounts & deposits penetration rate*



* Calculated as percentage of Bank of Georgia clients for the period

Card processing

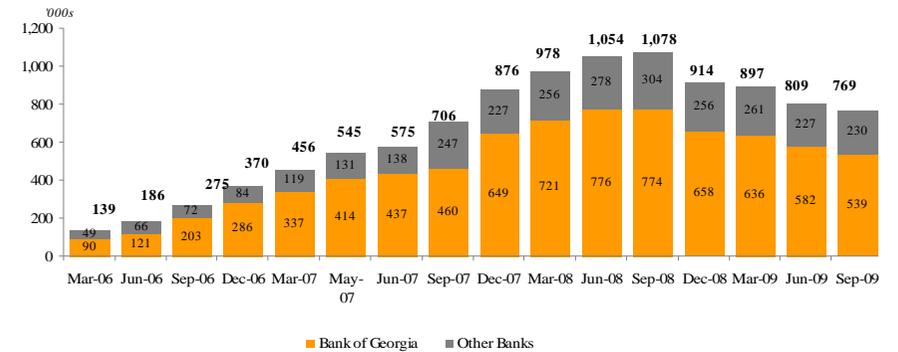


- 56% ownership of Georgian Card
- Migration to TietoEnator Transmaster in 2005
- Enhanced functionality and new product support

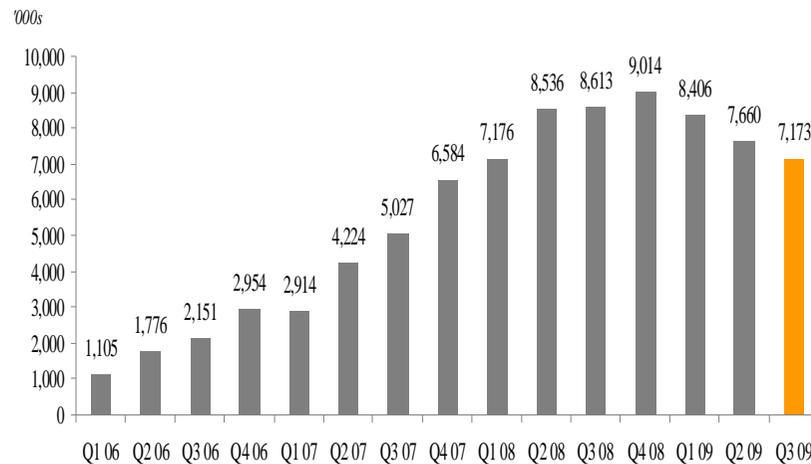
Client banks



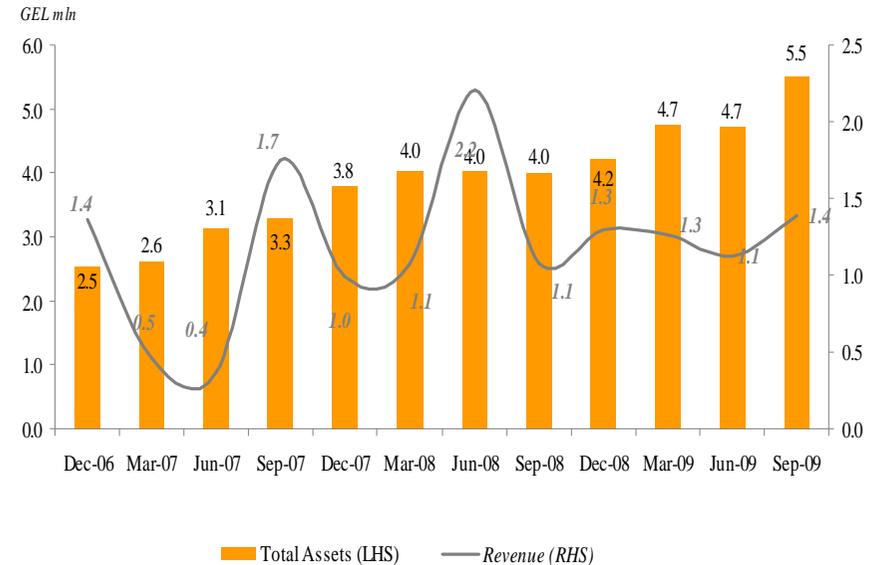
Number of cards serviced by Georgian Card



Transaction authorizations by Georgian Card

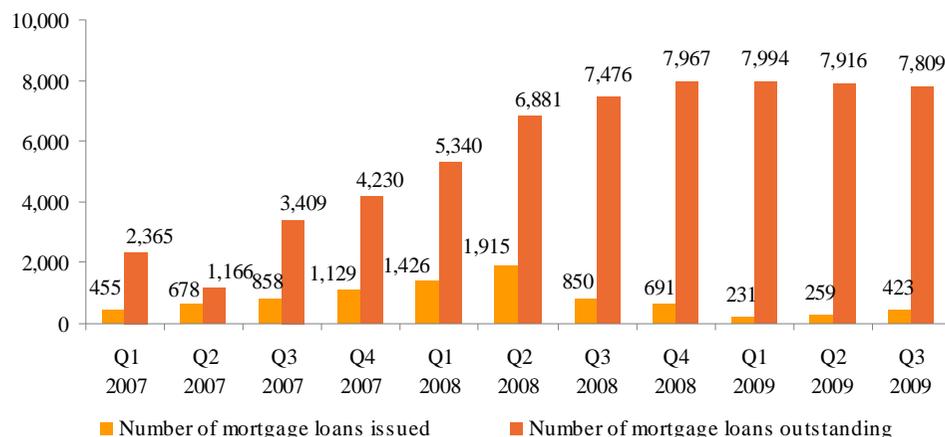


Georgian Card's revenue & assets

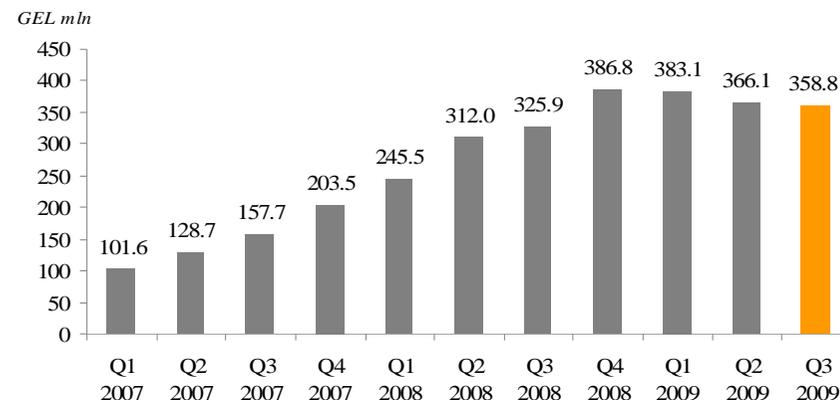


Analysis of mortgage portfolio

Number of mortgage loans issued & outstanding



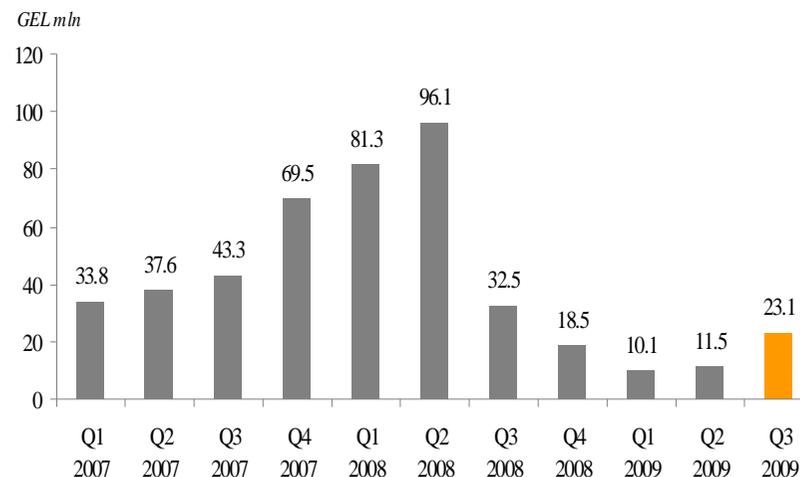
Volume of mortgage loans outstanding



Typical mortgage terms

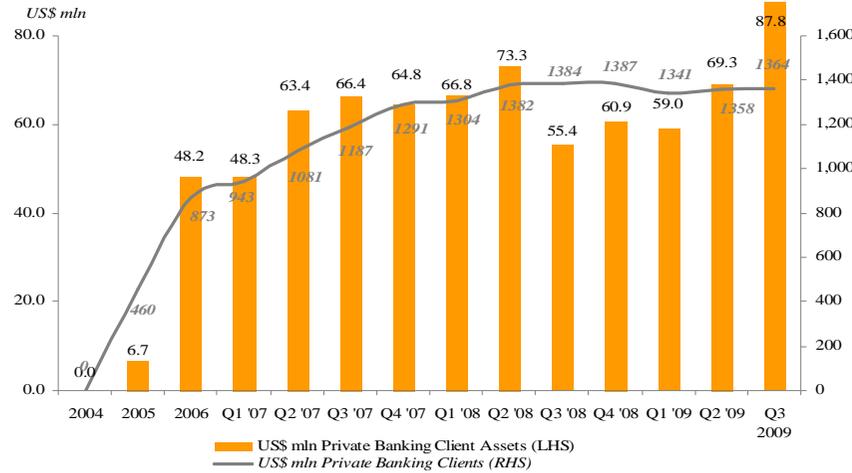
-  Rate: 16% - 20%
-  Tenor: Normally 10 years
-  Currency: US\$
-  LTV: Normally 70% - 80%

