

## **Bank of Georgia hosts Investor Day in Tbilisi**

Bank of Georgia Holdings PLC (“BGH), the holding company of JSC Bank of Georgia (“the Bank”), Georgia’s leading bank is hosting today an Investor Day for analysts and investors in Tbilisi, Georgia.

As part of the presentation the Bank will update investors on its medium term strategic goals which are summarised below:

- The Bank will continue to focus on the rapidly growing Georgian market
- Our '3x20' strategy will continue to be targeted over the medium term to deliver
  - A return on average equity of 20%
  - Customer lending and deposit growth of 20% per annum
  - A Tier I capital ratio of 20% (BIS I)
- The Bank will aim to maintain a dividend payout ratio in the 25%-40% range; in additional one-off special dividends will be considered in the light of potential divestments over the next few years.
- Over the next 2-3 years, the net interest margin is expected to be in the c7.5% range
- Positive operating leverage is expected to be maintained over the next 2-3 years, reducing the cost/income ratio to close to 37%
- The loan-to-deposit and Development Financial Institutions funding ratio is expected to be maintained in the 100% area over the next 2-3 years
- The Bank will continue to enhance its already prudent risk management practice
- The Bank's cost of risk is expected to be in the 1.5% area
- Within the business divisions:
  - In Insurance and Healthcare; to scale up the business via targeted hospital acquisitions and to consider an Initial Public Offering of Aldagi, its Insurance and Healthcare subsidiary, within 2 years.
  - In Investment Management; to target US\$2 billion assets under management by 31 December 2016
  - In Affordable Housing; to target an internal rate of return of 40%
  - To target the divestment of the Bank’s non-core subsidiary in Belarus with the next 2 years

Presentation slides will be available on the BGH website at: [www.bgh.co.uk](http://www.bgh.co.uk)

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### **About Bank of Georgia Holdings PLC**

Bank of Georgia Holdings PLC is a UK-incorporated holding company of Bank of Georgia. Bank of Georgia is the leading Georgian bank, based on total assets (with a 34.1% market share), total loans (with a 33.8% market share) and total deposits (with a 30.4% market share) as of 30 September 2013, all data based on standalone financial information filed by banks in Georgia with the National Bank of Georgia. The Bank offers a broad range of corporate banking, retail banking, wealth management, brokerage and insurance services to its clients.

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

Standard & Poor’s	‘BB-/B’
FitchRatings	‘BB-/B’
Moody’s	‘B1/NP’ (FC) & ‘Ba3/NP’ (LC)

For further information, please visit [www.bgh.co.uk](http://www.bgh.co.uk), [www.bog.ge/ir](http://www.bog.ge/ir) or contact:

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