

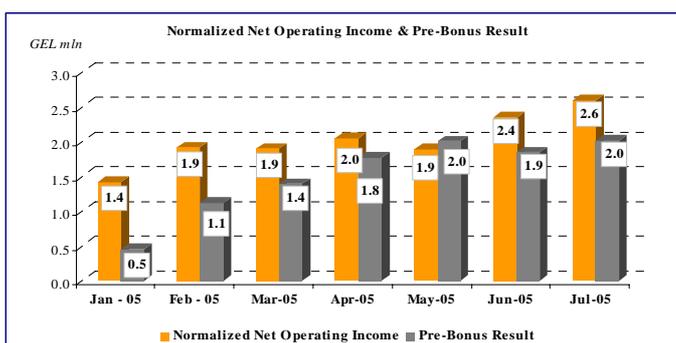
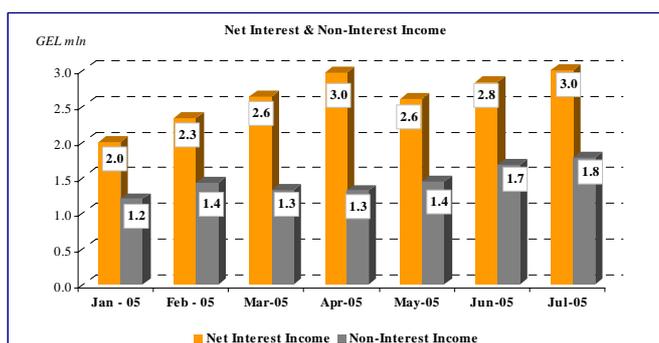
JSC Bank of Georgia Announces Its July 2005 Results

- Net Interest Income of GEL 3.0 million, up GEL 0.2 million, or 6.5% m-o-m (a 28.1% increase y-o-y)
- Non-Interest Income of GEL 1.8 million, up GEL 0.1 million, or 5.9% m-o-m (a 25.5% increase y-o-y)
- Total Operating Income of GEL 4.8 million, up GEL 0.3 million, or 6.3% m-o-m (a 27.1% increase y-o-y)
- Normalized Net Operating Income (NNOI) of GEL 2.6 million, up GEL 0.2 million, or 10.0% m-o-m (a 56.5% increase y-o-y)
- Pre-Bonus Result (PBR) of GEL 2.0 million, up GEL 0.2 million, or 8.7% m-o-m (a 254.9% increase y-o-y)
- Net Income of GEL 1.2 million, up GEL 0.09 million, or 8.4 % m-o-m (a 136.1% increase y-o-y)

Bank of Georgia (GSE:GEB), a leading Georgian universal bank, announced today its July 2005 results, reporting Net Income of GEL 1.2 million in July '05 (YTD Net Income of GEL 6.5 million, up 71.0% y-o-y).

“I am delighted to report that in July the bank achieved the highest monthly results year-to-date. Despite the onset of the seasonal slowdown, virtually all business units performed well. Our balance sheet showed a positive trend as well, with Net Loans growing to GEL 234 million (up GEL 17.3 million, or 8.0% m-o-m) and Deposits growing to GEL 260 million (up GEL 14.5 million, or 5.9% m-o-m)”, commented **Irakli Gilauri**, Chief Financial Officer.

“I am pleased that our loan portfolio has grown this year in a balanced way, consistent with our universal banking strategy with emphasis on retail banking. Whereas Gross Corporate Loans grew by 29% year-to-date and stood at GEL 154 million at the end of July, Gross Retail Loans grew by 47% year-to-date, and exceeded GEL 100 million in July. While rapid growth has taken place across almost all retail loan products, our mortgage loan portfolio grew by 76% year-to-date, exceeding GEL 28 million at the end of July, and our consumer loan portfolio has doubled year-to-date, reaching GEL 14.4 million at the end of July. Our equity capital now exceeds GEL 61 million, or GEL 5.33 per share”, commented **Lado Gurgenidze**, Chief Executive Officer.



About Bank of Georgia

Bank of Georgia is a leading Georgian universal bank. The bank markets and distributes a wide spectrum of retail products through its extensive branch network, and offers a full range of commercial banking and investment banking (through its affiliate, Galt & Taggart Securities) services to corporate clients. Additionally, BCI, the wholly-owned insurance subsidiary of the bank, offers a wide range of corporate and retail insurance products. As at July 31, 2005, the bank had GEL 387 million in assets and GEL 61 million in equity.

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