Volume of mortgage loans issued



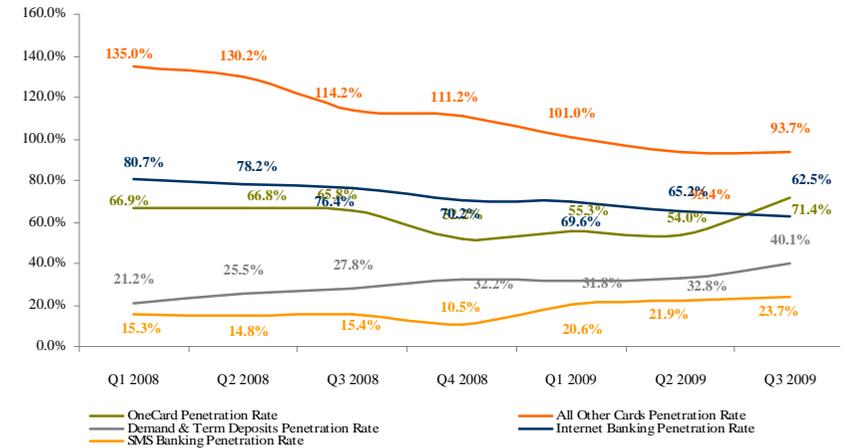
Management (WM) performance review

WM clients and client assets

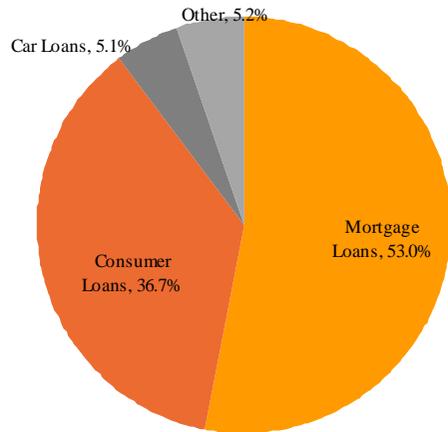


Notes: (1) Converted at exchange rates of GEL/US\$, 1.793(2005), 1.714(2006), 1.70 (Q1 2007), 1.67 (Q2 2007), 1.66 (Q3 2007), 1.59 (Q4 2007), 1.48 (Q1 2008), 1.42 (Q2 2008), 1.41 (Q3 2008), 1.67 (Q4 2008), 1.67 (Q1 2009) and 1.67 (Q2 2009) Q3 2009 (1.68)
 (2) PB Client Assets include: Balances on OneCard Accounts, Credit Balances on Other Cards, Credit Balances On Regular Current Accounts, Demand & Time Deposits, Brokerage & Asset Management Accounts, Pensions

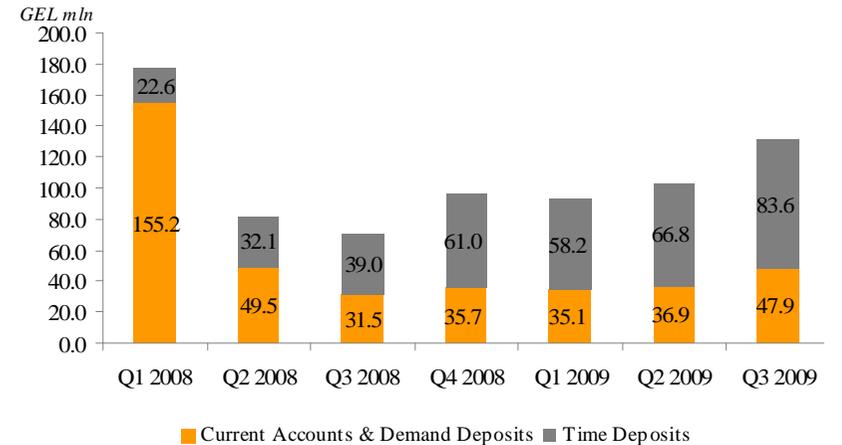
WM products penetration



WM loans, 30 September 2009



WM Deposits





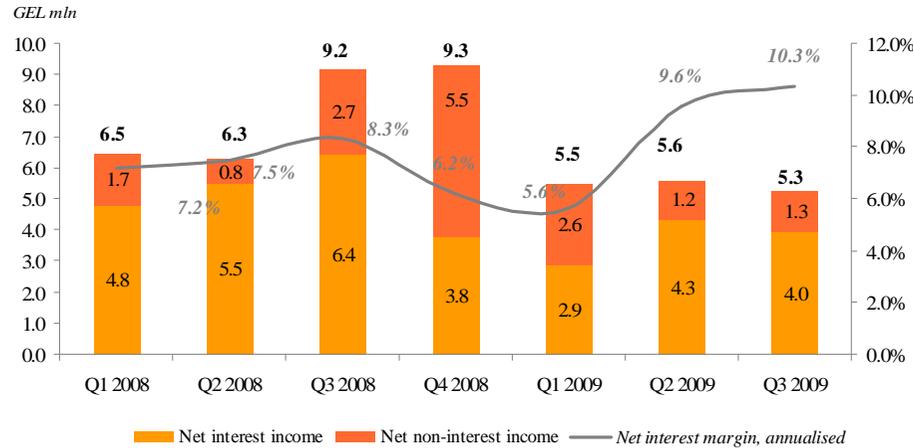
საქართველოს ბანკი
BANK OF GEORGIA

BG Bank (Ukraine) standalone results overview

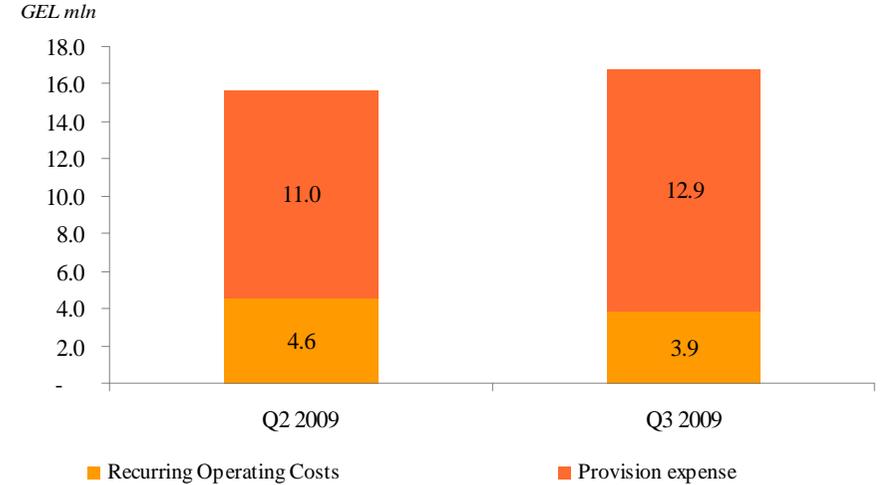
January 2010

BG Bank performance

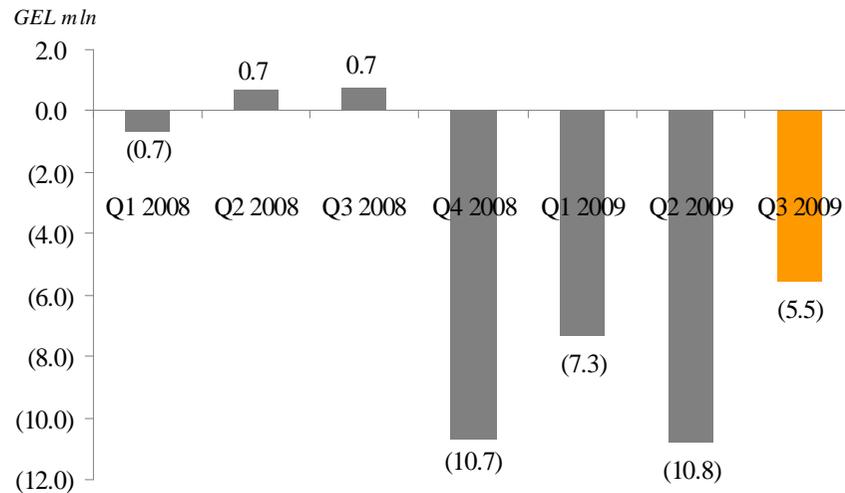
Revenue growth



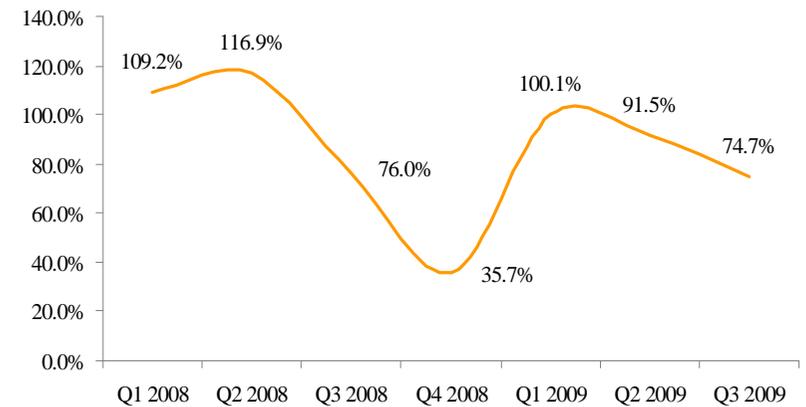
Recurring operating cost structure, Q3 2009



Net income



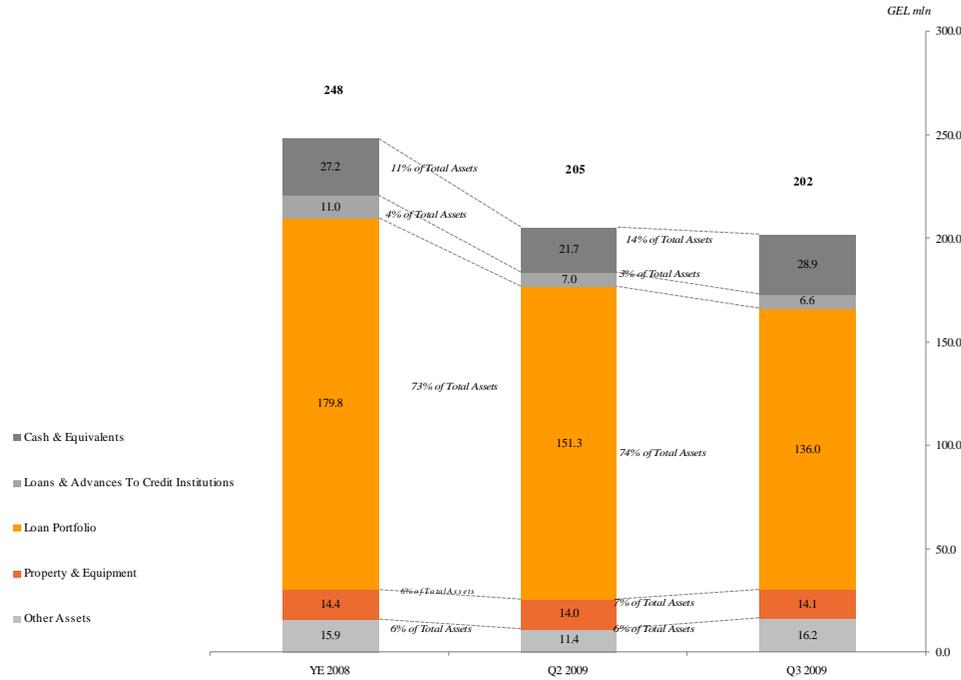
Cost/Income Ratio



BG Bank assets as at 30 September 2009

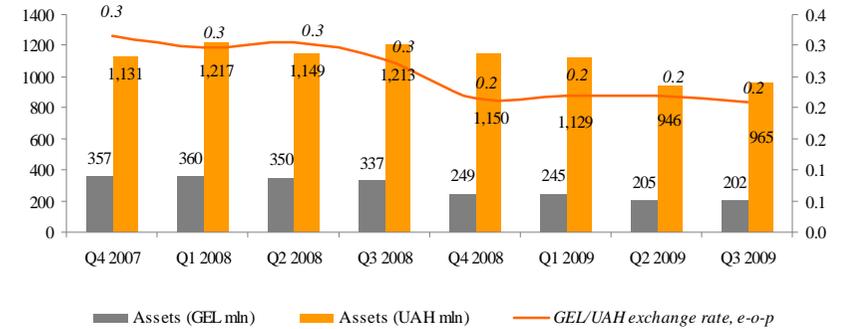
Low leverage (at 3.9x)

No international loan

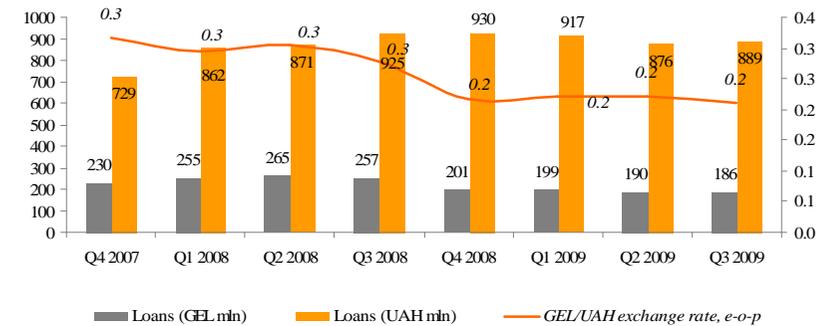


GEL million	YE 2008	30-Jun-09	30-Sep-09
Available-For-Sale Securities	12.0	5.9	6.1
Intangible Assets Owned, Net	0.5	0.6	0.8
Tax Assets, Current And Deferred	0.2	2.8	8.2
Prepayments And Other Assets	3.2	2.1	1.1
Other assets	15.9	11.4	16.2

Asset growth

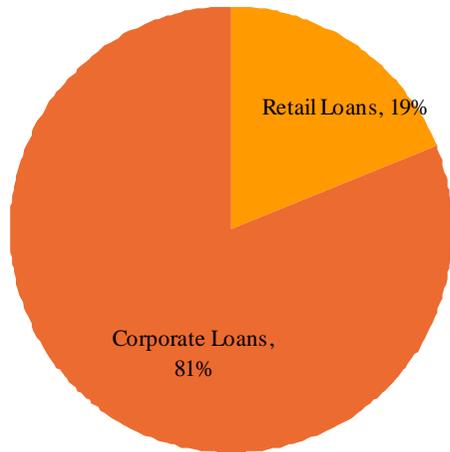


Gross loan book growth



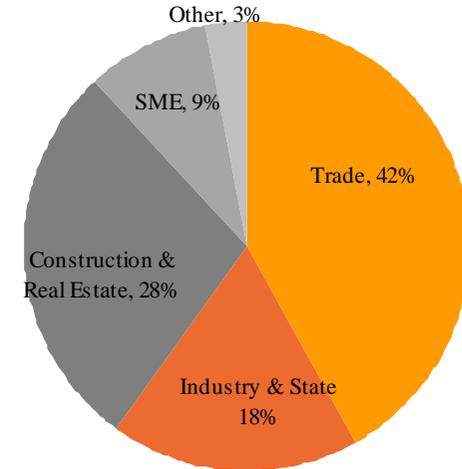
BG Bank loan portfolio

Loan portfolio breakdown, 30 September 2009



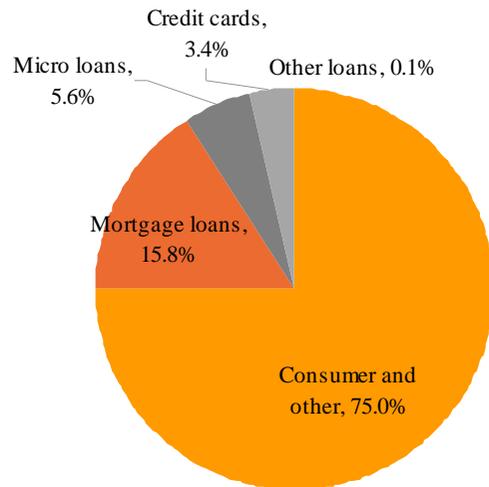
Gross loans: GEL 186 million

Corporate loan portfolio breakdown, 30 September 2009



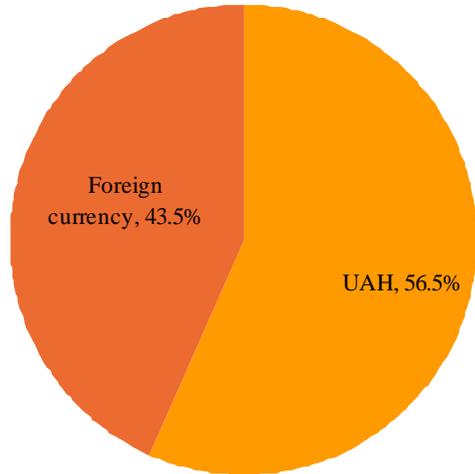
Gross corporate loans: GEL 152 million

Retail loan portfolio breakdown, 30 September 2009

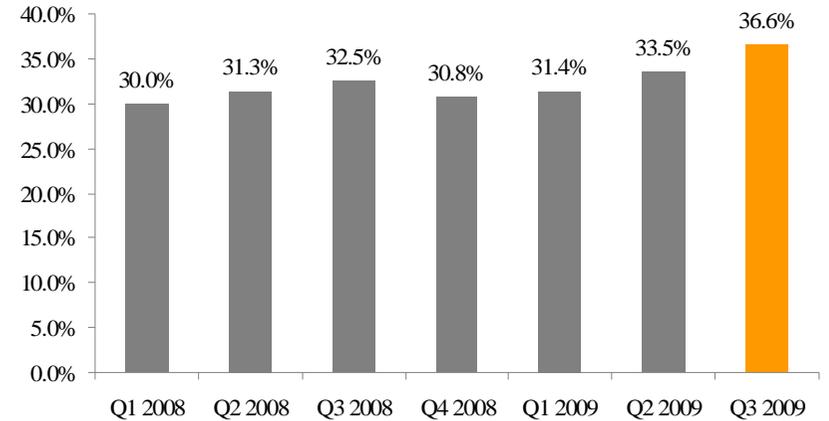


BG Bank analysis of the loan book

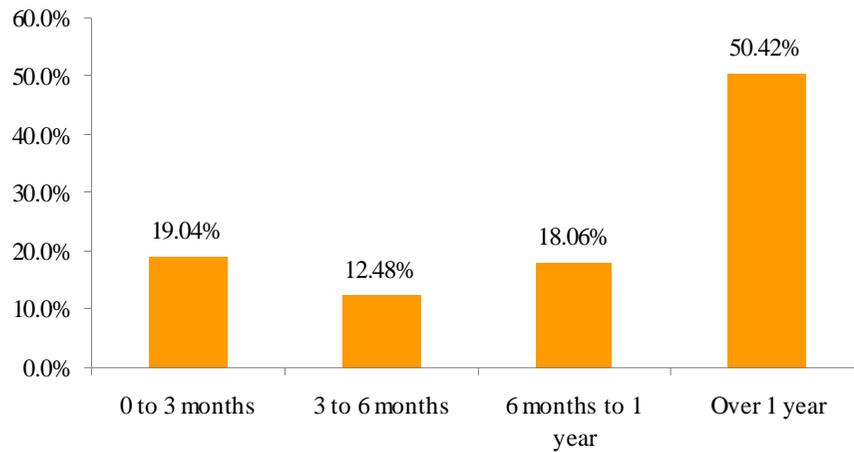
Loans by currency, 30 September 2009



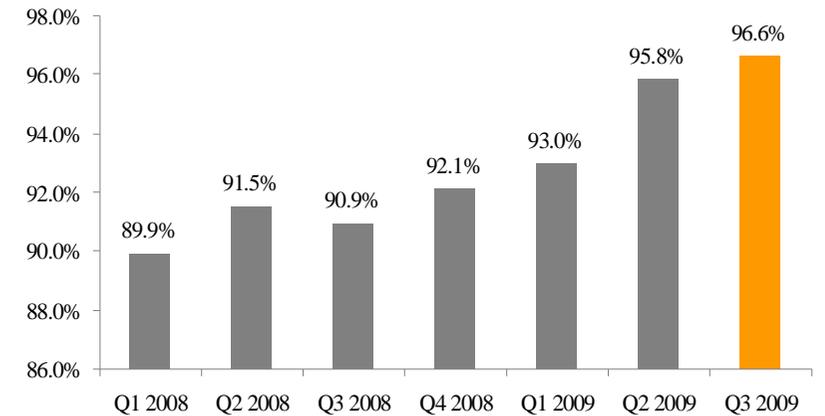
Top ten borrower concentration



Loans by maturity, 30 September 2009

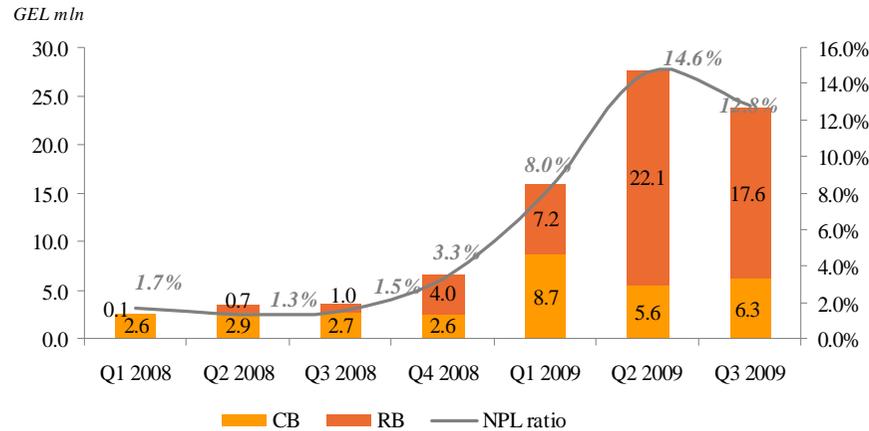


Loan book collateralization

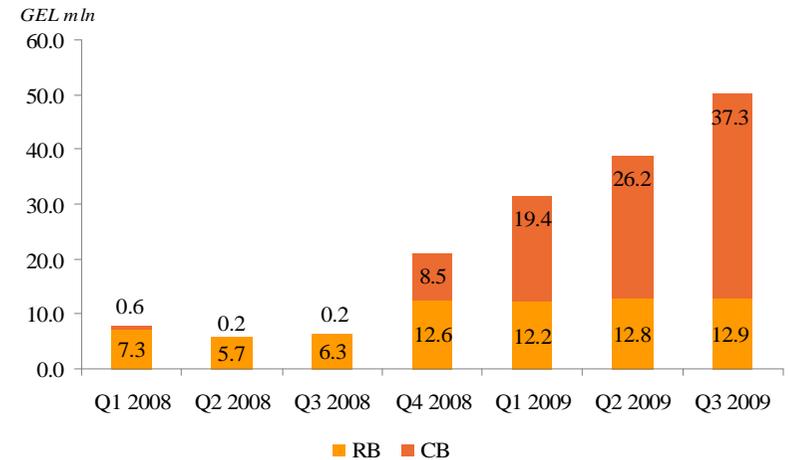


BG Bank provisioning policy

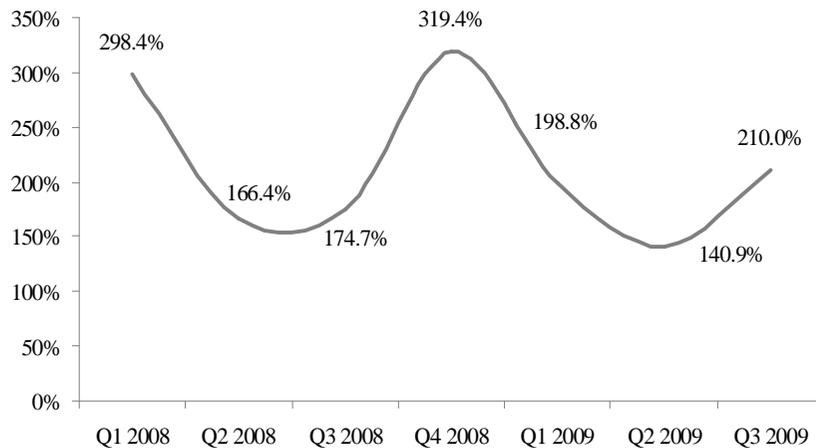
NPLs



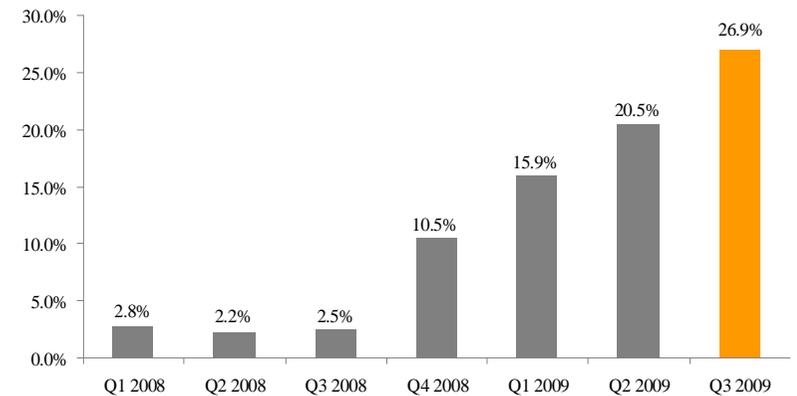
Loan loss reserve



NPL coverage ratio



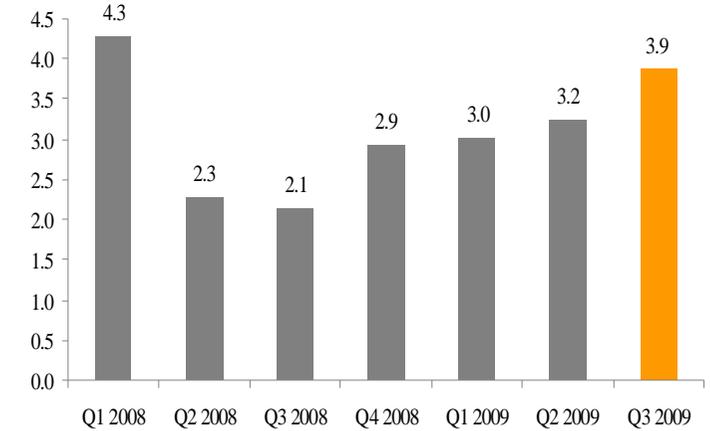
Reserve for loan losses to gross loans



BG Bank standalone liabilities breakdown



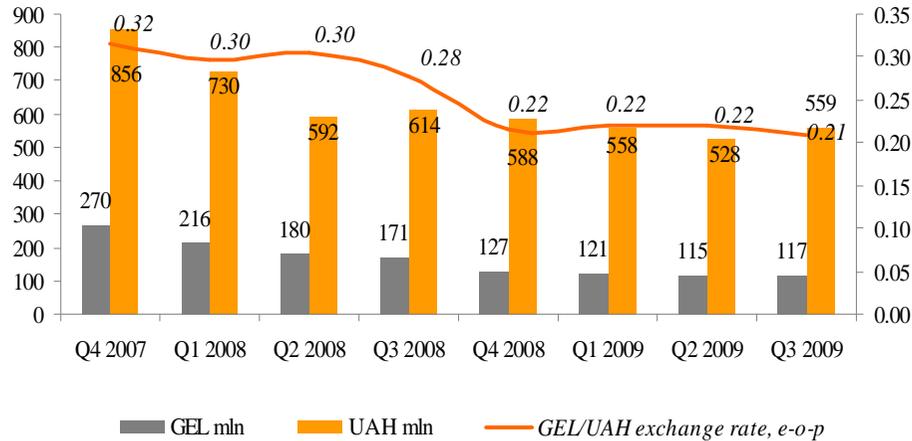
Leverage ratio



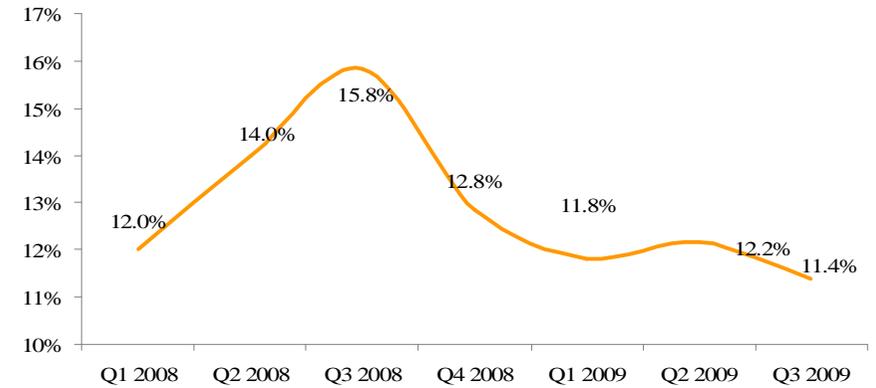
	Q4 2008	Q2 2009	Q3 2009
Issued Fixed Income Securities	-	0.2	0.7
Tax Liabilities, Current And Deferred	0.1	-	-
Accruals And Other Liabilities	4.9	2.5	1.5
Other liabilities	5.0	2.7	2.2

BG Bank client deposits

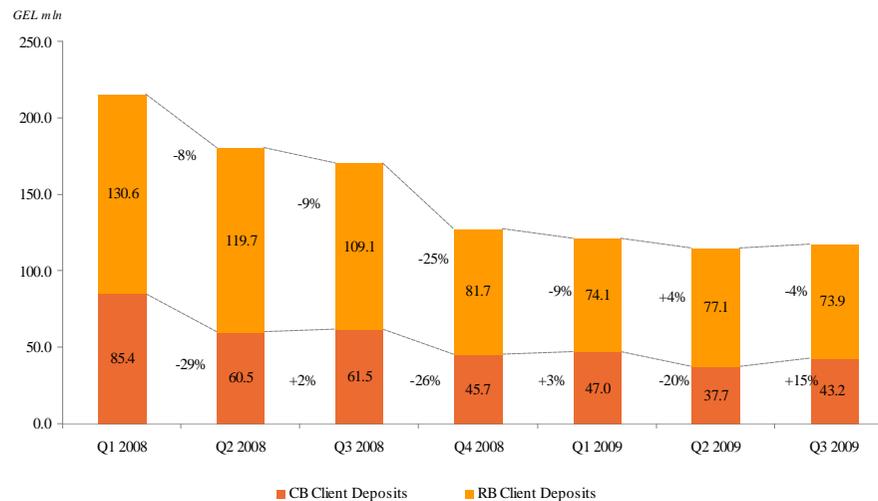
Client deposits



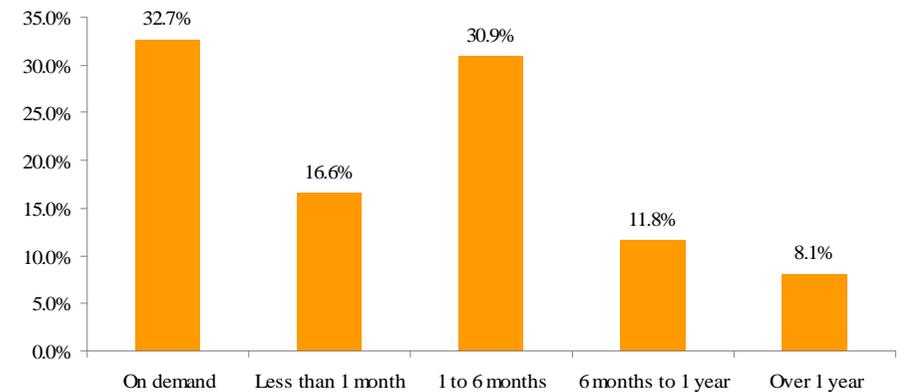
Deposit yields



CB & RB client deposits

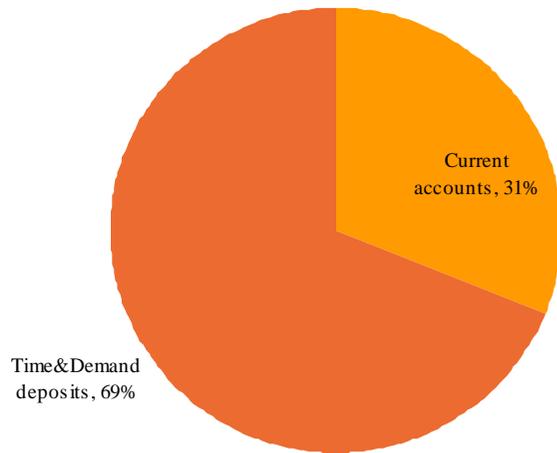


Deposits by maturity, 30 September 2009



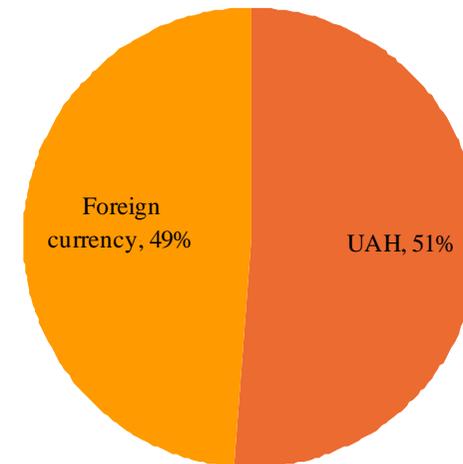
BG Bank analysis of deposits

Client deposits breakdown, 30 September 2009



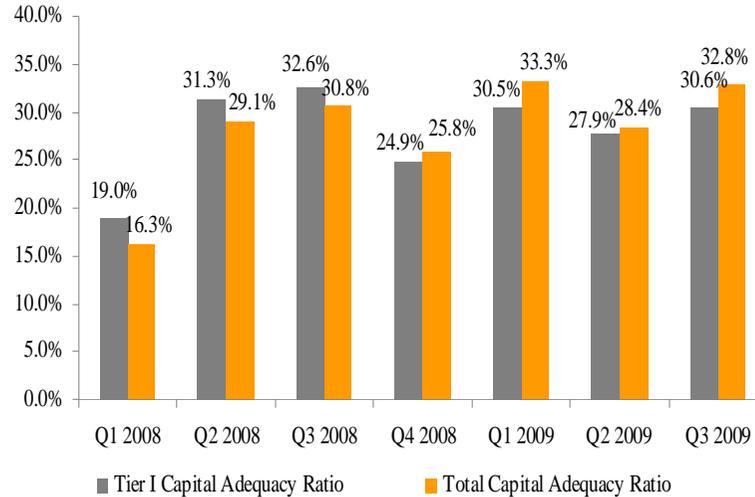
Client deposits: GEL 117 mln

Client deposits by currency, 30 September 2009

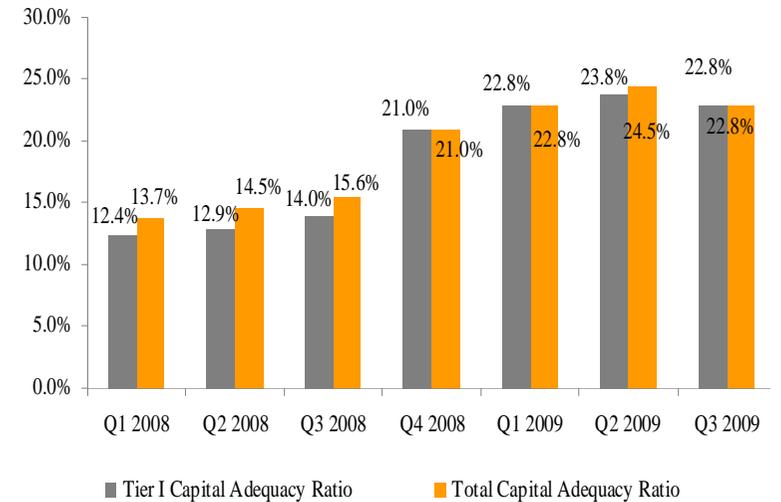


BG Bank capital adequacy

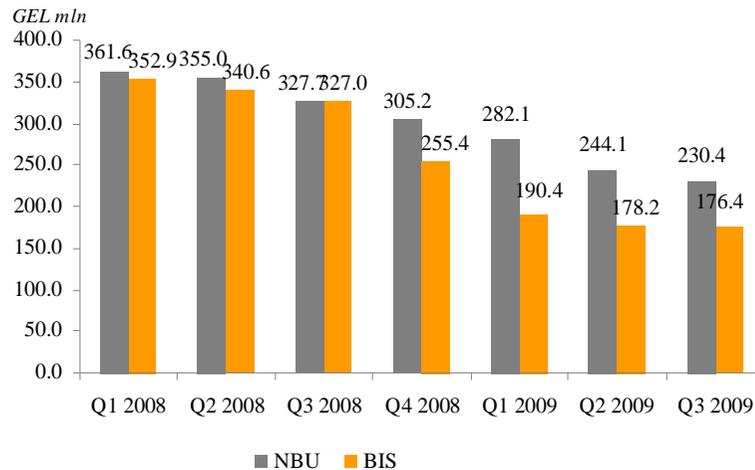
BIS capital adequacy ratios



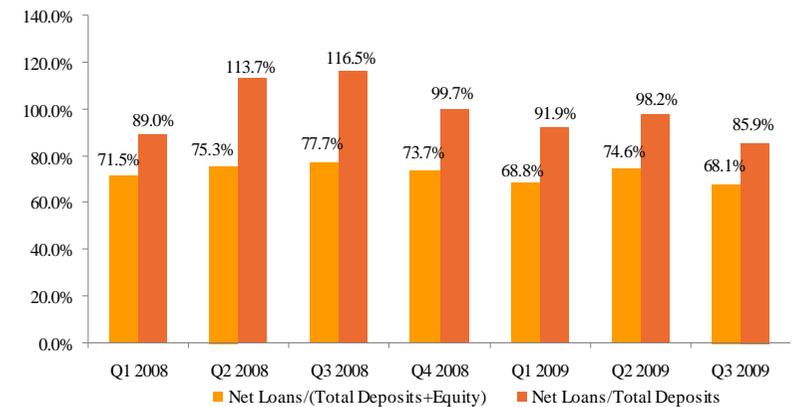
NBU capital adequacy ratios



Risk-weighted assets BIS vs. NBU



Net loans/deposits & Loans/(deposits+equity)





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BANK OF GEORGIA

Belarusky Narodny Bank (Belarus)

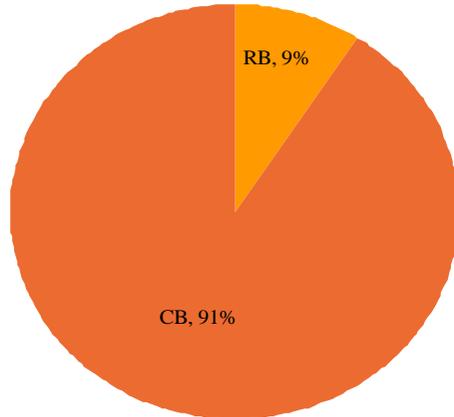
January 2010

BNB Q3 2009 P&L

Standalone, IFRS Based	Q3 2009		Q2 2009		Growth
	US\$	GEL	US\$	GEL	
GEL '000s					Q-O-Q
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%

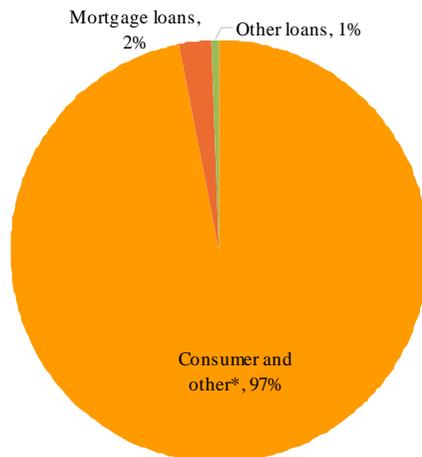
BNB loan portfolio as at 30 September 2009

**Loan Portfolio Breakdown,
30 September 2009**



Gross loans: GEL 26.5 mln

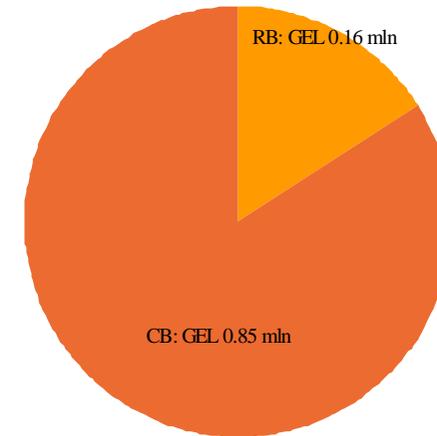
**RB Loan Portfolio Breakdown,
30 September 2009**



RB loans: GEL 2.4 mln

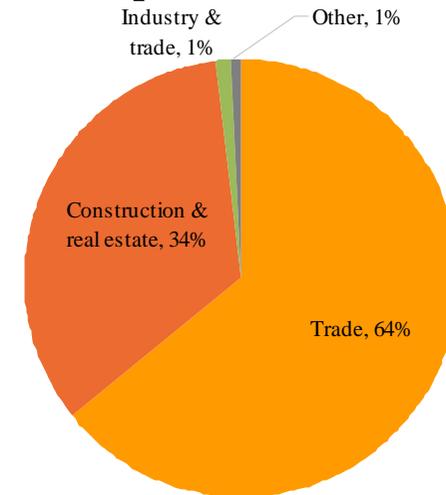
* Other loans include car, POS and legacy retail loans

Loan loss reserve, 30 September 2009



Loan loss reserve: GEL 1.1 mln

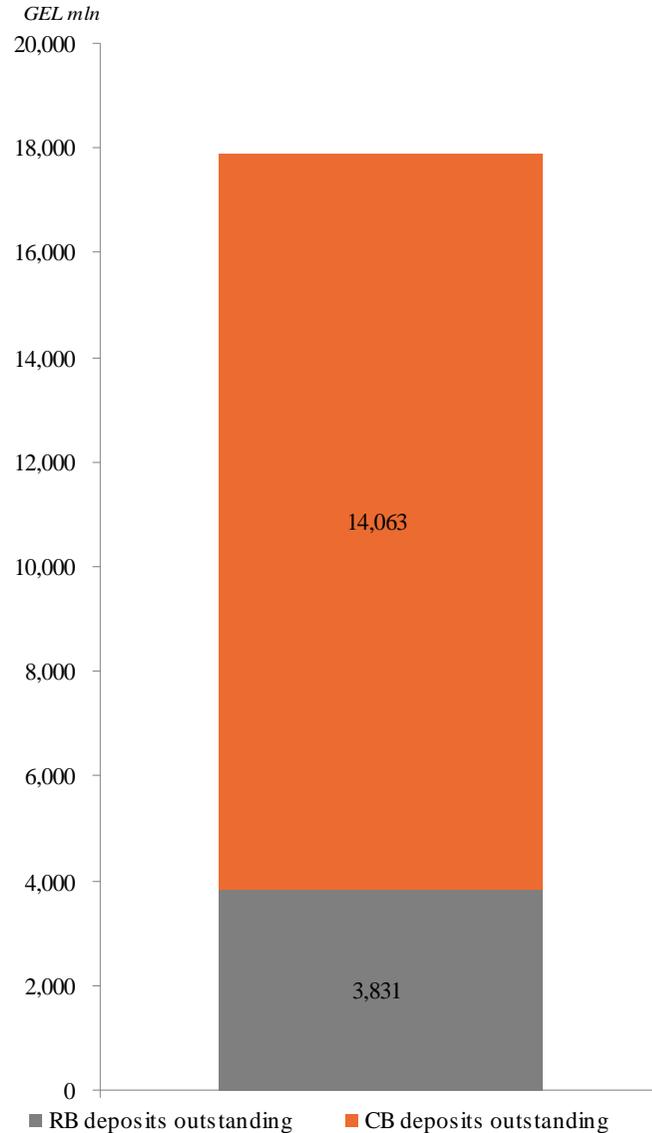
**CB Loan Portfolio Breakdown,
30 September 2009**



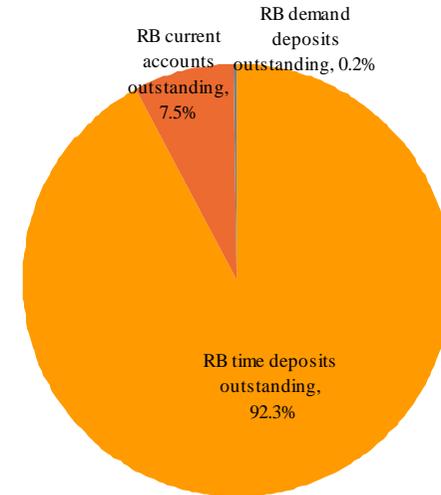
CB loans: GEL 24.0 mln

BNB client deposits as at 30 September 2009

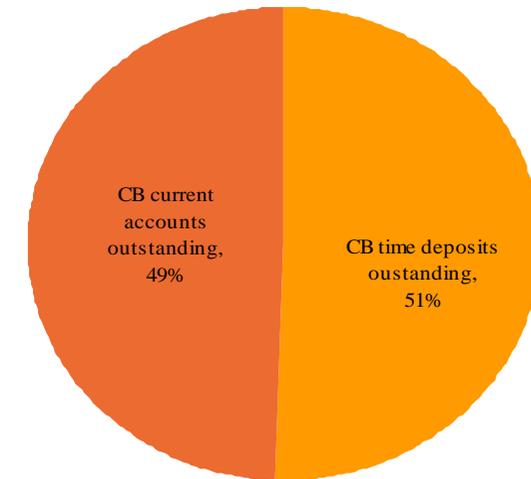
Client deposits breakdown, 30 September 2009



RB client deposits breakdown, 30 September 2009



CB client deposits breakdown, 30 September 2009





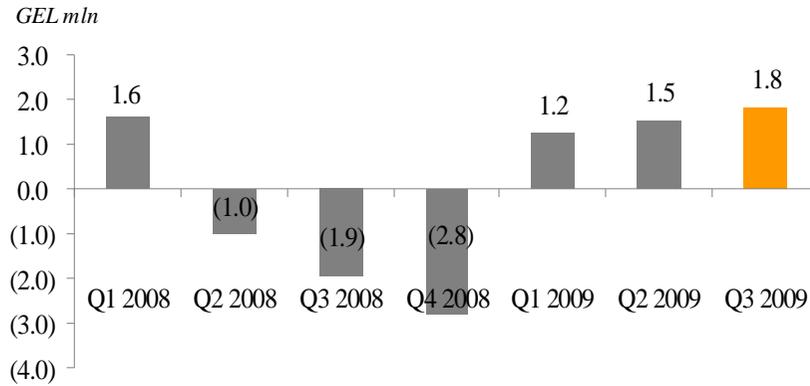
საქართველოს ბანკი
BANK OF GEORGIA

BG Capital

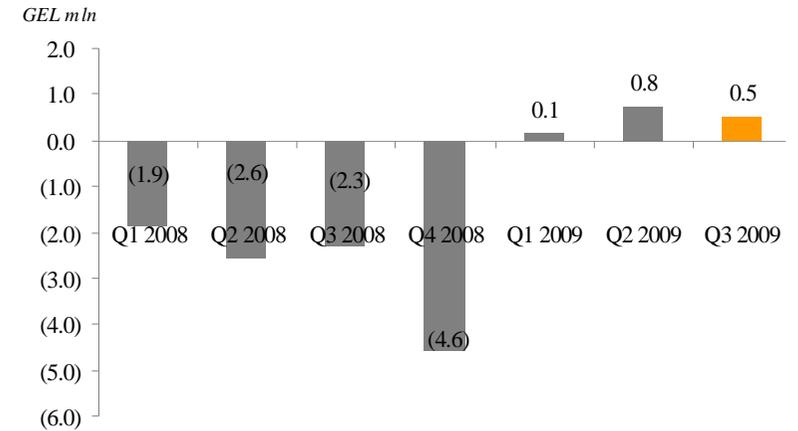
January 2010

BG Capital

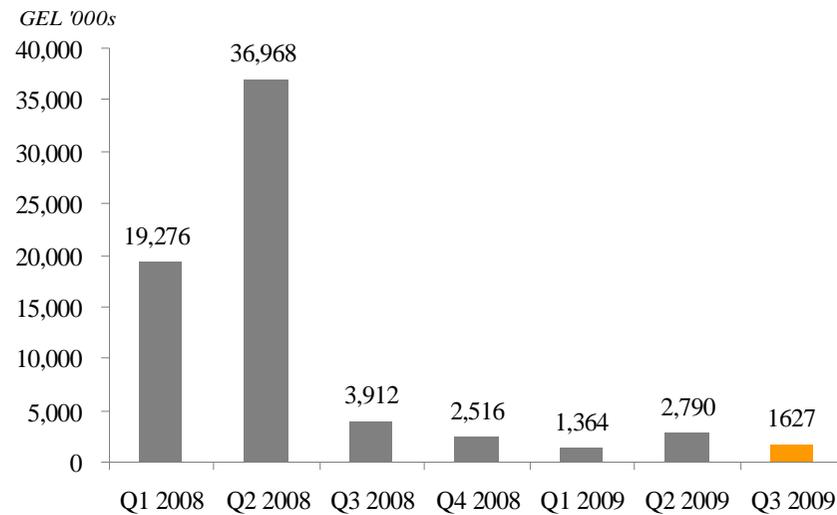
Revenue



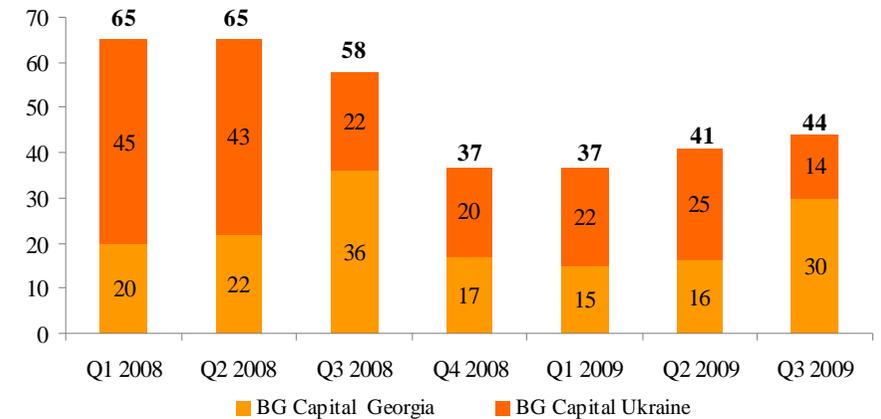
Net income/(loss)



Proprietary book



Headcount





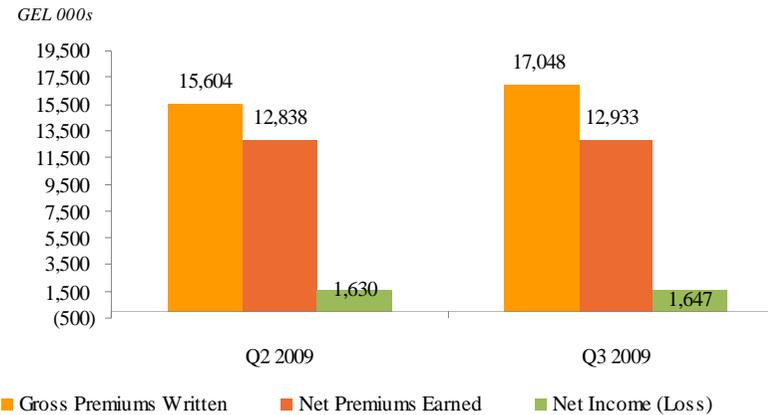
საქართველოს ბანკი
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Insurance

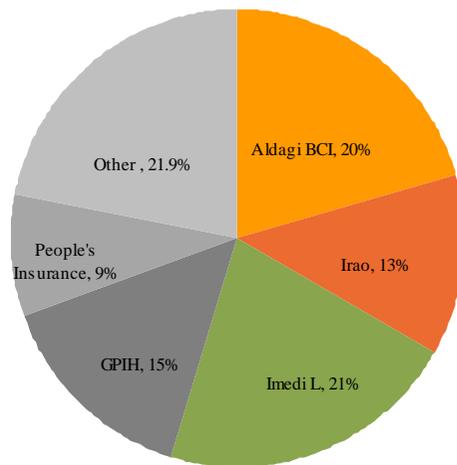
January 2010

Aldagi BCI, Insurance

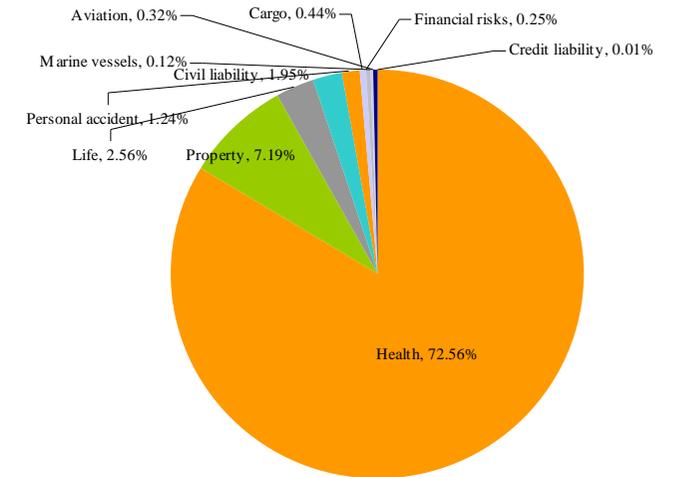
Aldagi BCI GPW, net premiums earned & net income/(loss)



Aldagi BCI market share by GPW (Q2 2009)



Georgian insurance market product breakdown (Q2 2009)



Source: State Insurance Supervision Service of Georgia

Contact

Nick Enukidze

Chairman of the Supervisory Board

+ 995 32 444 800

nenukidze@bog.ge

Irakli Gilauri

Chief Executive Officer

+995 32 444 109

igilauri@bog.ge

Macca Ekizashvili

Head of Investor Relations

+995 32 444 256

ir@bog.ge



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Appendices

January 2010



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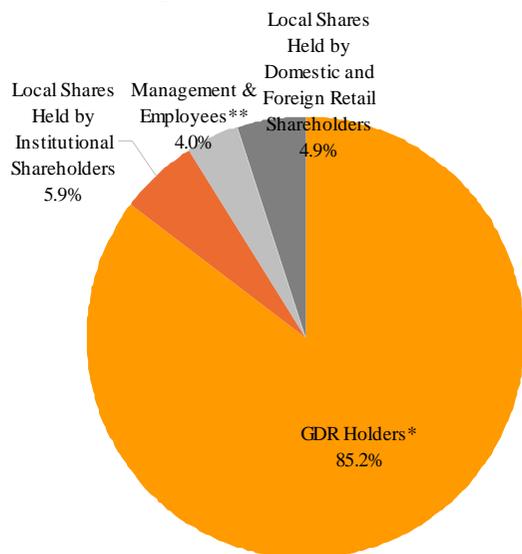
Bank of Georgia shareholder structure, management & price performance

January 2010

Ownership structure & share price performance

Ownership structure, June 2009

Broadly owned by over 100 institutional accounts



Name	Number	%
GDR Holders*	26,651,805	85.2%
Local Shares Held by Institutional Shareholders	1,848,163	5.9%
Management & Employees**	1,267,126	4.0%
Local Shares Held by Domestic and Foreign Retail Shareholders	1,527,509	4.9%
Total Shares Outstanding	31,294,603	100.0%
Adjusted for Galt & Taggart Securities' Proprietary Book ⁽¹⁾	(5,289)	
Adjusted Total Shares Outstanding	31,289,314	

⁽¹⁾ Treated as treasury shares as per IFRS
 *through BNY Nominees Limited
 ** includes GDRs held as part of EECF

Supervisory board

Nicholas Enukidze	Chairman of the Supervisory Board
Allan Hirst	Vice Chairman of the Supervisory Board, independent member
Ian Hague	Member, Firebird Management LLC
Jyrki Talvitie	Member, East Capital
Kaha Kiknavelidze	Independent member
David Morrison	Independent member
Irakli Gilauri	Member, Chief Executive Officer

Management board

Irakli Gilauri	Chief Executive Officer (CEO)
Sulkhan Gvalia	Deputy CEO Chief Risk officer
George Chiladze	Deputy CEO Finance
Irakli Burdiladze	Deputy CEO Chief Operating Officer
Mikheil Gomarteli	Deputy CEO Retail Banking
Avto Namicheishvili	Deputy CEO Legal
Archil Gachechiladze	Deputy CEO Corporate banking
Nikoloz Shurgaia	Deputy CEO International Banking

Analyst coverage



Analyst

Email

Andrzej Nowaczek

andrzej.nowaczek@uk.ing.com



MACQUARIE

Analyst

Email

Pedro Fonseca

pedro.fonseca@macquarie.com

Renaissance
Capital

Analyst

Email

David Nangle

Dnangle@rencap.com



Analyst

Email

Radena Georgieva

Radena.Georgieva@caib.unicreditgroup.eu



საქართველოს ბანკი
BANK OF GEORGIA

Georgian banking sector – key trends 2006-2009

January 2010

Georgian banking sector – key trends 2007/2009

GEL/US\$

Period End

YE 2006= 1.71

YE 2007=1.59

YE 2008=1.67

Q1 2009=1.67

Q2 2009=1.66

Q3 2009= 1.68

GEL mln	YE 2007	YE 2008	Q3 '09	As % of GDP*	Growth			Market Share (YE 2007)		Market Share (YE 2008)		Market Share (Q3 2009)	
					2007 Y-O-Y	2008 Y-O-Y	Q3 '09, YTD	Top 5 Banks	Bank of Georgia	Top 5 Banks	Bank of Georgia	Top 5 Banks	Bank of Georgia
Total Assets	7,208	8,866	7,877	36.69%	70.90%	23.00%	-11.2%	80.00%	35.20%	79.26%	32.89%	78.50%	33.60%
Gross Loans	4,589	5,993	5,210	24.27%	71.50%	30.59%	-13.1%	81.70%	32.70%	81.78%	32.87%	81.83%	31.13%
Deposits	3,511	3,845	3,644	16.97%	50.90%	9.51%	-5.2%	81.40%	31.40%	75.00%	28.76%	78.23%	28.12%
Equity	1,471	1,517	1,511	7.04%	65.50%	3.14%	-0.4%	73.30%	33.80%	75.69%	40.03%	81.18%	40.36%
Net Income/(Loss)	109	(216)	(82.0)	NMF	17.50%	NMF	NMF	NMF	41.90%	NMF	NMF	NMF	12.02%

19 banks as at 30 September 2009

Minimum capital requirement GEL 12 mln and growing

Since 1 January 2007 local presence established by HSBC, Halyk, Privat, JSC Kor Bank

No state ownership since 1995

Very open to foreign ownership

All leading banks have meaningful foreign capital participation

Significant IT/infrastructure and marketing spend drives increasing retail banking penetration

Increasing adoption of the universal banking business model, following the lead of Bank of Georgia

The economy and consumers significantly underlent (all-in consumer debt per capita US\$163 at 31 December 2008)

Peer group's market share in total assets

GEL/US\$

Period End

YE 2006 = 1.7

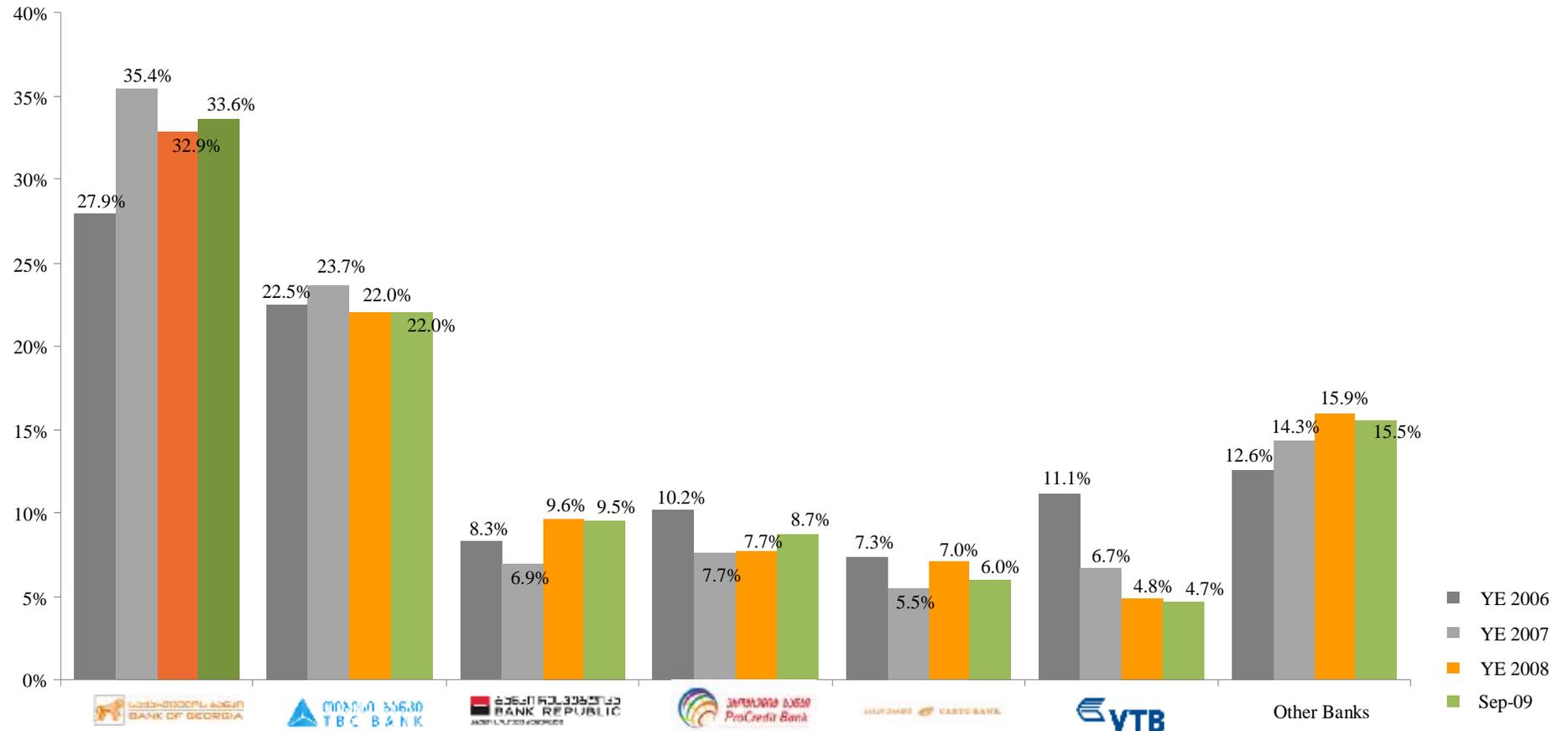
YE 2007 = 1.59

YE 2008 = 1.67

Q1 2009 = 1.67

Q2 2009 = 1.66

Q3 2009 = 1.68



Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

Peer group's market share in gross loans

GEL/US\$

Period End

YE 2006 = 1.71

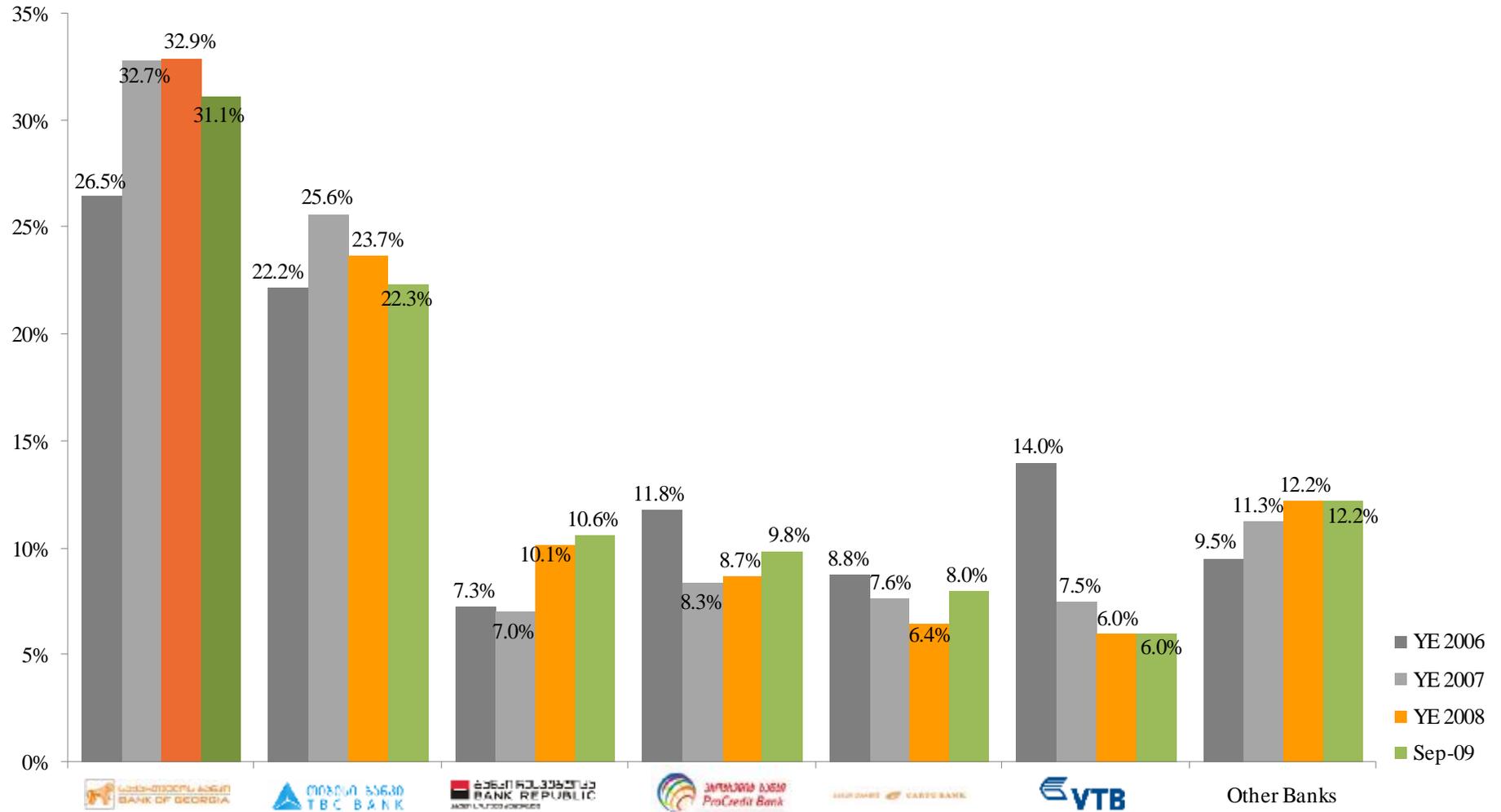
YE 2007 = 1.59

YE 2008 = 1.67

Q1 2009 = 1.67

Q2 2009 = 1.66

Q3 2009 = 1.68



Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

Peer group's market share in deposits

GEL/US\$

Period End

YE 2006 = 1.71

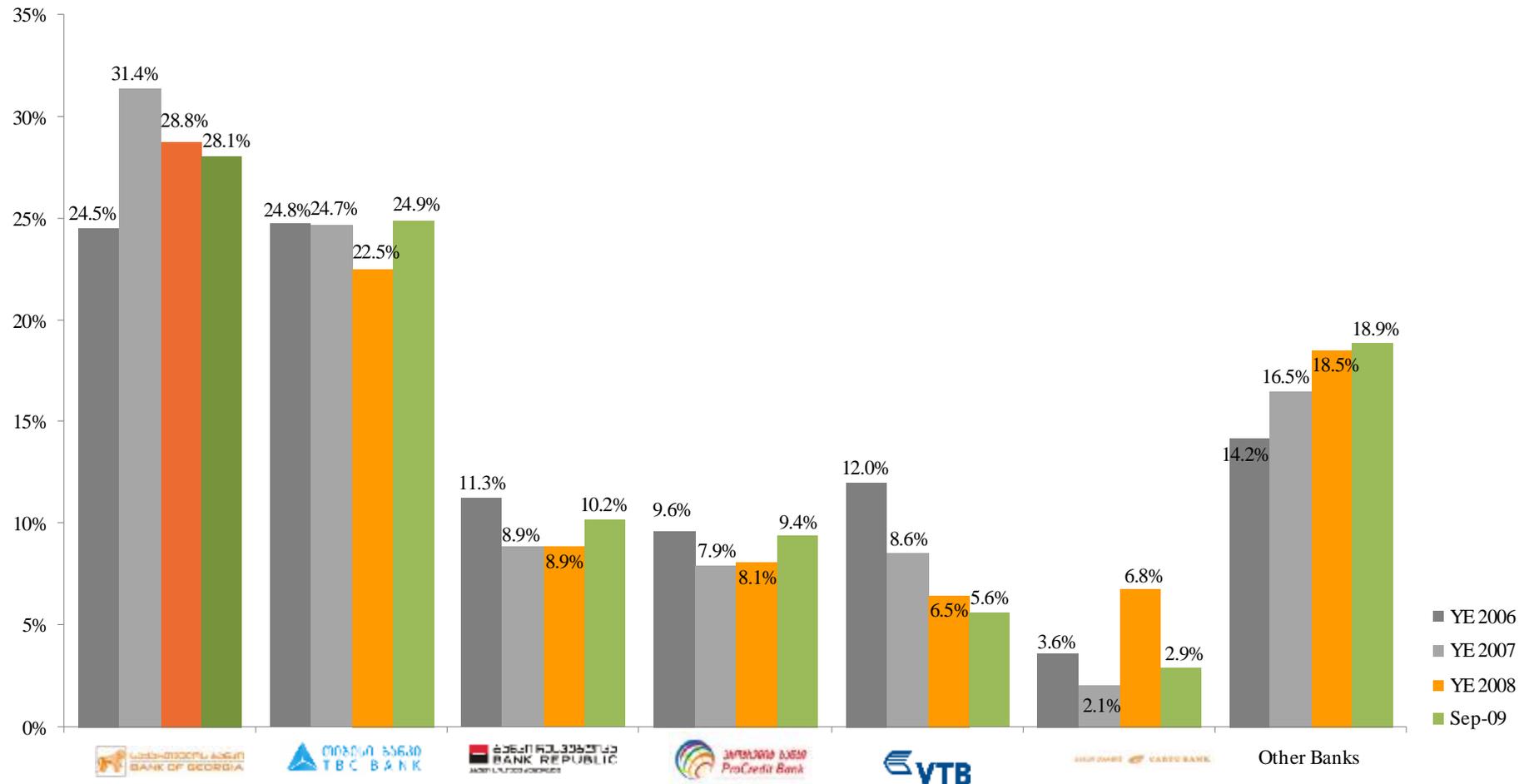
YE 2007 = 1.59

YE 2008 = 1.67

Q1 2009 = 1.67

Q2 2009 = 1.66

Q3 2009 = 1.68



Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge