



**BANK OF GEORGIA**

# **BANK OF GEORGIA GROUP PLC**

## **Investor Presentation** 2Q18 & 1H18 financial results

[www.bankofgeorgiagroup.com](http://www.bankofgeorgiagroup.com)

# DISCLAIMER – FORWARD LOOKING STATEMENTS



This presentation contains forward-looking statements, including, but not limited to, statements concerning expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position and future operations and development. Although the Board of the Bank of Georgia Group PLC believes that the expectations and opinions reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations and opinions will prove to have been correct. By their nature, these forward-looking statements are subject to a number of known and unknown risks, uncertainties and contingencies, and actual results and events could differ materially from those currently being anticipated as reflected in such statements. Important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, certain of which are beyond our control, include, among other things: currency fluctuations, including depreciation of the Georgian Lari, and macroeconomic risk; regional tensions and instability; loan portfolio quality; regulatory risk; liquidity risk; operational risk, cyber security, information systems and financial crime risk; and other key factors that indicated could adversely affect our business and financial performance, which are contained elsewhere in this document and in our past and future filings and reports of the Group, including the 'Principal Risks and Uncertainties' included in Bank of Georgia Group PLC 2Q18 and 1H18 results announcement and in BGEO Group PLC's Annual Report and Accounts 2017. No part of this presentation constitutes, or shall be taken to constitute, an invitation or inducement to invest in the Bank of Georgia Group PLC or any other entity within the Group, and must not be relied upon in any way in connection with any investment decision. The Bank of Georgia Group PLC and other entities within the Group undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this presentation should be construed as a profit forecast.

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# BANK OF GEORGIA GROUP OVERVIEW



## Banking Business

Retail  
Banking

Corporate  
Investment  
Banking

Wealth  
Management

BNB  
(Bank in Belarus)

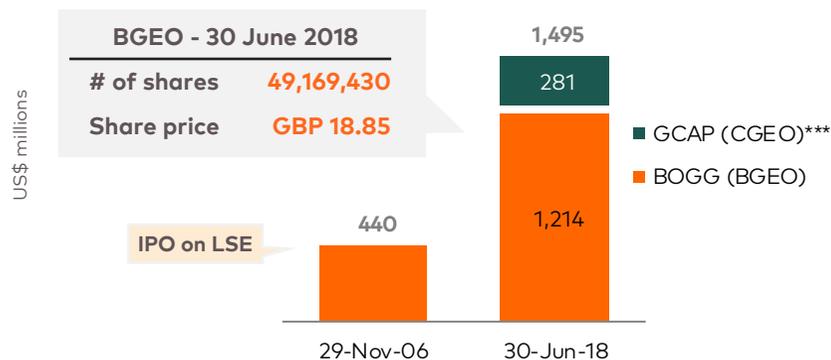
## Top shareholders

As of 30 June 2018

Rank	Shareholder name	Ownership
1	JSC Georgia Capital*	19.90%
2	Harding Loevner LP	6.82%
3	Schroder Investment Management	3.57%

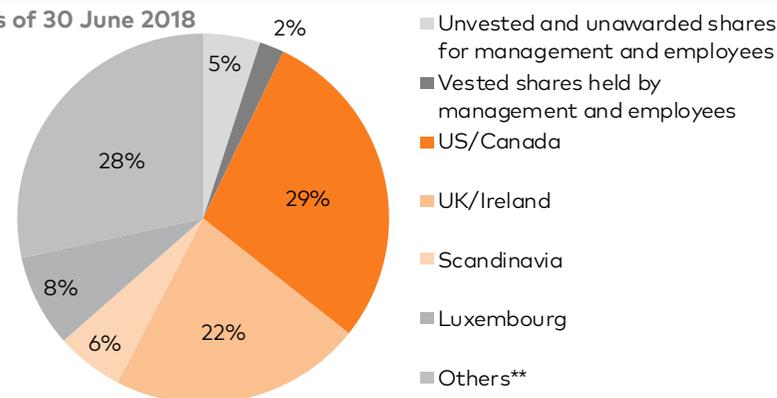
The Group has been included in the **FTSE 250** and **FTSE All-share Index Funds** since 18 June 2012

## Solid growth in market capitalisation



## Shareholder structure

As of 30 June 2018



# DELIVERING ON GROUP STRATEGY

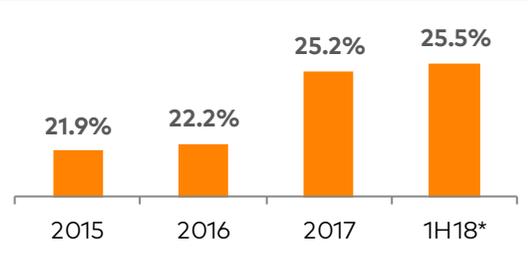


## SUCCESSFUL TRACK RECORD OF DELIVERING STRONG RESULTS

### BANKING BUSINESS KEY TARGETS

1

ROAE  
20%+



2

Loan book  
growth  
15%-20%



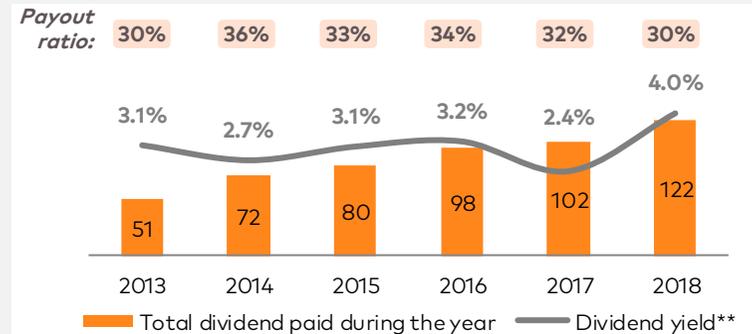
3

Solid Capital  
Return Track  
Record



### Regular Dividends

- **Regular dividends:** linked to recurring profit from Banking Business. Aiming **25-40%** dividend payout ratio
- **GEL 500mln+** cash dividend paid since 2013, with **payout ratio above 30%** over past 6 years
- **Management trust buybacks:** GEL 43.2mln share buy-backs in 1H18





# BANK OF GEORGIA GROUP RESULTS HIGHLIGHTS

## Income Statement | Quarterly

<i>GEL thousands unless otherwise noted</i>	Bank of Georgia Group Consolidated					Banking Business*					Discontinued Operations*				
	2Q18	2Q17	Change y-o-y	1Q18	Change q-o-q	2Q18	2Q17	Change y-o-y	1Q18	Change q-o-q	2Q18	2Q17	Change y-o-y	1Q18	Change q-o-q
Net interest income	187,488	160,099	17.1%	181,114	3.5%	186,330	160,308	16.2%	180,123	3.4%	-	-	-	-	-
Net fee and commission income	37,652	31,027	21.4%	34,185	10.1%	37,847	31,402	20.5%	34,511	9.7%	-	-	-	-	-
Net foreign currency gain	25,004	18,005	38.9%	14,913	67.7%	24,577	19,282	27.5%	16,015	53.5%	-	-	-	-	-
Net other income	3,380	777	NMF	5,518	-38.7%	3,706	1,046	NMF	5,744	-35.5%	-	-	-	-	-
<b>Revenue</b>	<b>253,524</b>	<b>209,908</b>	<b>20.8%</b>	<b>235,730</b>	<b>7.5%</b>	<b>252,460</b>	<b>212,038</b>	<b>19.1%</b>	<b>236,393</b>	<b>6.8%</b>	-	-	-	-	-
<b>Operating expenses</b>	<b>(92,580)</b>	<b>(79,826)</b>	<b>16.0%</b>	<b>(86,279)</b>	<b>7.3%</b>	<b>(93,145)</b>	<b>(80,785)</b>	<b>15.3%</b>	<b>(87,379)</b>	<b>6.6%</b>	-	-	-	-	-
Profit from associates	376	394	-4.6%	319	17.9%	376	394	-4.6%	319	17.9%	-	-	-	-	-
<b>Operating income before cost of credit risk</b>	<b>161,320</b>	<b>130,476</b>	<b>23.6%</b>	<b>149,770</b>	<b>7.7%</b>	<b>159,691</b>	<b>131,647</b>	<b>21.3%</b>	<b>149,333</b>	<b>6.9%</b>	-	-	-	-	-
Cost of credit risk	(39,670)	(40,015)	-0.9%	(38,143)	4.0%	(39,670)	(40,015)	-0.9%	(38,143)	4.0%	-	-	-	-	-
<b>Profit before non-recurring items and income tax</b>	<b>121,650</b>	<b>90,461</b>	<b>34.5%</b>	<b>111,627</b>	<b>9.0%</b>	<b>120,021</b>	<b>91,632</b>	<b>31.0%</b>	<b>111,190</b>	<b>7.9%</b>	-	-	-	-	-
Net non-recurring items	(43,875)	(1,017)	NMF	(2,948)	NMF	(44,047)	(1,017)	NMF	(2,948)	NMF	-	-	-	-	-
<b>Profit before income tax expense</b>	<b>77,775</b>	<b>89,444</b>	<b>-13.0%</b>	<b>108,679</b>	<b>-28.4%</b>	<b>75,974</b>	<b>90,615</b>	<b>-16.2%</b>	<b>108,242</b>	<b>-29.8%</b>	-	-	-	-	-
Income tax expense	(27,507)	(3,284)	NMF	(9,058)	NMF	(27,507)	(3,284)	NMF	(9,058)	NMF	-	-	-	-	-
<b>Profit from continuing operations</b>	<b>50,268</b>	<b>86,160</b>	<b>-41.7%</b>	<b>99,621</b>	<b>-49.5%</b>	<b>48,467</b>	<b>87,331</b>	<b>-44.5%</b>	<b>99,184</b>	<b>-51.1%</b>	-	-	-	-	-
Profit from discontinued operations	78,961	37,468	110.7%	28,938	NMF	-	-	-	-	-	80,762	36,297	122.5%	29,375	NMF
<b>Profit</b>	<b>129,229</b>	<b>123,628</b>	<b>4.5%</b>	<b>128,559</b>	<b>0.5%</b>	<b>48,467</b>	<b>87,331</b>	<b>-44.5%</b>	<b>99,184</b>	<b>-51.1%</b>	<b>80,762</b>	<b>36,297</b>	<b>122.5%</b>	<b>29,375</b>	<b>NMF</b>
Earnings per share (basic)	2.77	3.10	-10.6%	3.08	-10.1%	1.13	2.27	-50.2%	2.64	-57.2%	-	-	-	-	-
Earnings per share (diluted)	2.74	2.98	-8.1%	2.98	-8.1%	1.12	2.18	-48.6%	2.55	-56.1%	-	-	-	-	-
Earnings per share (basic) adjusted**						2.31	2.27	1.8%	2.64	-12.5%	-	-	-	-	-
Earnings per share (diluted) adjusted**						2.29	2.18	5.0%	2.55	-10.2%	-	-	-	-	-



# BANK OF GEORGIA GROUP RESULTS HIGHLIGHTS

## Income Statement | Half-year

<i>GEL thousands unless otherwise noted</i>	Bank of Georgia Group Consolidated			Banking Business*			Discontinued Operations*		
	1H18	1H17	Change y-o-y	1H18	1H17	Change y-o-y	1H18	1H17	Change y-o-y
Net interest income	368,602	320,434	15.0%	366,453	321,188	14.1%	-	-	-
Net fee and commission income	71,837	60,812	18.1%	72,357	61,594	17.5%	-	-	-
Net foreign currency gain	39,916	30,531	30.7%	40,591	38,982	4.1%	-	-	-
Net other income	8,898	3,561	149.9%	9,451	4,063	132.6%	-	-	-
<b>Revenue</b>	<b>489,253</b>	<b>415,338</b>	<b>17.8%</b>	<b>488,852</b>	<b>425,827</b>	<b>14.8%</b>	-	-	-
<b>Operating expenses</b>	<b>(178,858)</b>	<b>(155,930)</b>	<b>14.7%</b>	<b>(180,523)</b>	<b>(157,839)</b>	<b>14.4%</b>	-	-	-
Profit from associates	695	909	-23.5%	695	909	-23.5%	-	-	-
<b>Operating income before cost of credit risk</b>	<b>311,090</b>	<b>260,317</b>	<b>19.5%</b>	<b>309,024</b>	<b>268,897</b>	<b>14.9%</b>	-	-	-
Cost of credit risk	(77,813)	(88,036)	-11.6%	(77,813)	(88,036)	-11.6%	-	-	-
<b>Profit before non-recurring items and income tax</b>	<b>233,277</b>	<b>172,281</b>	<b>35.4%</b>	<b>231,211</b>	<b>180,861</b>	<b>27.8%</b>	-	-	-
Net non-recurring items	(46,823)	(2,711)	NMF	(46,995)	(2,711)	NMF	-	-	-
<b>Profit before income tax expense</b>	<b>186,454</b>	<b>169,570</b>	<b>10.0%</b>	<b>184,216</b>	<b>178,150</b>	<b>3.4%</b>	-	-	-
Income tax expense	(36,565)	(7,692)	NMF	(36,565)	(7,692)	NMF	-	-	-
<b>Profit from continuing operations</b>	<b>149,889</b>	<b>161,878</b>	<b>-7.4%</b>	<b>147,651</b>	<b>170,458</b>	<b>-13.4%</b>	-	-	-
Profit from discontinued operations	107,899	69,922	54.3%	-	-	-	110,137	61,342	79.5%
<b>Profit</b>	<b>257,788</b>	<b>231,800</b>	<b>11.2%</b>	<b>147,651</b>	<b>170,458</b>	<b>-13.4%</b>	<b>110,137</b>	<b>61,342</b>	<b>79.5%</b>
Earnings per share (basic)	<b>5.82</b>	<b>5.74</b>	<b>1.4%</b>	<b>3.64</b>	<b>4.24</b>	<b>-14.2%</b>	-	-	-
Earnings per share (diluted)	<b>5.76</b>	<b>5.51</b>	<b>4.5%</b>	<b>3.60</b>	<b>4.08</b>	<b>-11.8%</b>	-	-	-
Earnings per share (basic) adjusted**				4.92	4.24	16.0%	-	-	-
Earnings per share (diluted) adjusted**				4.86	4.08	19.1%	-	-	-

# BANK OF GEORGIA GROUP RESULTS HIGHLIGHTS



## Balance Sheet

GEL thousands unless otherwise noted	Bank of Georgia Group Consolidated					Banking Business**					Discontinued Operations**				
	Jun-18	Jun-17	Change y-o-y	Mar-18	Change q-o-q	Jun-18	Jun-17	Change y-o-y	Mar-18	Change q-o-q	Jun-18	Jun-17	Change y-o-y	Mar-18	Change q-o-q
Liquid assets	4,266,417	3,942,743	8.2%	4,445,452	-4.0%	4,266,417	3,775,370	13.0%	4,514,326	-5.5%	-	549,426	NMF	-	-
Cash and cash equivalents	1,546,863	1,454,387	6.4%	1,754,920	-11.9%	1,546,863	1,401,728	10.4%	1,754,920	-11.9%	-	349,166	NMF	-	-
Amounts due from credit institutions	993,862	1,090,259	-8.8%	941,804	5.5%	993,862	976,810	1.7%	955,175	4.1%	-	152,635	NMF	-	-
Investment securities	1,725,692	1,398,097	23.4%	1,748,728	-1.3%	1,725,692	1,396,832	23.5%	1,804,231	-4.4%	-	47,625	NMF	-	-
Loans to customers and finance lease receivables	8,078,132	6,517,773	23.9%	7,727,568	4.5%	8,078,132	6,579,996	22.8%	7,792,108	3.7%	-	-	-	-	-
Property and equipment	313,627	1,418,453	-77.9%	324,810	-3.4%	313,627	303,396	3.4%	324,810	-3.4%	-	1,110,722	NMF	-	-
Assets of disposal group held for distribution	-	-	-	2,447,592	NMF	-	-	-	-	-	-	-	-	3,841,004	NMF
<b>Total assets</b>	<b>13,208,821</b>	<b>13,136,463</b>	<b>0.6%</b>	<b>15,474,490</b>	<b>-14.6%</b>	<b>13,208,821</b>	<b>11,060,955</b>	<b>19.4%</b>	<b>13,166,862</b>	<b>0.3%</b>	<b>-</b>	<b>2,527,043</b>	<b>NMF</b>	<b>3,841,004</b>	<b>NMF</b>
Client deposits and notes	7,174,234	5,319,398	34.9%	6,762,071	6.1%	7,174,234	5,655,341	26.9%	7,296,110	-1.7%	-	-	-	-	-
Amounts due to credit institutions	2,740,595	3,077,869	-11.0%	2,521,291	8.7%	2,740,595	2,602,304	5.3%	2,642,427	3.7%	-	538,533	NMF	-	-
Borrowings from DFI	1,161,120	1,343,492	-13.6%	1,191,605	-2.6%	1,161,120	1,088,054	6.7%	1,191,605	-2.6%	-	255,438	NMF	-	-
Short-term loans from NBG	556,834	999,159	-44.3%	729,244	-23.6%	556,834	999,159	-44.3%	729,244	-23.6%	-	-	-	-	-
Loans and deposits from commercial banks	1,022,641	735,218	39.1%	600,442	70.3%	1,022,641	515,091	98.5%	721,578	41.7%	-	283,095	NMF	-	-
Debt securities issued	1,527,452	1,582,431	-3.5%	1,524,600	0.2%	1,527,452	1,312,990	16.3%	1,569,404	-2.7%	-	319,033	NMF	-	-
Liabilities of disposal group held for distribution	-	-	-	1,837,869	NMF	-	-	-	-	-	-	-	-	1,964,463	NMF
<b>Total liabilities</b>	<b>11,571,235</b>	<b>10,628,270</b>	<b>8.9%</b>	<b>12,733,920</b>	<b>-9.1%</b>	<b>11,571,235</b>	<b>9,648,928</b>	<b>19.9%</b>	<b>11,596,833</b>	<b>-0.2%</b>	<b>-</b>	<b>1,430,877</b>	<b>NMF</b>	<b>1,964,463</b>	<b>NMF</b>
<b>Total equity</b>	<b>1,637,586</b>	<b>2,508,193</b>	<b>-34.7%</b>	<b>2,740,570</b>	<b>-40.2%</b>	<b>1,637,586</b>	<b>1,412,027</b>	<b>16.0%</b>	<b>1,570,029</b>	<b>4.3%</b>	<b>-</b>	<b>1,096,166</b>	<b>NMF</b>	<b>1,876,541</b>	<b>NMF</b>

## Key Ratios\*

	2Q18	2Q17	1Q18	1H18	1H17
ROAA**	3.1%	3.2%	3.1%	3.1%	3.2%
ROAE**	25.2%	24.1%	25.9%	25.5%	23.9%
Net Interest Margin	6.9%	7.3%	7.0%	7.0%	7.3%
Loan Yield	14.0%	14.3%	13.9%	13.9%	14.1%
Liquid assets yield	3.8%	3.4%	3.6%	3.7%	3.3%
Cost of Funds	5.0%	4.8%	4.8%	4.9%	4.7%
Cost of Client Deposits and Notes	3.6%	3.6%	3.4%	3.5%	3.5%
Cost of Amounts Due to Credit Institutions	7.2%	6.6%	6.9%	7.0%	6.4%
Cost of Debt Securities Issued	7.7%	7.1%	7.7%	7.8%	6.5%
Cost / Income	36.9%	38.1%	37.0%	36.9%	37.1%
NPLs to Gross Loans to Clients	3.0%	4.4%	3.1%	3.0%	4.4%
NPL Coverage Ratio	110.5%	90.2%	111.4%	110.5%	90.2%
NPL Coverage Ratio, Adjusted for discounted value of collateral	147.2%	131.5%	147.2%	147.2%	131.5%
Cost of Risk	1.7%	2.2%	2.1%	1.9%	2.3%
NBG (Basel III) Tier I Capital Adequacy Ratio	12.5%	n/a	12.4%	12.5%	n/a
NBG (Basel III) Total Capital Adequacy Ratio	17.5%	n/a	17.3%	17.5%	n/a

\* For the definition of Key Ratios, refer to page 68

\*\* Banking Business and Discontinued Operations financials do not include inter-business eliminations. Detailed financials, including inter-business eliminations are provided on pages 58, 59 and 60

\*\*\* 2Q18 and 1H18 results adjusted for GEL 30.3mln demerger related costs, GEL 8.0mln demerger related corporate income tax gain, and GEL 30.3mln one-off impact of re-measurement of deferred tax balances



## Pure play banking story in Georgia following the demerger



**Industry-leading systemically important universal bank focused on Georgia**



### Group strategy remains largely unchanged

#### Bank of Georgia strategy remains largely unchanged:

- Return on average equity of over 20%
- Growth of Banking Business customer lending by 15%-20%
- Maintaining a strong capital base and liquidity position
- Targeting a dividend payout in the 25-40% of earnings range

### Group maintains strong corporate governance standards

- Kaha Kiknavelidze as CEO continues to lead Bank of Georgia
- Neil Janin, the Non-Executive Chairman of BGEO Group, became the Non-Executive Chairman of Bank of Georgia

### Benefits of the Demerger

<b>Business flexibility</b>	<b>Growth opportunities</b>
<b>Investor clarity and understanding</b>	<b>Efficient capital structure</b>
<b>Improved management focus</b>	<b>Alignment of incentives</b>

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# THE LEADING BANK IN GEORGIA

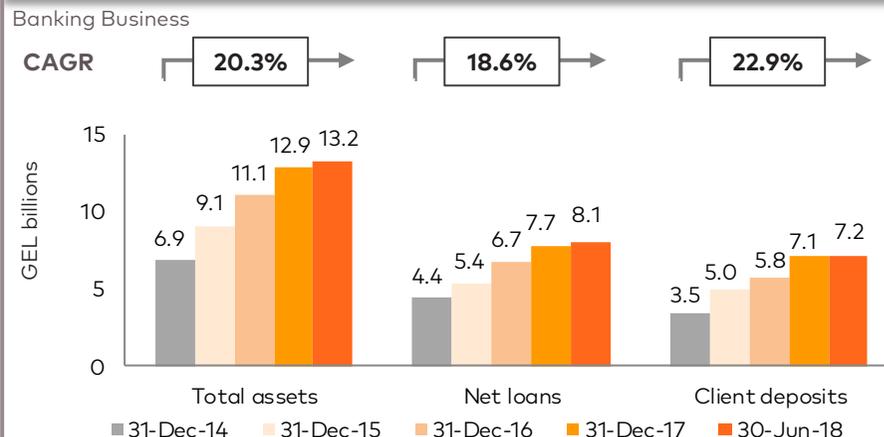
Sustainable growth combined with strong capital, liquidity and robust profitability



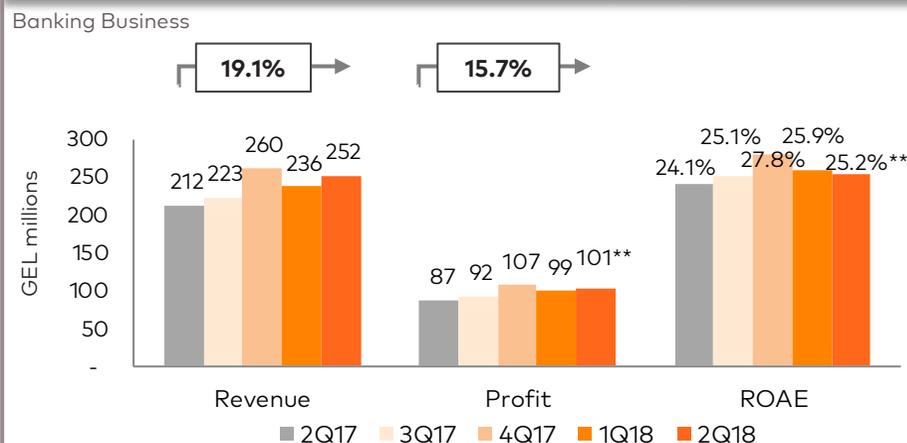
## BOG – Premium Bank in Attractive Banking Sector

- **Top Systemically important financial institution in Georgia**
- **Market position in Georgia by assets (34.5%)**, loans (33.0%), client deposits (34.0%) and equity (28.7%) as of 30 June 2018\*
- **Market with stable growth perspectives:** Real GDP average annual growth rate of 4.5 % for 2007-2017; 5.7% real GDP growth in 1H18 according to Geostat. Loans/GDP grew from 8.8% to 57.5% in the period of 2003-2Q18; Deposits/GDP grew from 8.4% to 51.2% over the same period
- **Strong brand name recognition and retail banking franchise:** Offers the broadest range of financial products to the retail market through a network of 279 branches, 856 ATMs, 2,955 Express Pay Terminals and 2.4 million customers as of 30 June 2018
- **Sustainable high profitability** with average ROAE of c.20% over the last three years on the back of strong NIM, low cost of risk and stringent cost control
- **Resilient credit profile:** Well-capitalised, diversified and high quality loan book and strong liquidity profile
- **High standards of transparency and governance:** The first entity from Georgia to be listed on the premium segment of the Main Market of the London Stock Exchange (LSE:BGEO) since February 2012. LSE listed through GDRs since 2006

## Balance Sheet Highlights



## Income Statement Highlights



## Credit ratings from global rating agencies

Rating Agency	Rating	Outlook	Affirmed
MOODY'S	Ba3/Ba2	Stable	14-Feb-18
FitchRatings	BB-	Positive	23-Apr-18



\* Market data based on standalone accounts as published by the National Bank of Georgia (NBG) [www.nbg.gov.ge](http://www.nbg.gov.ge)

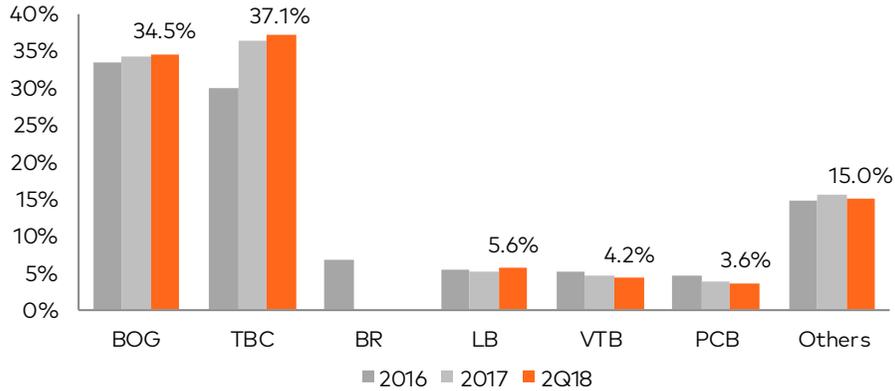
\*\* 2Q18 results adjusted for GEL 30.3mln demerger related costs, GEL 8.0mln demerger related corporate income tax gain, and GEL 30.3mln one-off impact of re-measurement of deferred tax balances

# THE COMPETITION

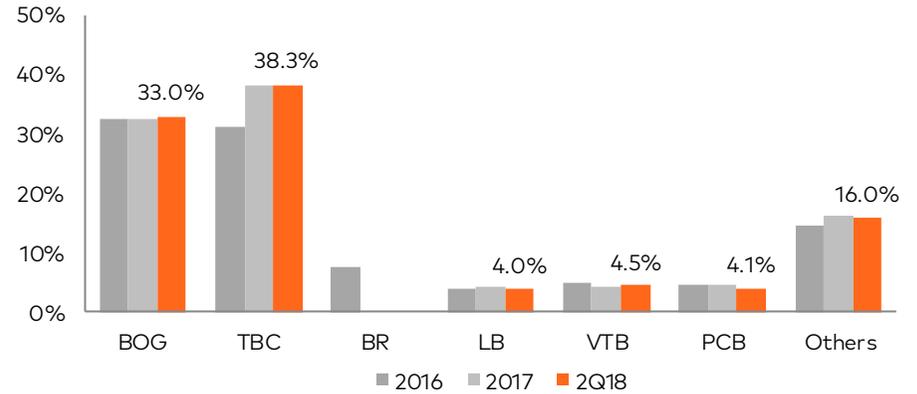
Leading market position in Georgia by assets (34.5%), loans (33.0%), client deposits (34.0%) and equity (28.7%)



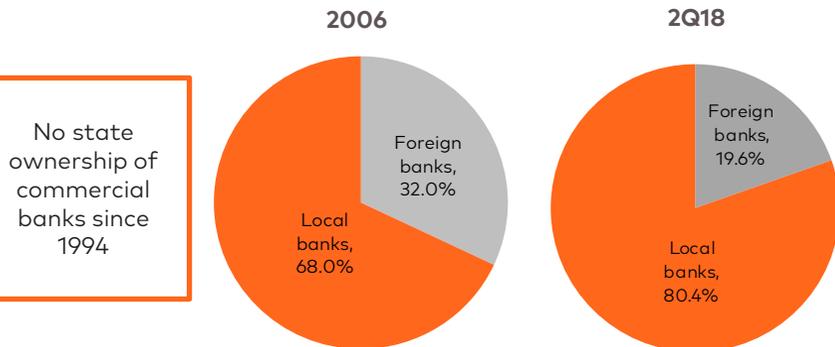
## Peer group's market share in total assets



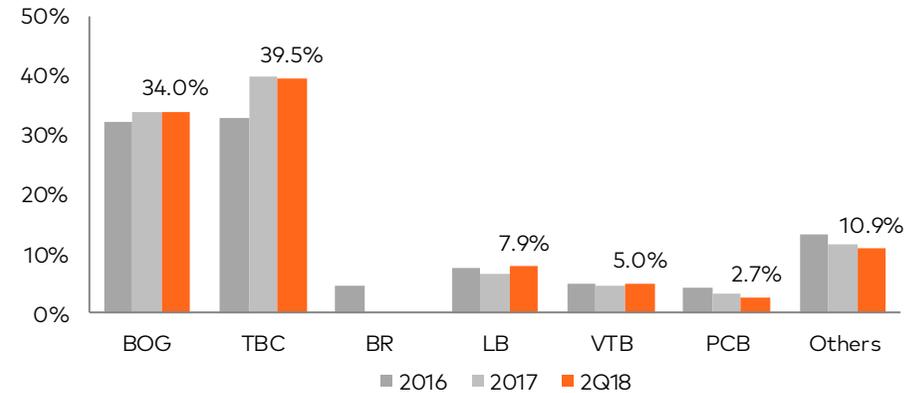
## Peer group's market share in gross loans



## Foreign banks market share by assets



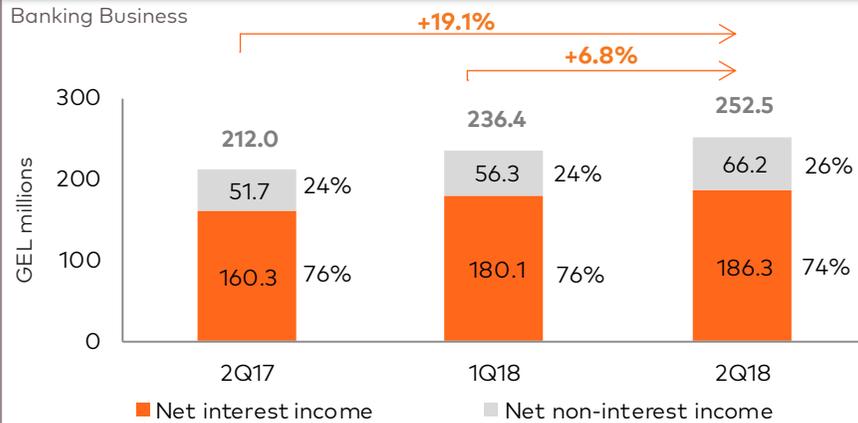
## Peer group's market share in client deposits



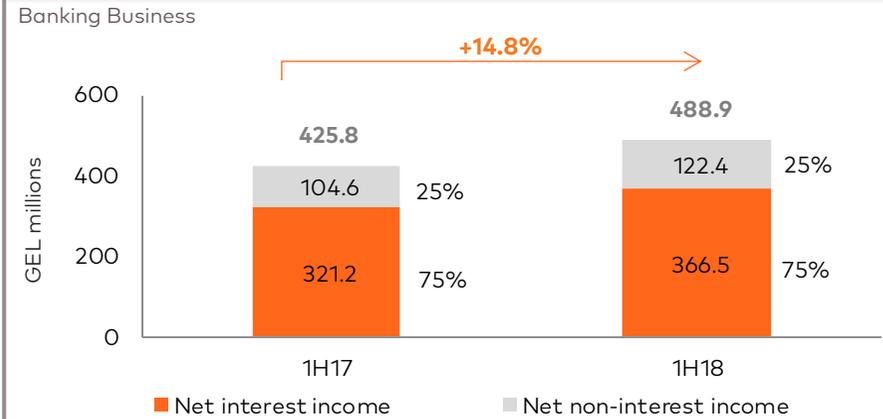
# STRONG UNDERLYING PERFORMANCE



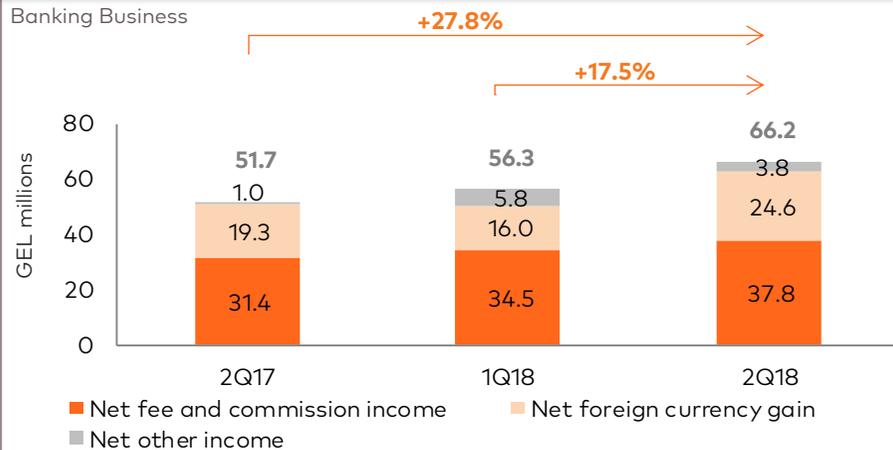
## Revenue growth | quarterly



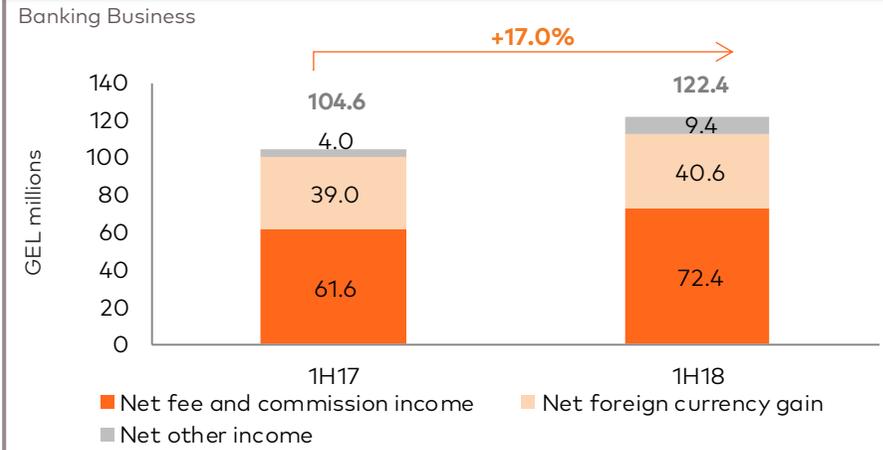
## Revenue growth | half-year



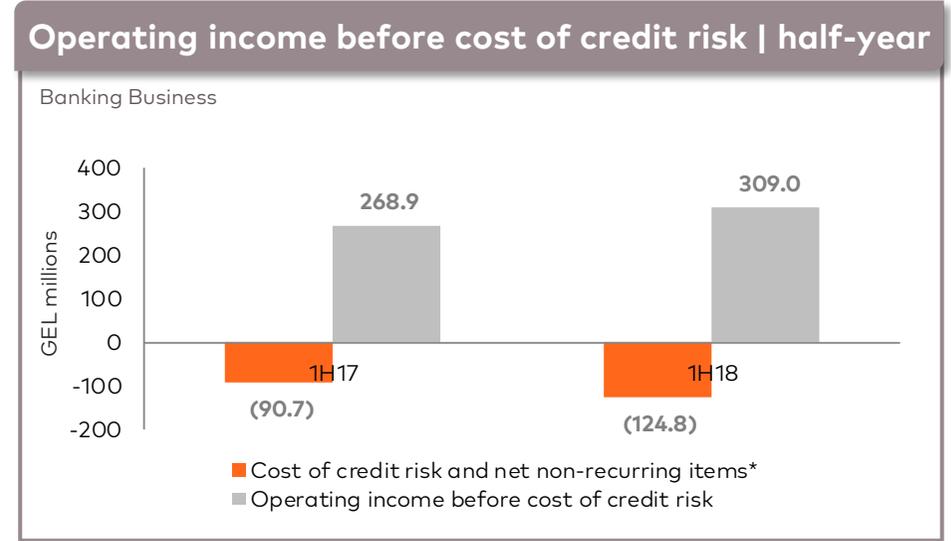
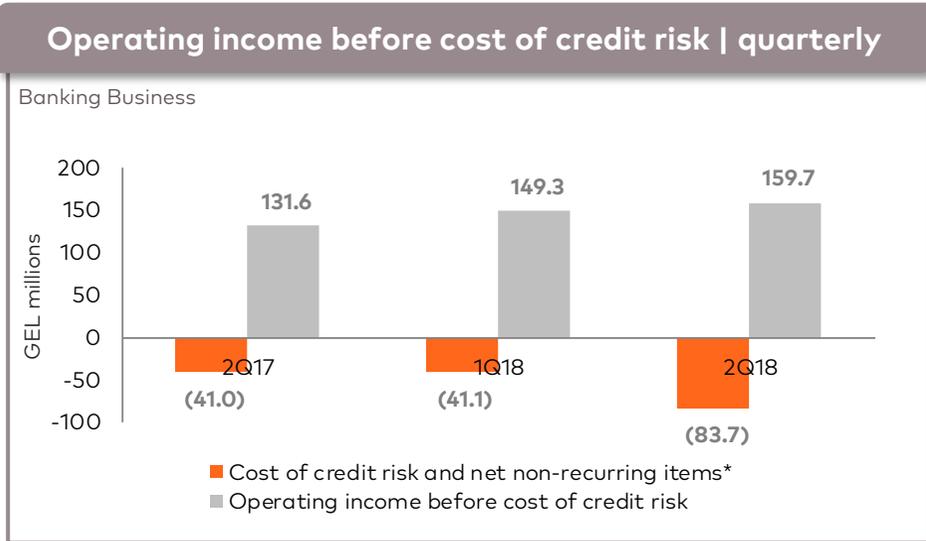
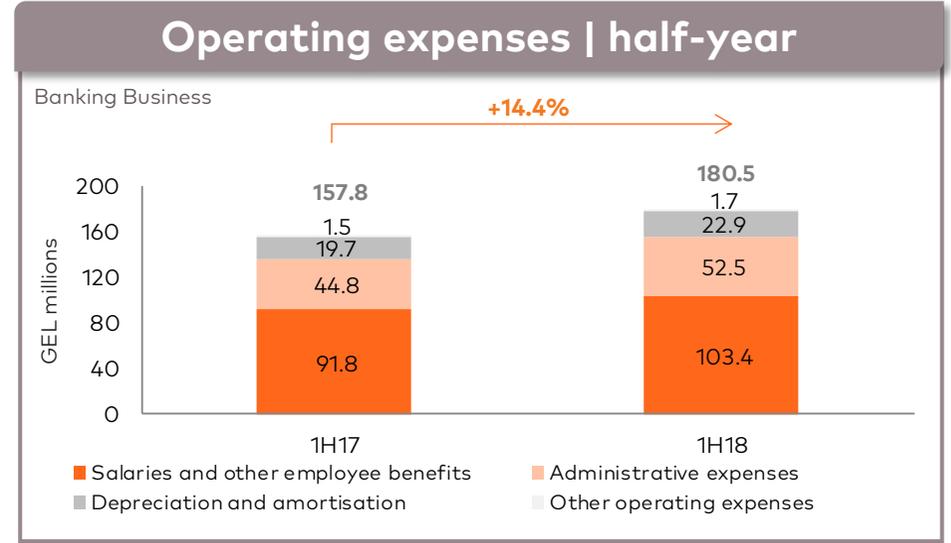
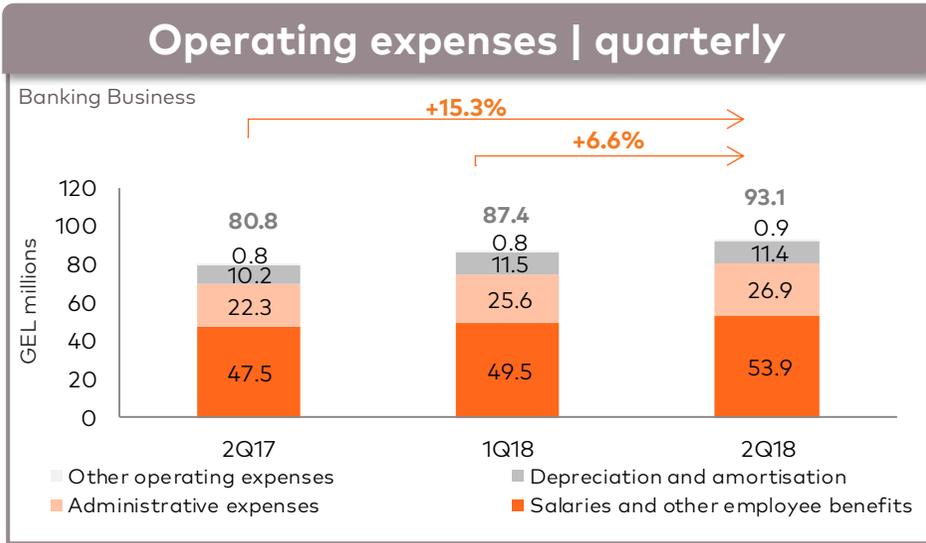
## Net non-interest income | quarterly



## Net non-interest income | half-year



# STRONG UNDERLYING PERFORMANCE

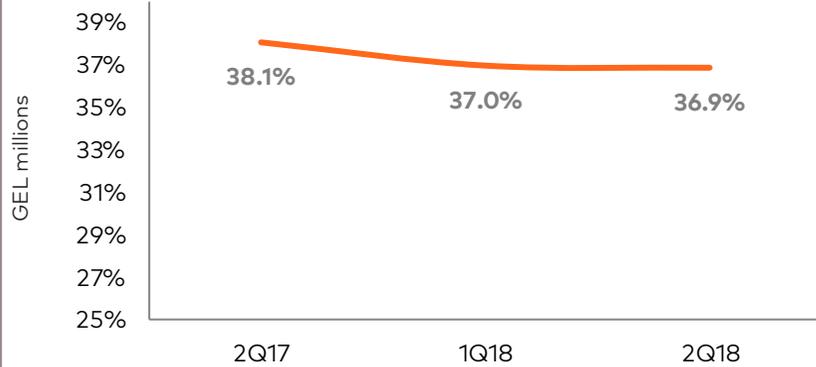


# FOCUS ON EFFICIENCY



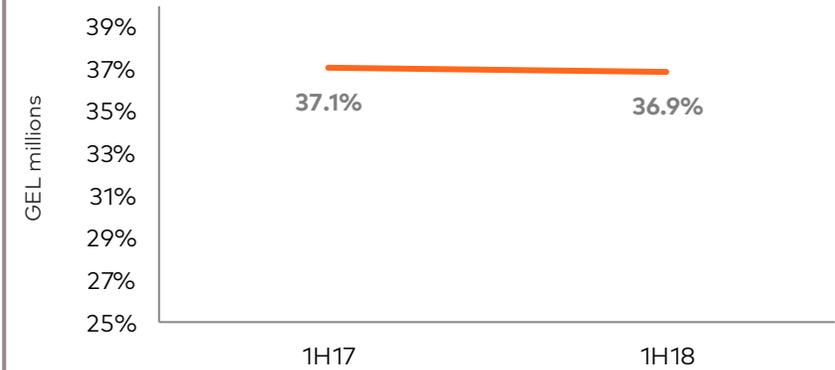
## Cost / Income | quarterly

Banking Business



## Cost / Income | half-year

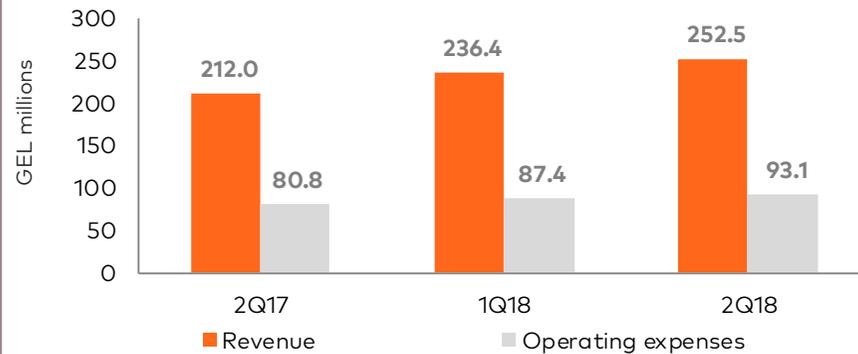
Banking Business



## Revenue and operating expenses | quarterly

Banking Business

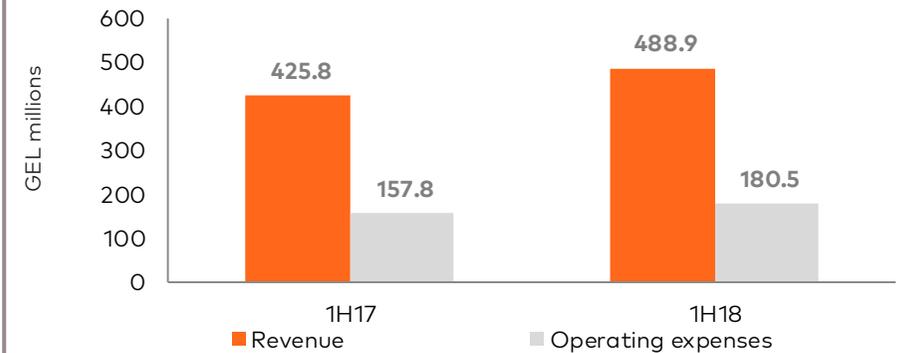
**Operating Leverage: +3.8% y-o-y  
+0.2% q-o-q**



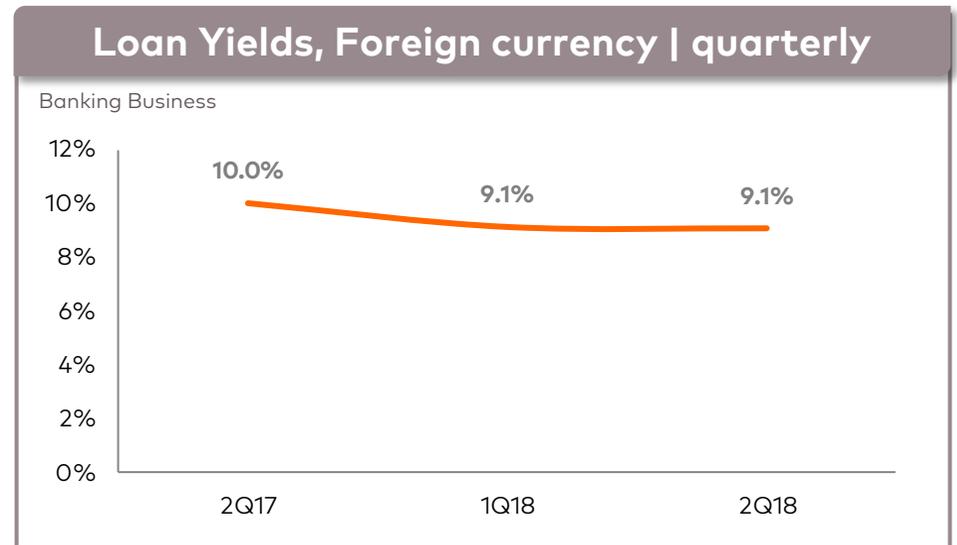
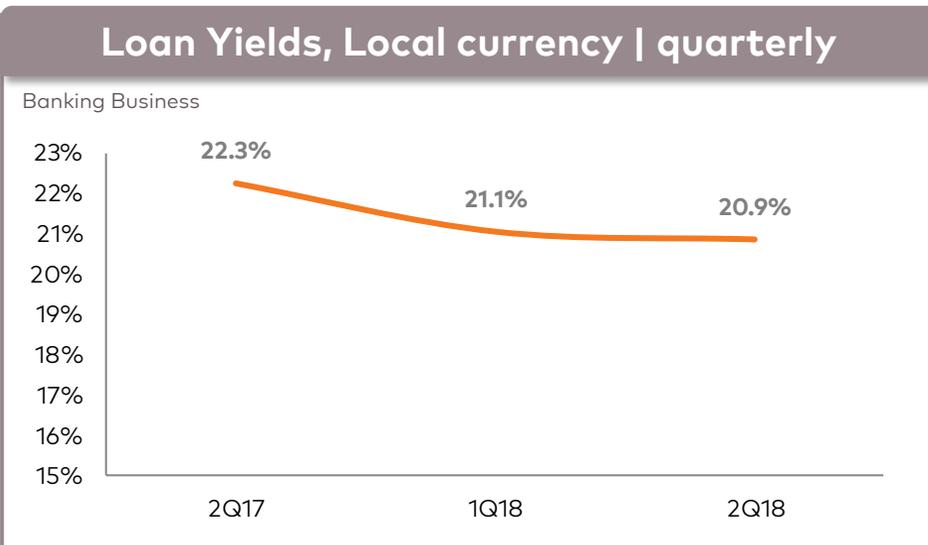
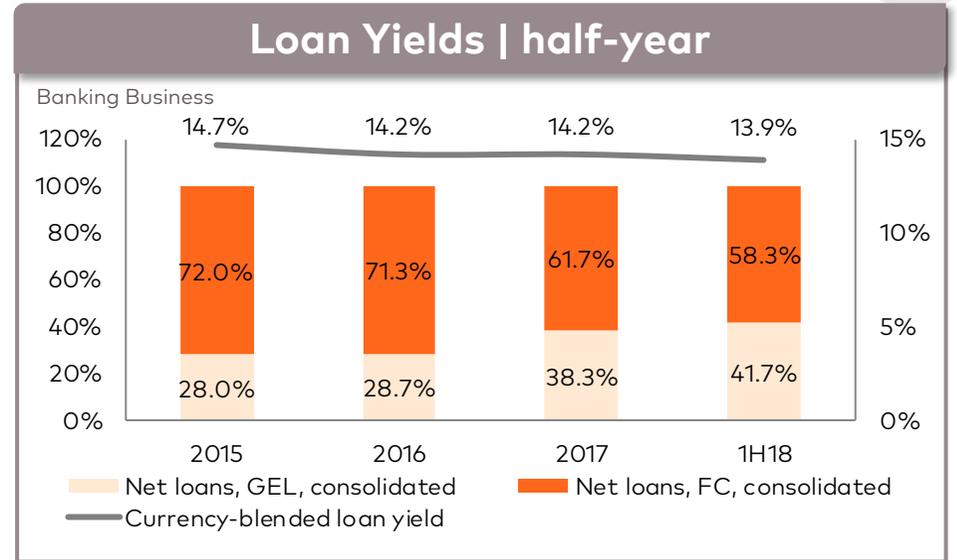
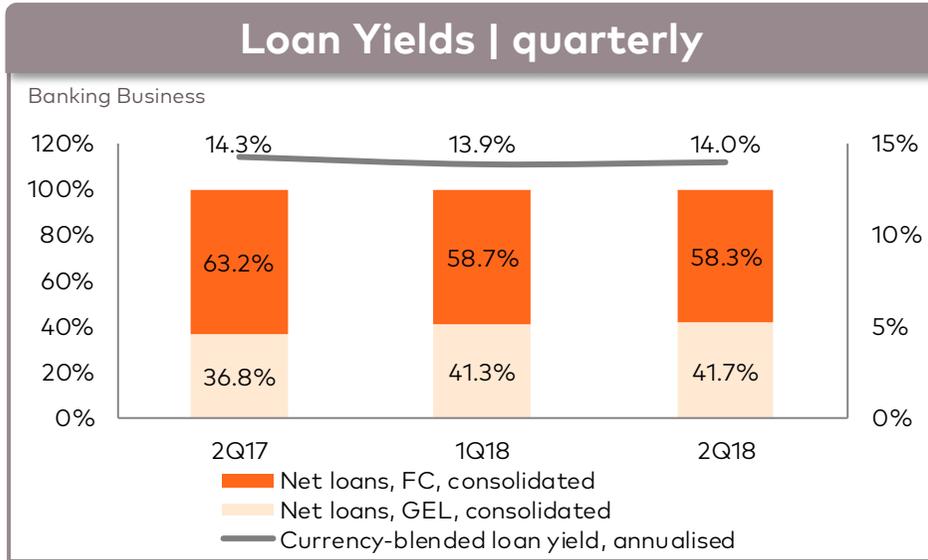
## Revenue and operating expenses | half-year

Banking Business

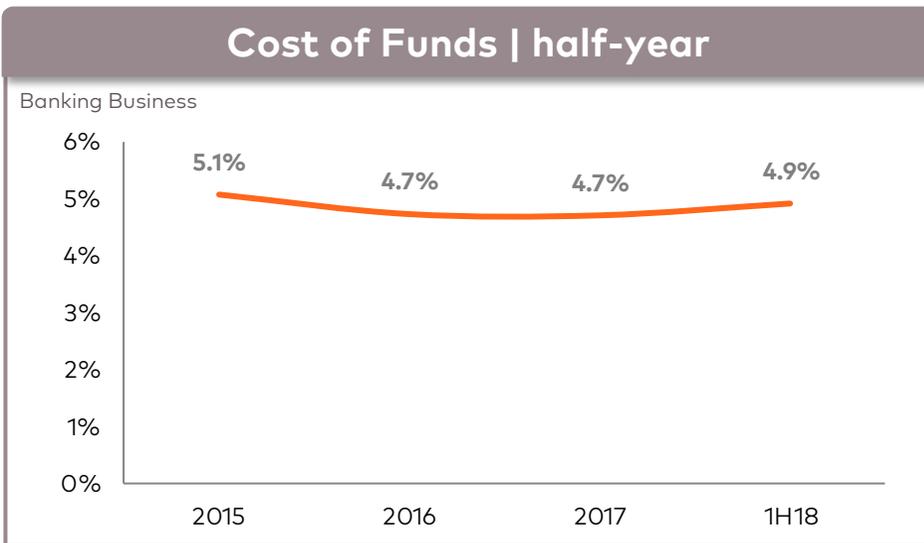
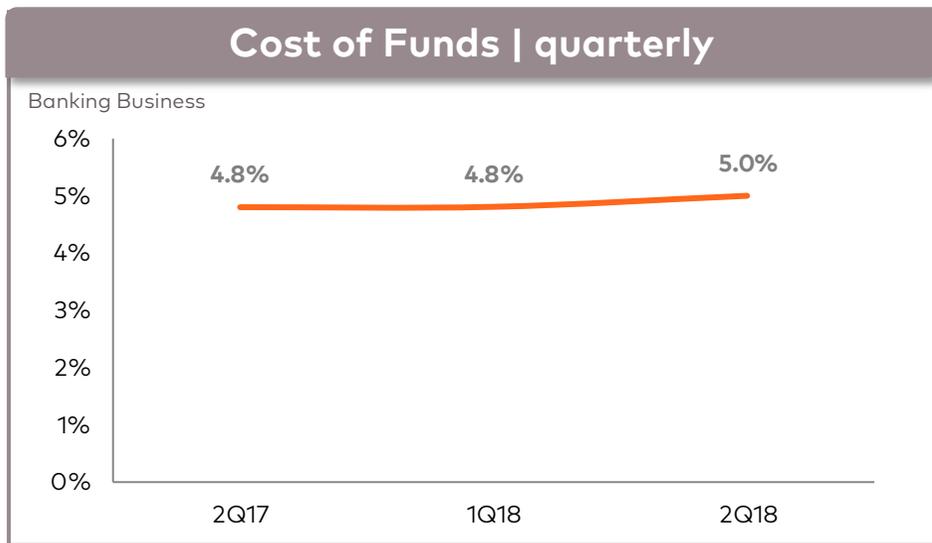
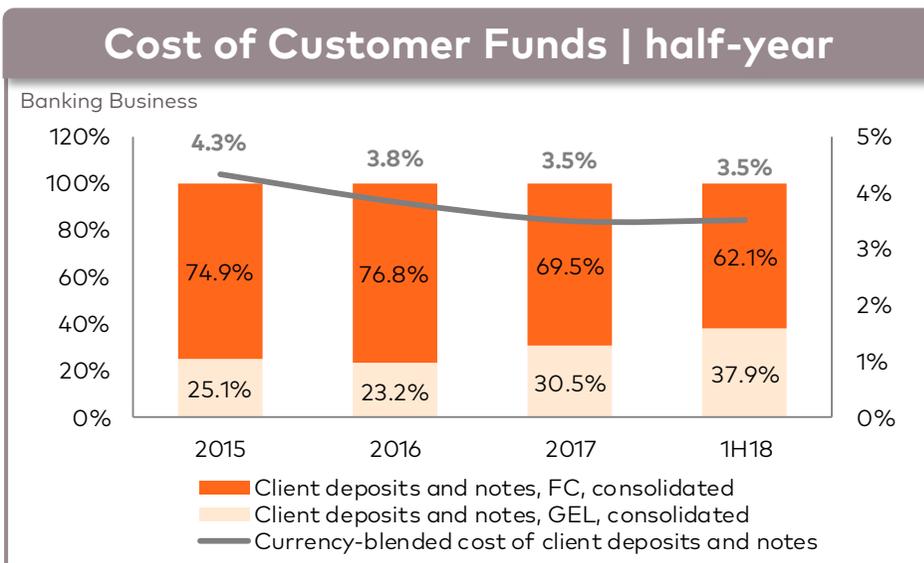
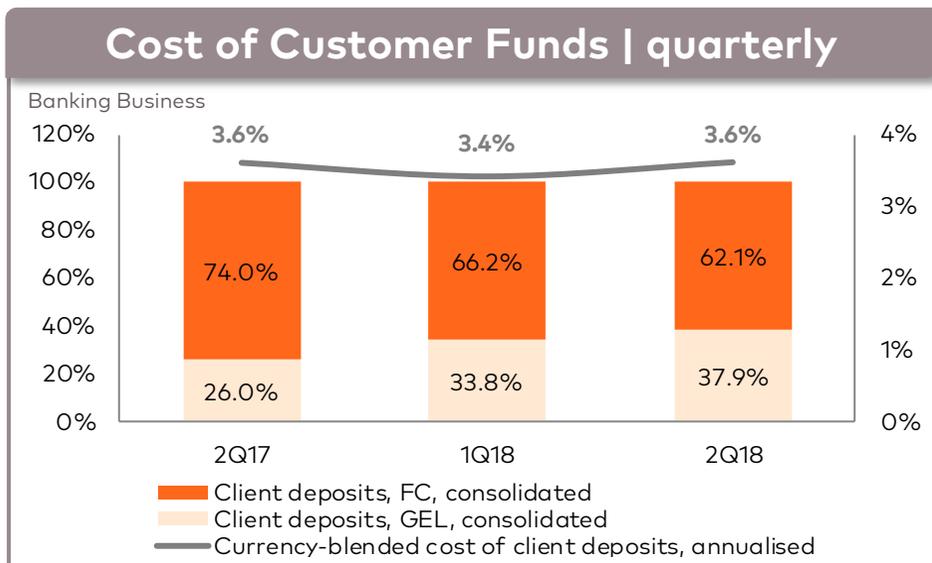
**Operating Leverage: +0.4% y-o-y**



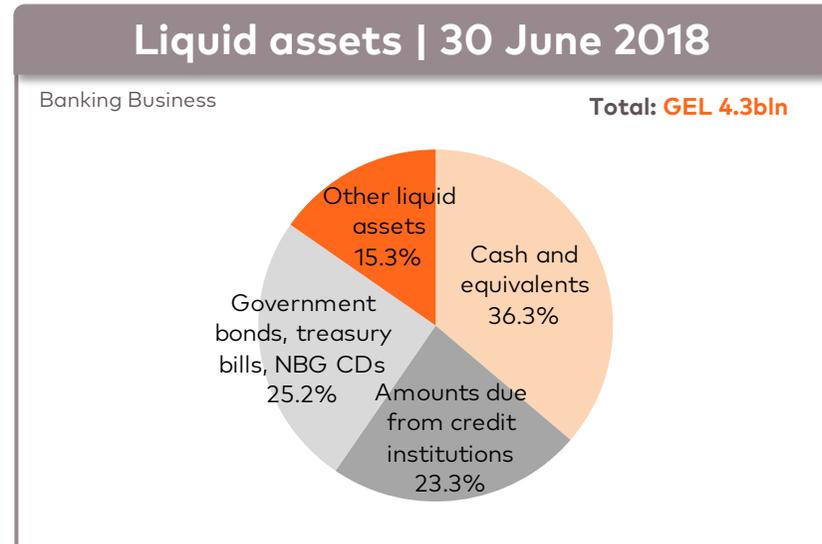
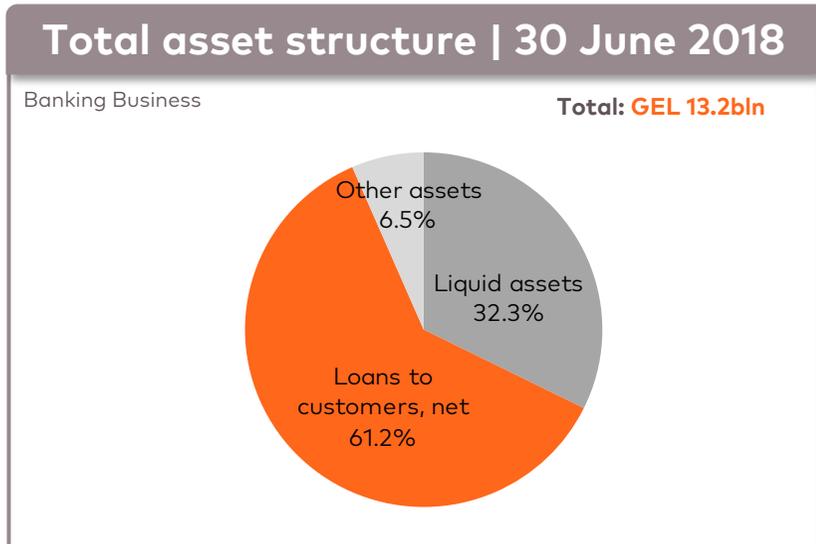
# GROWING INCOME NOTWITHSTANDING THE PRESSURE ON YIELDS



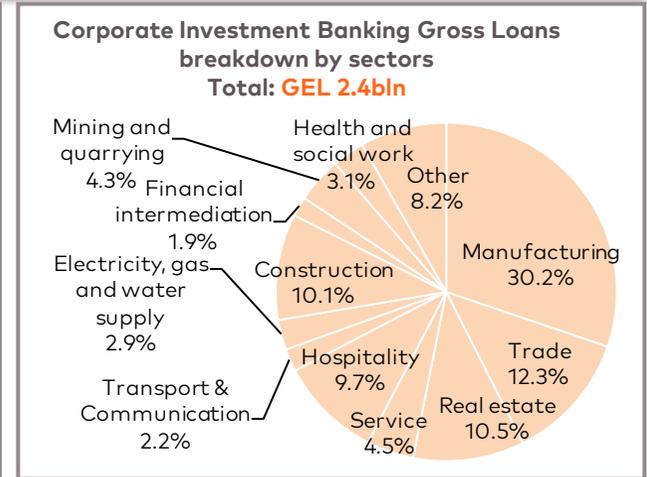
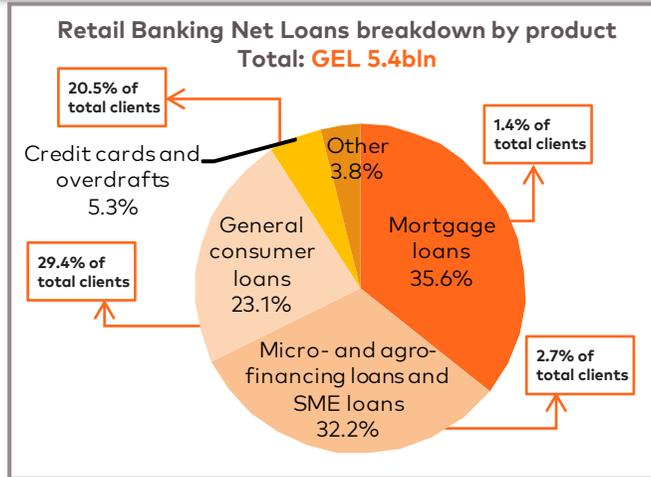
# STABLE COST OF FUNDING



# DIVERSIFIED ASSET STRUCTURE AND LOAN PORTFOLIO



## Loans breakdown | 30 June 2018

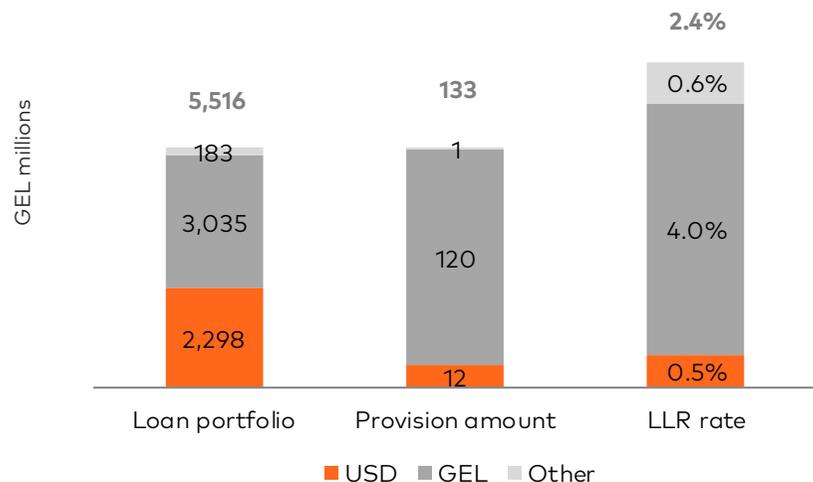


# LOAN PORTFOLIO BREAKDOWN



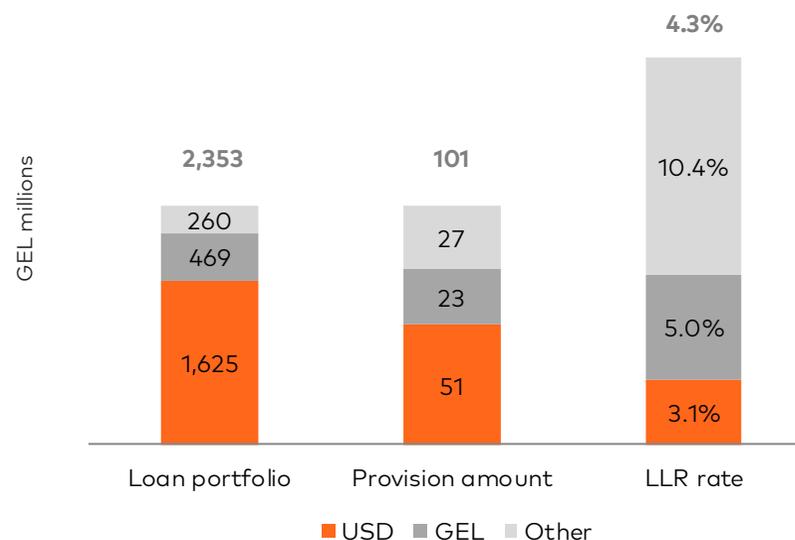
## Retail Banking | 30 June 2018

Banking Business



## Corporate Investment Banking | 30 June 2018

Banking Business



Amounts in GEL millions	RB Loan portfolio	% of total RB loan portfolio	Mortgages	Consumer loans*	SME & Micro
GEL and other currency loans*	3,218	58.3%	629	1,623	966
USD loans with USD income	337	6.1%	265	51	21
USD loans with non-USD income	1,961	35.5%	1,028	172	760
<b>Total</b>	<b>5,516</b>	<b>100.0%</b>	<b>1,922</b>	<b>1,846</b>	<b>1,747</b>

\* Includes credit cards

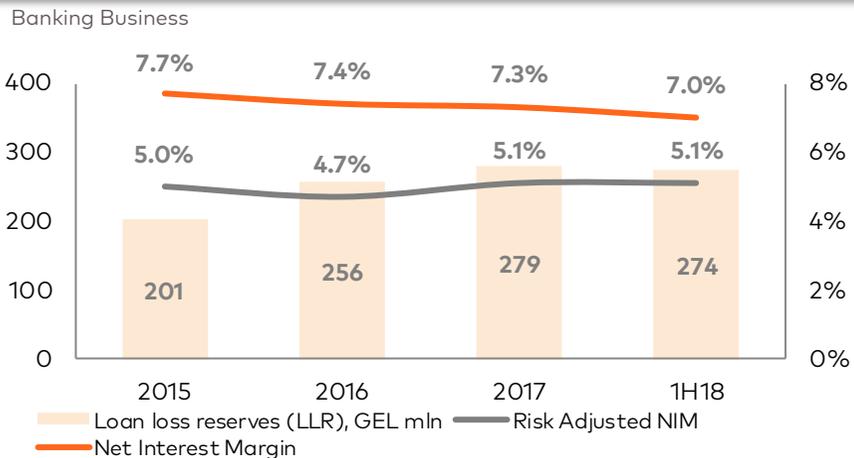
Amounts in GEL millions	CB & WM Loan portfolio	% of total CB loan portfolio
GEL and other currency loans*	729	31.0%
USD loans with USD income	948	40.3%
USD loans with non-USD income	677	28.8%
<b>Total</b>	<b>2,353</b>	<b>100.0%</b>

**Note:** Standalone figures received from management accounts

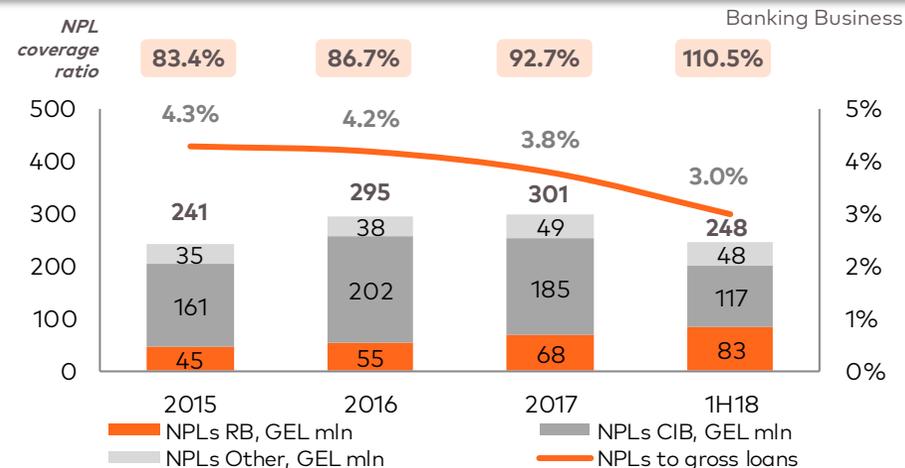
# RESILIENT LOAN PORTFOLIO QUALITY



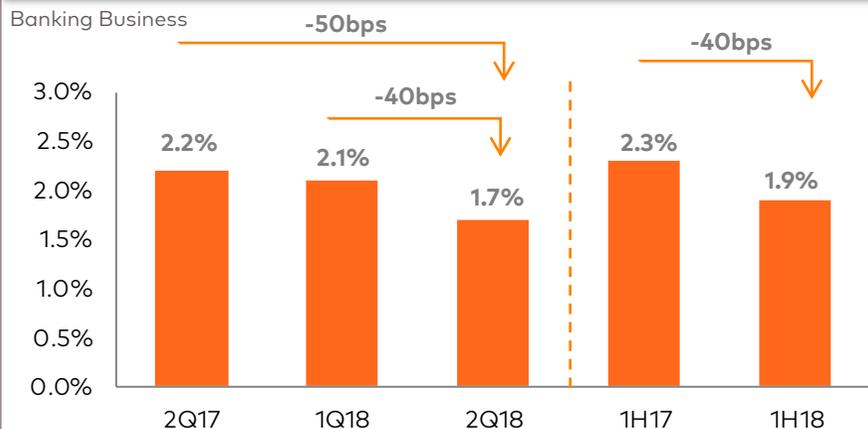
## Loan loss reserve and NIM



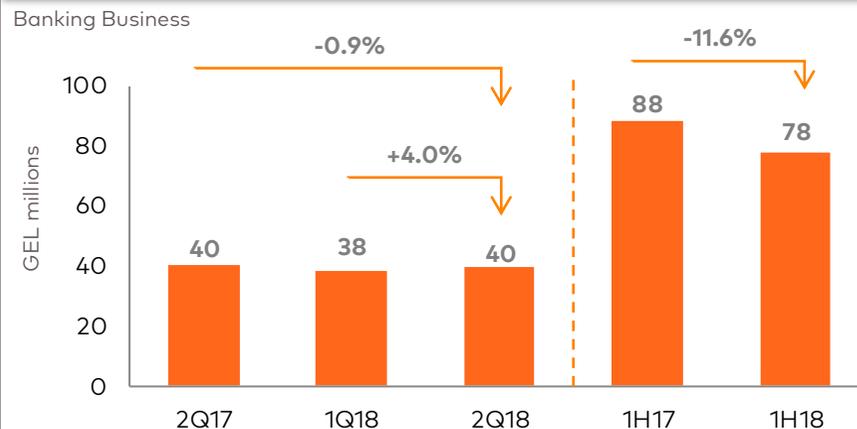
## NPL composition



## Cost of Risk



## Cost of Credit risk

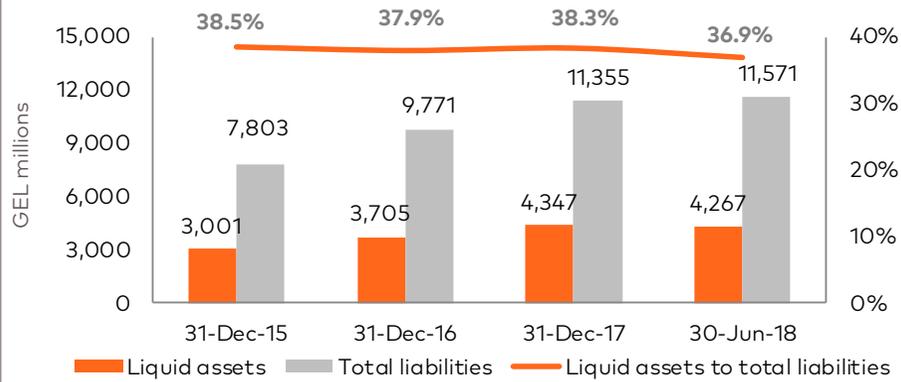


# STRONG LIQUIDITY



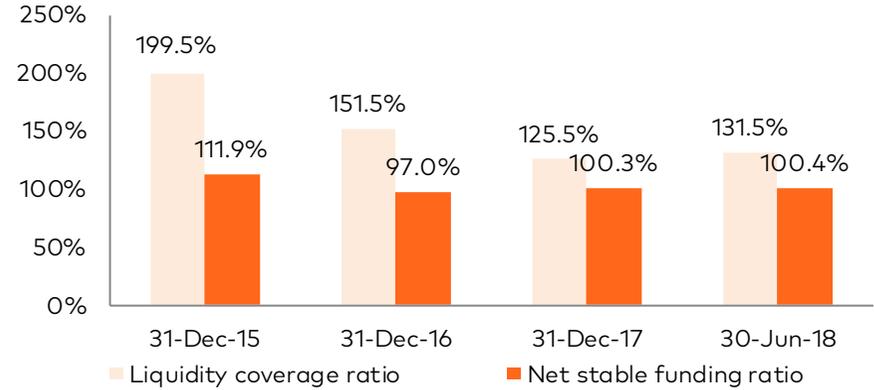
## Liquid assets to total liabilities

Banking Business



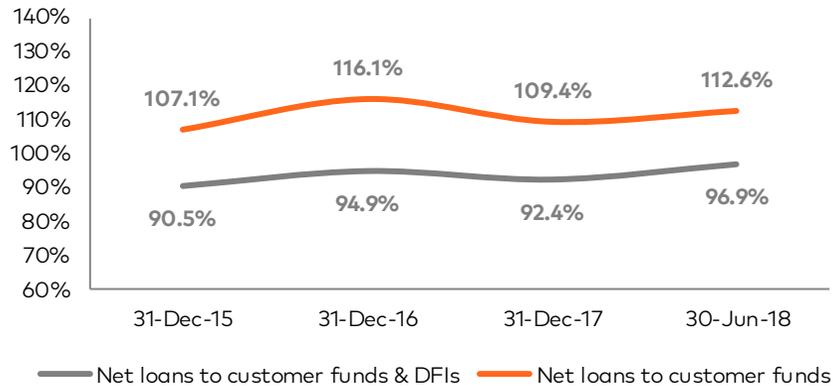
## Liquidity coverage ratio & net stable funding ratio

JSC Bank of Georgia standalone (Basel III Liquidity)



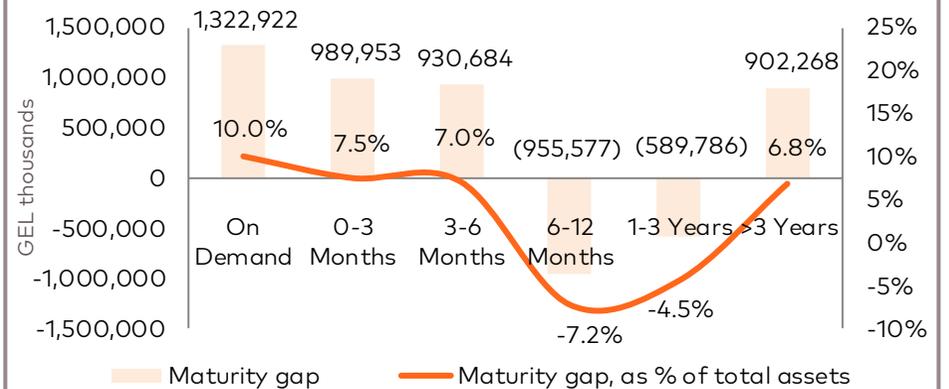
## Net loans to customer funds & DFI

Banking Business



## Cumulative maturity gap | 30 June 2018

Banking Business



# NBG (BASEL III) CAPITAL ADEQUACY POSITION



## Capital adequacy requirements introduced by National Bank of Georgia in December 2017

### Transition to Basel III Standards:

- Systemic capital surcharge:** 2.5% of risk weighted assets to be phased-in during the next four years as per below schedule:

	31-Dec-17	31-Dec-18	31-Dec-19	31-Dec-20	31-Dec-21
Systemic Buffer	0%	1.0%	1.5%	2.0%	2.5%

- Currency induced credit risk ("CICR") buffer** was introduced instead of current additional 75% weighting of FX denominated loans. 56% of CICR buffer should be held on CET1 level, 75% on Tier 1 level and 100% on total capital
- General Risk Assessment Program ("GRAPE")** for individual banks: GRAPE buffer is set at 2.2%. GRAPE buffer will be reviewed annually and will be phased-in on different levels of capital according to the below schedule:

	31-Dec-17	31-Dec-18	31-Dec-19	31-Dec-20	31-Dec-21
CET 1	0%	15%	30%	45%	56%
Tier 1	0%	20%	40%	60%	75%
Total Capital	0%	100%	100%	100%	100%

- Credit Portfolio Concentration buffer**, effective from 1 April 2018 and phased in over the four year period on different levels of capital according to the above schedule
- Net Stress Test buffer** effective from 1 January 2020

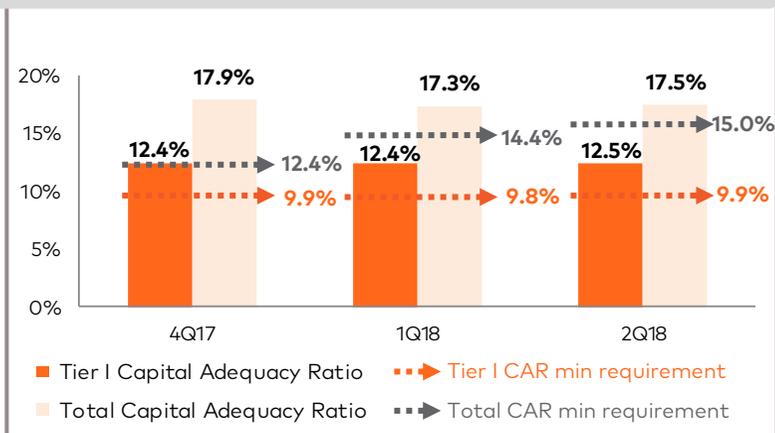
- In the view of above, Bank of Georgia became subject to the following minimum capital requirements:

	31-Dec-17	31-Mar-18	30-Jun-18	31-Dec-18 Expected
CET 1	8.1%	8.0%	8.0%	9.5%*
Tier 1	9.9%	9.8%	9.9%	11.4%*
Total Capital	12.4%	14.4%	15.0%	16.0%*

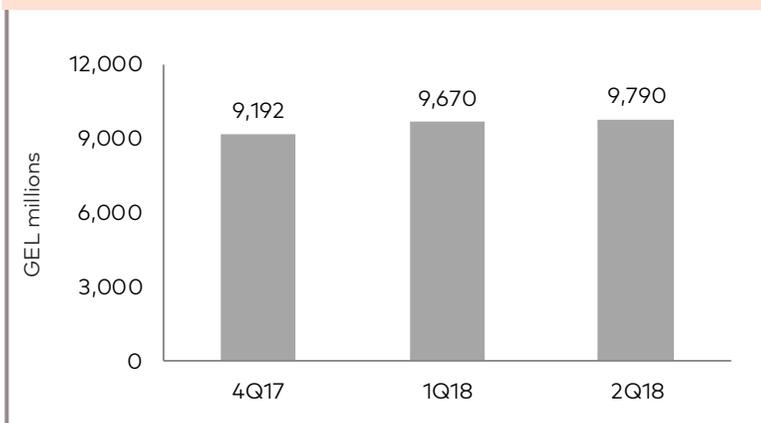
\* Indicated minimum capital adequacy ratio contains CICR and Credit Portfolio Concentration buffers estimate for 31 December 2018

**Transition to Basel III is not expected to affect the Bank's growth prospects or its ability to maintain dividend distributions within the existing dividend policy payout range**

## Capital Adequacy Ratios



## Risk Weighted Assets



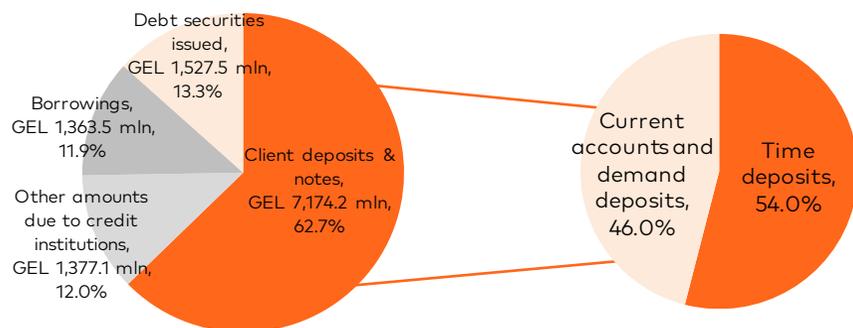
# WELL-ESTABLISHED FUNDING STRUCTURE



## Interest Bearing Liability structure | 30 June 18

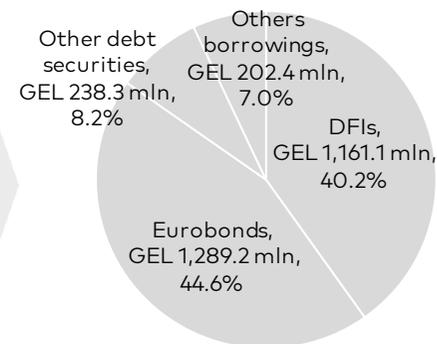
Banking Business

Interest Bearing Liabilities **GEL 11.4bn**



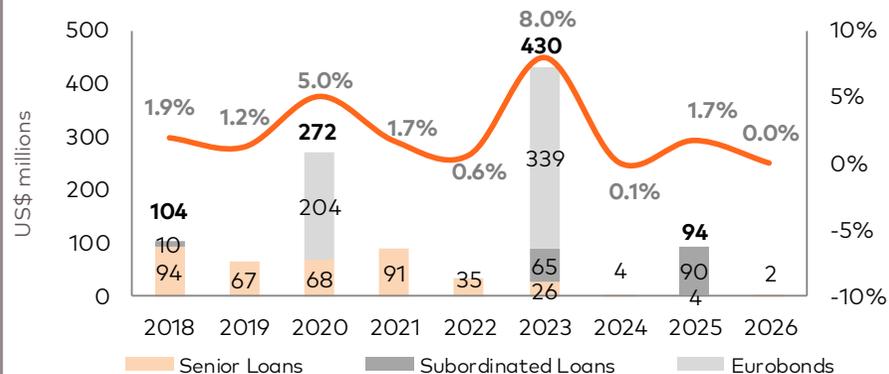
## Well diversified international borrowings | 2Q18

Banking Business



## Borrowed funds maturity breakdown\*

Banking Business



## Highlights for 1H18

- Banking Business has a well-balanced funding structure with 62.7% of interest bearing liabilities coming from client deposits and notes, 10.1% from Developmental Financial Institutions (DFIs) and 11.3% from Eurobonds and notes issued, as of 30 June 2018
- The Bank has also been able to secure favorable financing from reputable international commercial sources, as well as DFIs, such as EBRD, IFC, EFSE, BSTDB, etc.
- As of 30 June 2018, GEL 32 million undrawn facilities from DFIs with up to one year maturity
- In July 2016, BGEO Group issued 7 year, US\$ 350mln Eurobonds with 6.00% coupon (bonds were pushed down to BOG in March 2018). Bonds were trading at 5.973%\*\* on 8 August 2018
- In June 2017, BOG issued 3 year, GEL 500mln local currency international bonds with 11.00% coupon. Bonds were trading at 10.978%\*\* on 8 August 2018



BANK OF GEORGIA

\* converted at GEL/US\$ exchange rate of 2.4516 as of 30 June 2018

\*\* source: Bloomberg

# RETAIL BANKING HIGHLIGHTS



Data as at 30 June 2018 for JSC Bank of Georgia standalone

	1  Emerging Retail	2  BANK OF GEORGIA Mass Retail	3  SOLO Mass Affluent	4  BANK OF GEORGIA BUSINESS MSME
Segments	Emerging Retail	Mass Retail	Mass Affluent	MSME
Clients	533 k	1,628 k	39 k	182 k
Loans	GEL 301 mln	GEL 1,952 mln	GEL 1,397 mln	GEL 1,866 mln
Deposits	GEL 166 mln	GEL 1,444 mln	GEL 1,387 mln	GEL 482 mln
1H18 Profit*	GEL 20 mln	GEL 55 mln	GEL 26 mln	GEL 35 mln
Profit per client (annualised)*	GEL 77	GEL 68	GEL 1,446	GEL 405
P/C ratio	3.5	1.9	5.6	1.4
Branches	168	99	12	n/a



# RETAIL BANKING HIGHLIGHTS

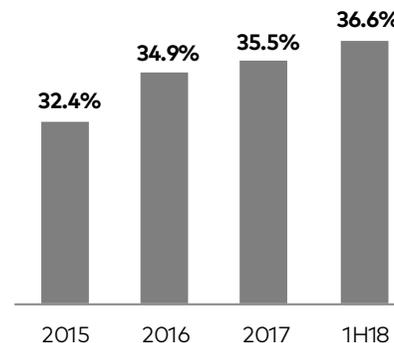


## Income Statement Highlights

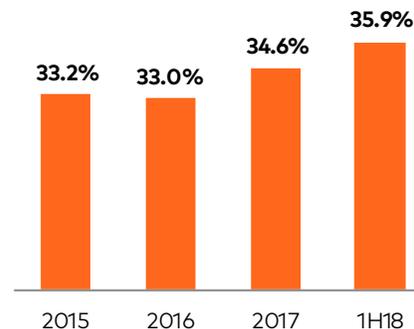
<i>GEL thousands unless otherwise noted</i>	2Q18	2Q17	Change y-o-y	1Q18	Change q-o-q	1H18	1H17	Change y-o-y
Net interest income	138,234	112,575	22.8%	135,327	2.1%	273,560	224,086	22.1%
Net fee and commission income	29,152	23,970	21.6%	26,141	11.5%	55,292	46,215	19.6%
Net foreign currency gain	10,158	6,060	67.6%	6,111	66.2%	16,269	12,552	29.6%
Net other income	1,664	(851)	NMF	3,103	-46.4%	4,768	131	NMF
<b>Revenue</b>	<b>179,208</b>	<b>141,754</b>	<b>26.4%</b>	<b>170,682</b>	<b>5.0%</b>	<b>349,889</b>	<b>282,984</b>	<b>23.6%</b>
Salaries and other employee benefits	(34,640)	(29,763)	16.4%	(32,112)	7.9%	(66,752)	(57,628)	15.8%
Administrative expenses	(20,542)	(16,084)	27.7%	(19,541)	5.1%	(40,084)	(32,919)	21.8%
Depreciation and amortisation	(9,818)	(8,644)	13.6%	(9,902)	-0.8%	(19,720)	(16,634)	18.6%
Other operating expenses	(602)	(905)	-33.5%	(503)	19.7%	(1,104)	(988)	11.7%
<b>Operating expenses</b>	<b>(65,602)</b>	<b>(55,396)</b>	<b>18.4%</b>	<b>(62,058)</b>	<b>5.7%</b>	<b>(127,660)</b>	<b>(108,169)</b>	<b>18.0%</b>
Profit from associate	376	394	-4.6%	319	17.9%	695	909	0.0%
<b>Operating income before cost of credit risk</b>	<b>113,982</b>	<b>86,752</b>	<b>31.4%</b>	<b>108,943</b>	<b>4.6%</b>	<b>222,924</b>	<b>175,724</b>	<b>26.9%</b>
Cost of credit risk	(31,762)	(31,352)	1.3%	(32,783)	-3.1%	(64,544)	(65,433)	-1.4%
<b>Profit before non-recurring items and income tax</b>	<b>82,220</b>	<b>55,400</b>	<b>48.4%</b>	<b>76,160</b>	<b>8.0%</b>	<b>158,380</b>	<b>110,291</b>	<b>43.6%</b>
Net non-recurring items	(27,099)	(760)	NMF	(1,975)	NMF	(29,075)	(1,242)	NMF
<b>Profit before income tax</b>	<b>55,121</b>	<b>54,640</b>	<b>0.9%</b>	<b>74,185</b>	<b>-25.7%</b>	<b>129,305</b>	<b>109,049</b>	<b>18.6%</b>
Income tax expense	(18,237)	(1,776)	NMF	(5,836)	NMF	(24,072)	(5,368)	NMF
<b>Profit</b>	<b>36,884</b>	<b>52,864</b>	<b>-30.2%</b>	<b>68,349</b>	<b>-46.0%</b>	<b>105,233</b>	<b>103,681</b>	<b>1.5%</b>

## Market Position

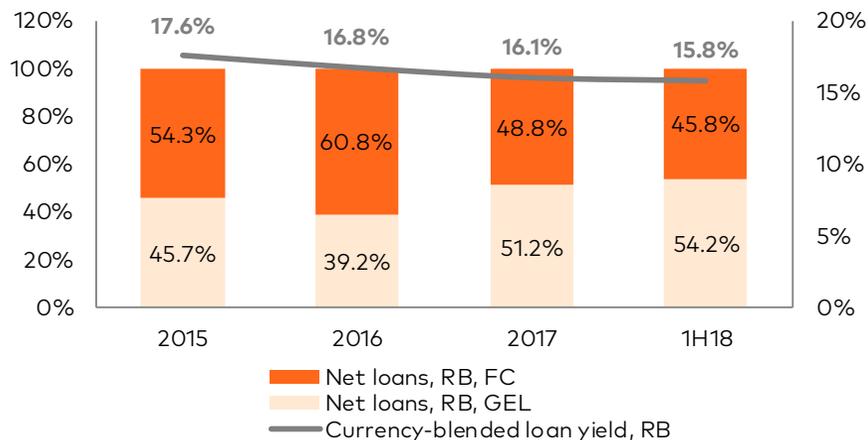
### Market Share by Loans\*



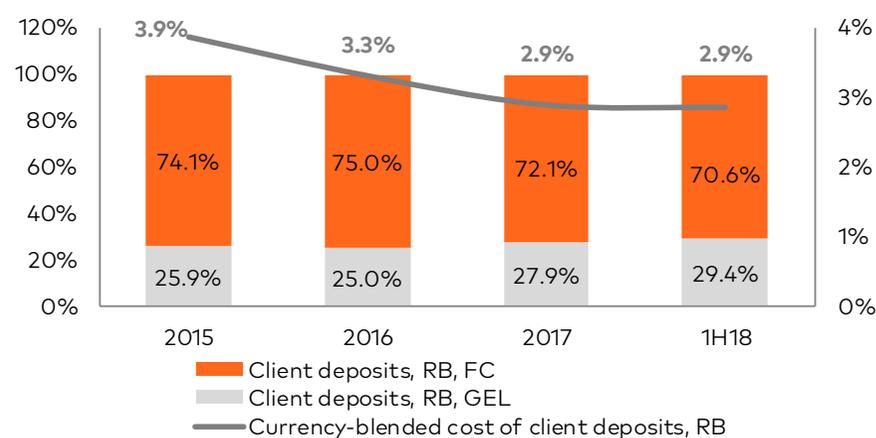
### Market Share by Deposits\*



## Loan Yield



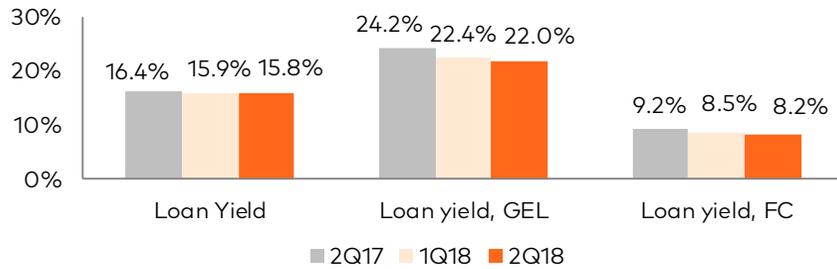
## Deposit Cost



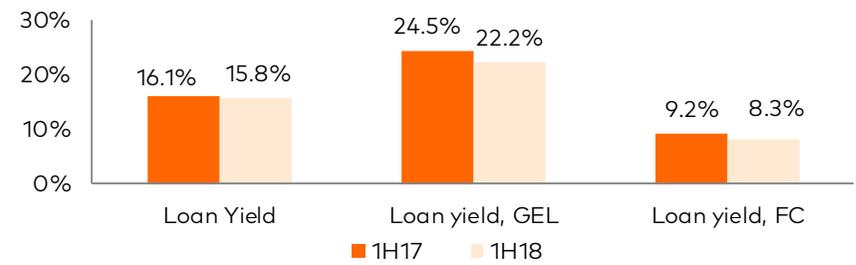
# RETAIL BANKING LOAN YIELD, COST OF DEPOSITS & NIM



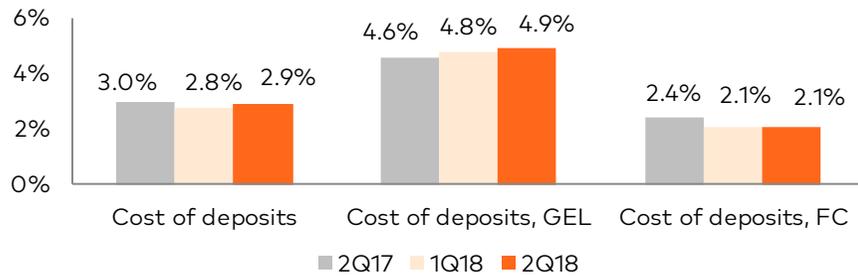
### RB Loan Yield I quarterly



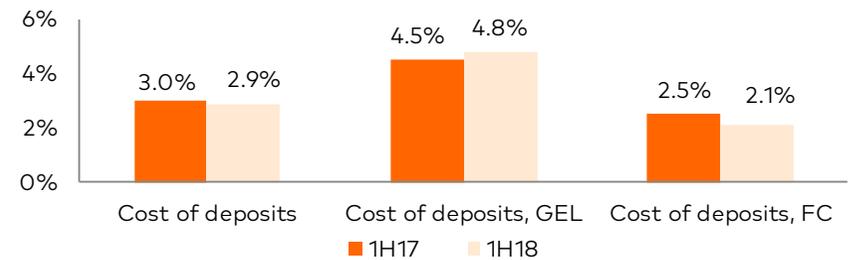
### RB Loan Yield I half-year



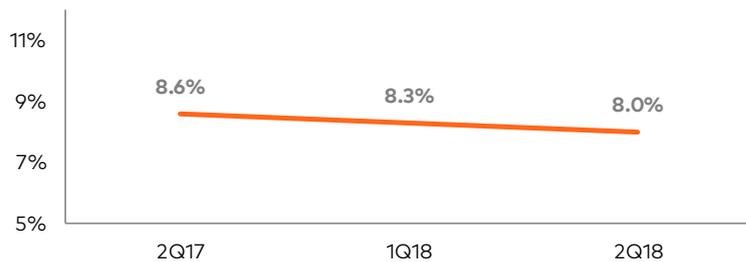
### RB Cost of Deposit I quarterly



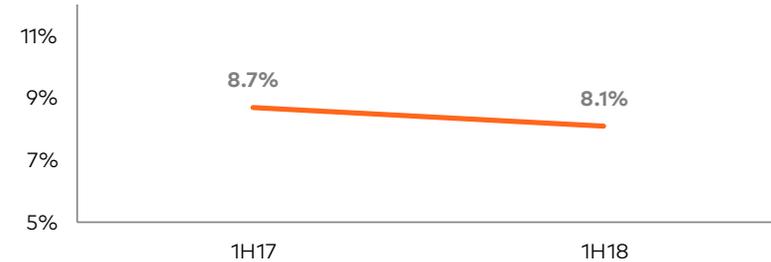
### RB Cost of Deposit I half-year



### RB NIM I quarterly



### RB NIM I half-year



# RETAIL BANKING - LEADING RETAIL BANK IN GEORGIA



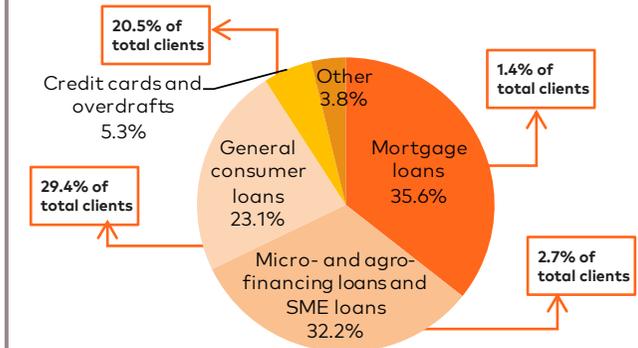
## RB Client Data

Operating Data, GEL mln	2Q18	% of clients	2017	2016	2015
<b>Number of total Retail clients, of which:</b>	<b>2,382,139</b>		<b>2,315,038</b>	<b>2,141,229</b>	<b>1,999,869</b>
<i>Number of Solo clients</i>	39,030	1.6%	32,104	19,267	11,869
<b>Consumer loans &amp; other outstanding, volume</b>	<b>1,531</b>		<b>1,480</b>	<b>1,104</b>	<b>836</b>
Consumer loans & other outstanding, number	701,269	29.4%	738,694	647,441	625,458
<b>Mortgage loans outstanding, volume</b>	<b>1,922</b>		<b>1,706</b>	<b>1,228</b>	<b>809</b>
Mortgage loans outstanding, number	34,134	1.4%	26,643	16,300	12,857
<b>Micro &amp; SME loans outstanding, volume</b>	<b>1,747</b>		<b>1,637</b>	<b>1,346</b>	<b>904</b>
Micro & SME loans outstanding, number	63,209	2.7%	53,732	36,379	19,045
<b>Credit cards and overdrafts outstanding, volume</b>	<b>316</b>		<b>308</b>	<b>291</b>	<b>306</b>
Credit cards and overdrafts outstanding, number	487,394	20.5%	480,105	442,487	435,010
Credit cards outstanding, number, of which:	628,035	26.4%	673,573	800,621	754,274
<i>American Express cards</i>	107,555	4.5%	97,178	79,567	100,515

## RB Portfolio breakdown

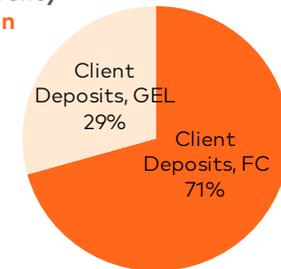
### Loans by products

Total: **GEL 5.4bln**



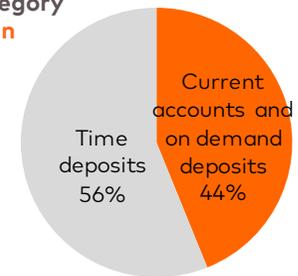
### Deposits by currency

Total: **GEL 3.5bln**

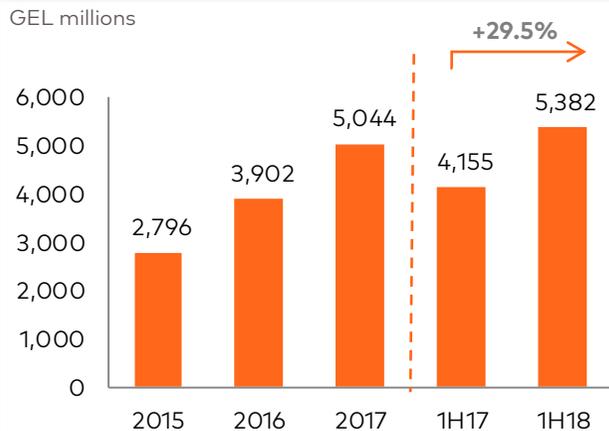


### Deposits by category

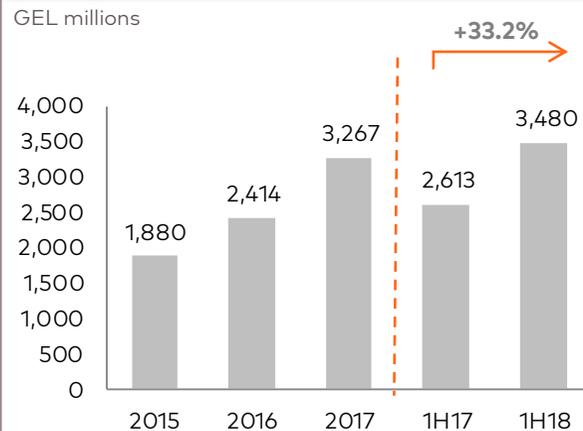
Total: **GEL 3.5bln**



## RB Loans



## RB Deposits



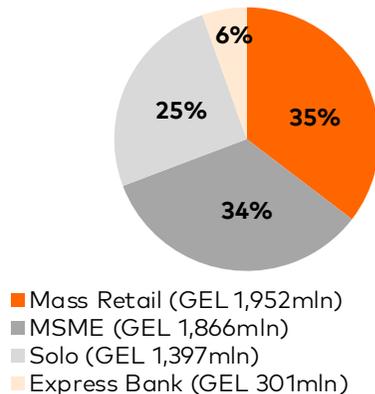
# RETAIL BANKING FINANCIAL DATA



## Balance Sheet | 30 June 2018

JSC Bank of Georgia Standalone

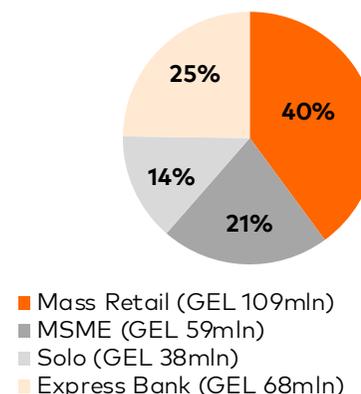
**Total Gross Loans**  
GEL 5,516mln



## Income Statement | 1H18

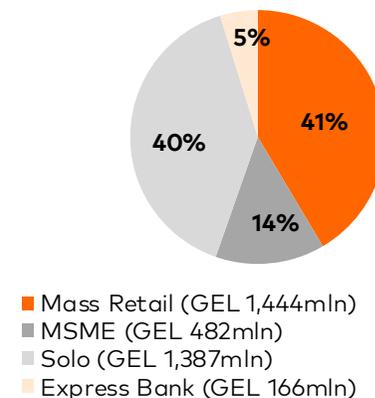
JSC Bank of Georgia Standalone

**Net Interest Income**  
GEL 274mln



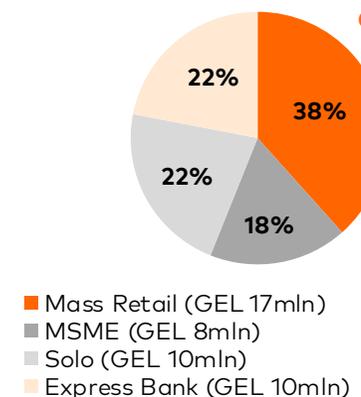
JSC Bank of Georgia Standalone

**Total Deposits**  
GEL 3,480mln



JSC Bank of Georgia Standalone

**Net Fee & Commission Income**  
GEL 45mln

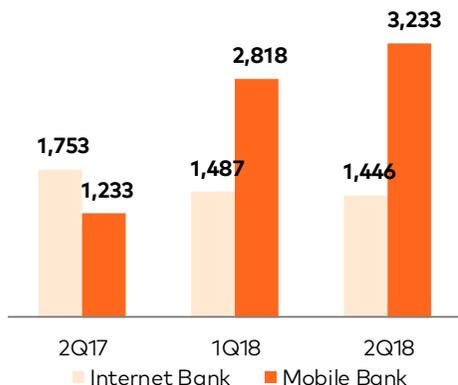


# RETAIL BANKING – DIGITAL PENETRATION

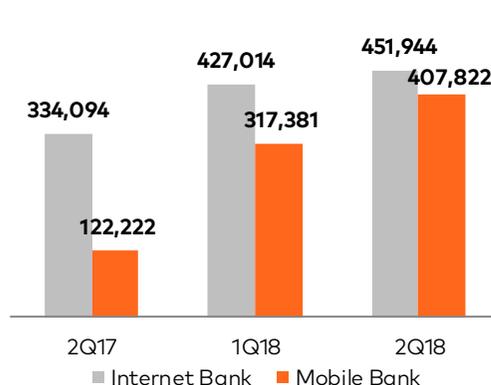


## Digital Channel Statistics

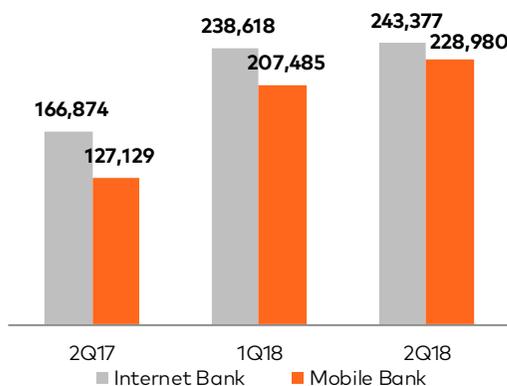
Number of Transactions | '000



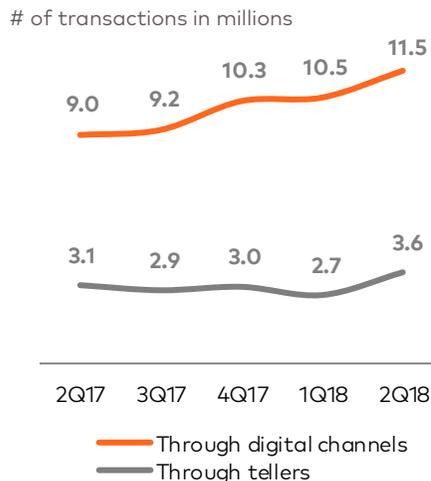
Volume of Transactions | GEL '000



Number of Active Users



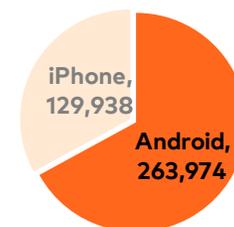
Digital vs. Non-digital Transactions



## New Mobile Banking App

- Volume of transactions **+28.5%** q-o-q
- Number of transactions **+14.7%** q-o-q
- Number of active users **+10.4%** q-o-q

393,912 mBank downloads since May 2017



132,221 mBank downloads in 2018



# CORPORATE INVESTMENT BANKING HIGHLIGHTS

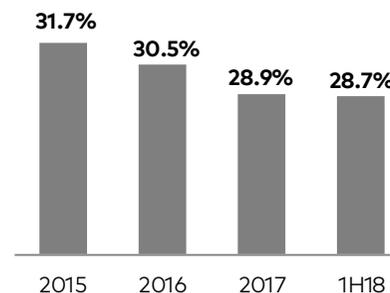


## Income Statement Highlights

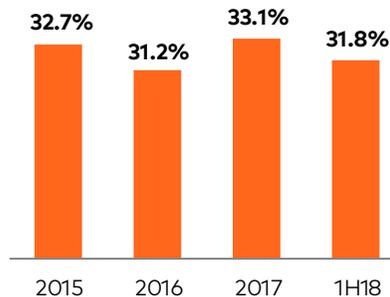
<i>GEL thousands unless otherwise noted</i>	2Q18	2Q17	Change y-o-y	1Q18	Change q-o-q	1H18	1H17	Change y-o-y
Net interest income	41,718	37,133	12.3%	38,232	9.1%	79,951	75,082	6.5%
Net fee and commission income	6,355	5,301	19.9%	6,198	2.5%	12,554	10,967	14.5%
Net foreign currency gain	10,259	10,409	-1.4%	6,644	54.4%	16,903	21,839	-22.6%
Net other income	2,078	1,929	7.7%	2,798	-25.7%	4,873	4,187	16.4%
<b>Revenue</b>	<b>60,410</b>	<b>54,772</b>	<b>10.3%</b>	<b>53,872</b>	<b>12.1%</b>	<b>114,281</b>	<b>112,075</b>	<b>2.0%</b>
Salaries and other employee benefits	(13,725)	(12,974)	5.8%	(12,595)	9.0%	(26,320)	(25,319)	4.0%
Administrative expenses	(3,700)	(3,516)	5.2%	(3,459)	7.0%	(7,159)	(7,051)	1.5%
Depreciation and amortisation	(1,269)	(1,263)	0.5%	(1,309)	-3.1%	(2,578)	(2,480)	4.0%
Other operating expenses	(253)	(188)	34.6%	(144)	75.7%	(396)	(346)	14.5%
<b>Operating expenses</b>	<b>(18,947)</b>	<b>(17,941)</b>	<b>5.6%</b>	<b>(17,507)</b>	<b>8.2%</b>	<b>(36,453)</b>	<b>(35,196)</b>	<b>3.6%</b>
<b>Operating income before cost of credit risk</b>	<b>41,463</b>	<b>36,831</b>	<b>12.6%</b>	<b>36,365</b>	<b>14.0%</b>	<b>77,828</b>	<b>76,879</b>	<b>1.2%</b>
Cost of credit risk	(5,603)	(5,030)	11.4%	(4,643)	20.7%	(10,246)	(13,729)	-25.4%
<b>Profit before non-recurring items and income tax</b>	<b>35,860</b>	<b>31,801</b>	<b>12.8%</b>	<b>31,722</b>	<b>13.0%</b>	<b>67,582</b>	<b>63,150</b>	<b>7.0%</b>
Net non-recurring items	(10,871)	(259)	NMF	(272)	NMF	(11,144)	(1,414)	NMF
<b>Profit before income tax</b>	<b>24,989</b>	<b>31,542</b>	<b>-20.8%</b>	<b>31,450</b>	<b>-20.5%</b>	<b>56,438</b>	<b>61,736</b>	<b>-8.6%</b>
Income tax benefit	(8,550)	(1,053)	NMF	(2,444)	NMF	(10,993)	(2,965)	NMF
<b>Profit</b>	<b>16,439</b>	<b>30,489</b>	<b>-46.1%</b>	<b>29,006</b>	<b>-43.3%</b>	<b>45,445</b>	<b>58,771</b>	<b>-22.7%</b>

## Market Position

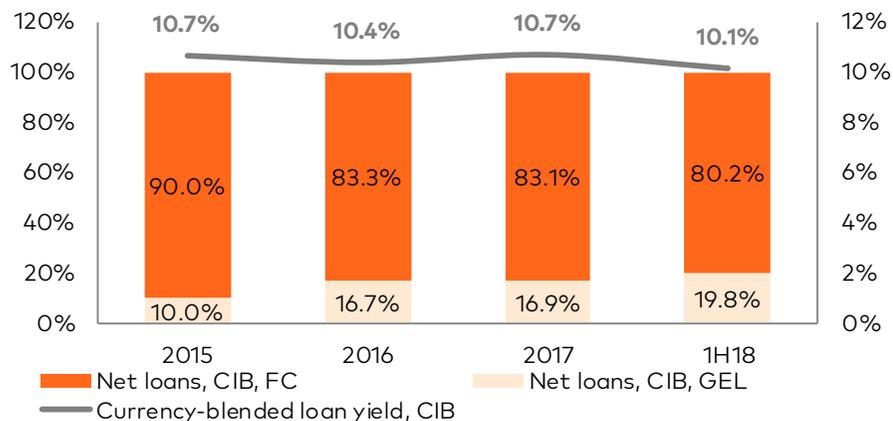
### Market Share by Loans\*



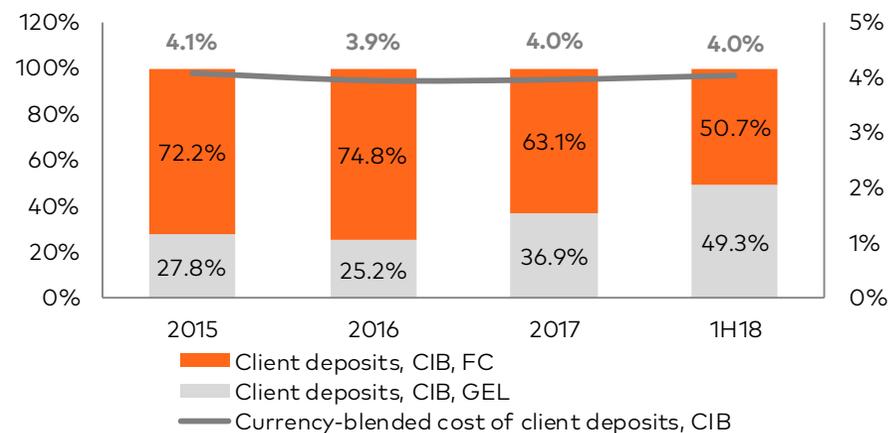
### Market Share by Deposits\*



## Loan Yield



## Deposit Cost



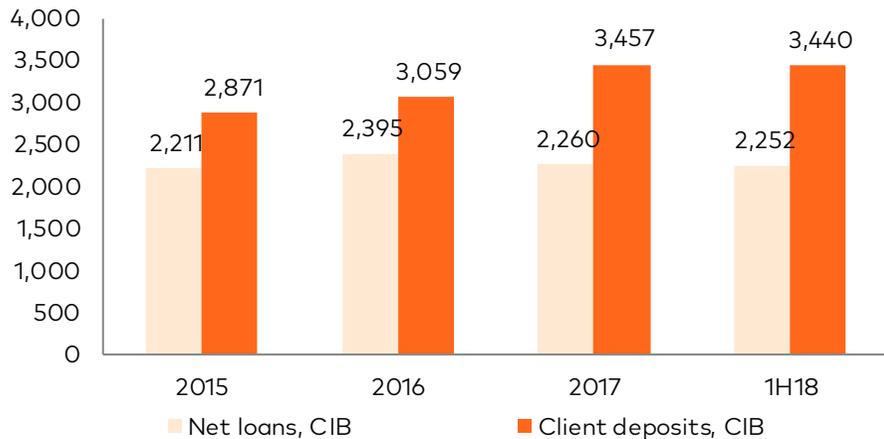


## Highlights

- **Leading corporate bank in Georgia**
- Integrated client coverage in key sectors
  - **c.2,724** corporate clients served by dedicated relationship bankers

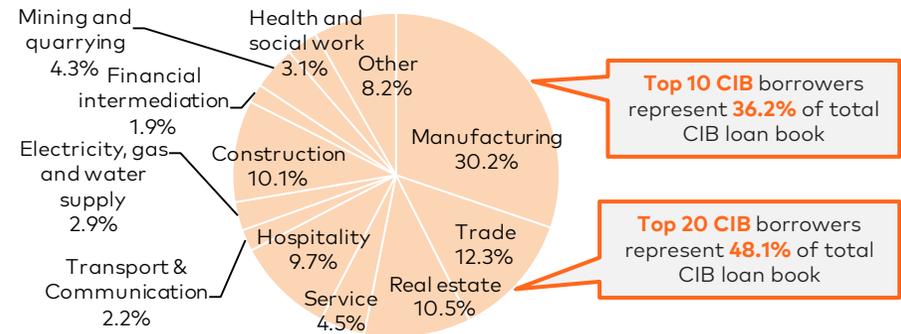
## Loans & Deposits

GEL millions

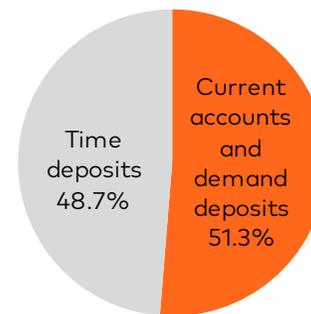


## Portfolio breakdown | 30 June 2018

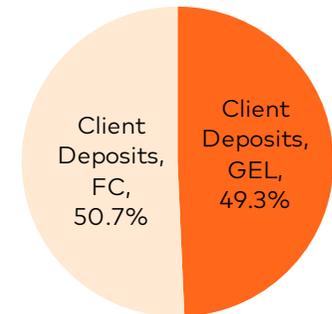
### Loans by sectors



### Deposits by category



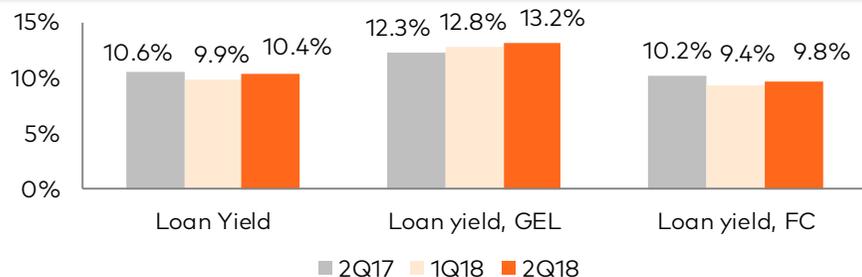
### Deposits by currency



# CIB LOAN YIELD, COST OF DEPOSITS & NIM



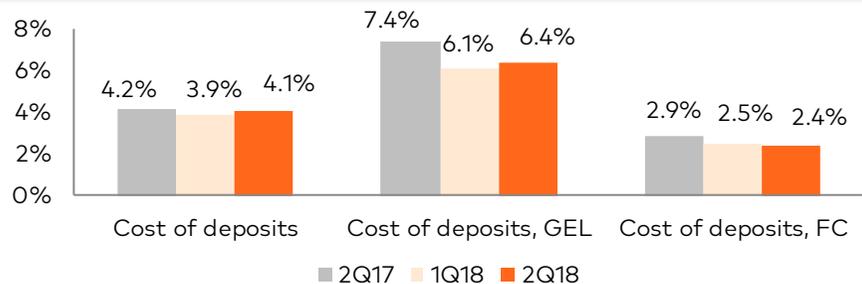
## CIB Loan Yield I quarterly



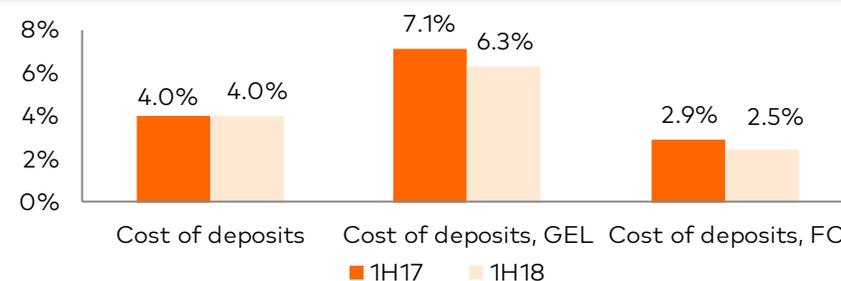
## CIB Loan Yield I half-year



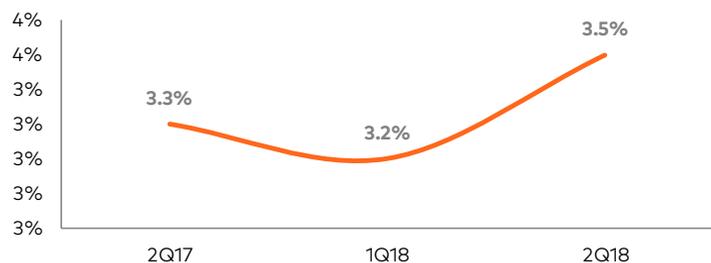
## CIB Cost of Deposit I quarterly



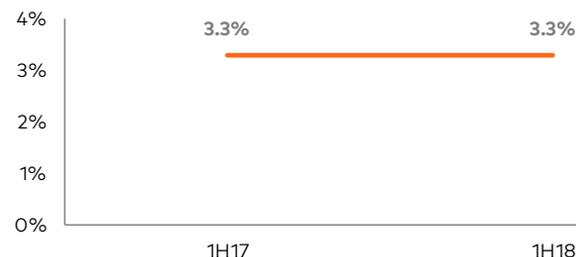
## CIB Cost of Deposit I half-year



## CIB NIM I quarterly



## CIB NIM I half-year



# BUILDING BLOCKS TO BECOME THE FINANCIAL SERVICES HUB



## Wealth Management

- **Strong international presence:**  
Israel (since 2008), UK (2010), Hungary (2012), Turkey (2013) and Cyprus (2017)
- **AUM of GEL 1,994 million**, up 19.7% y-o-y
- **Diversified funding sources:**
  - Georgia 34%
  - Israel 12%
  - UK 4%
  - Germany 2%
  - Other 48%



## Research

- Sector, macro and fixed income coverage
- Georgian quarterly macroeconomic update
- International distribution



## Investment Management



## Brokerage

- **Wide product coverage**



- **Exclusive partner of SAXO Bank** via White Label structure, that provides highly adaptive trading platform with professional tools, insights and world-class execution



## Corporate Advisory

- **Bond placements in 1H18**
  - In March 2018, Galt & Taggart acted as a co-manager of Georgia Capital's inaugural US\$300mln international bond issuance due in 2024
  - In March 2018, Galt & Taggart acted as a lead manager for Black Sea Trade and Development Bank, facilitating a public placement of GEL 75mln local bonds
  - In July 2018, Galt & Taggart acted as a lead manager for FMO, facilitating a public placement of GEL 160mln local bonds
- **Corporate advisory platform**
  - Team with sector expertise and international M&A experience
  - Proven track record of more than 30 completed transactions over the past 8 years

# CONTENT



- **Overview** | Bank of Georgia Group PLC **4**
- **Results Discussion** | Banking Business **11**
- **Georgian Macro Overview** **35**
- **Appendices** **56**

# GEORGIA AT A GLANCE



## General Facts

- Area: 69,700 sq km
- Population (2017): 3.7 mln
- Life expectancy: 77 years
- Official language: Georgian
- Literacy: 100%
- Capital: Tbilisi
- Currency (code): Lari (GEL)

## Economy

- Nominal GDP (Geostat) 2017: GEL 38.0 bln (US\$15.2 bln)
- Real GDP growth rate 2014-2017: 4.6%, 2.9%, 2.8%, 5.0%
- Real GDP 2007-17 annual average growth rate: 4.5%
- Real GDP growth rate 1H18 : 5.7%
- GDP per capita 2017 (PPP) per IMF: US\$ 10,747
- Annual inflation (e-o-p) 2017: 6.7%
- External public debt to GDP 2017: 35.3%
- Sovereign credit ratings:
  - S&P BB-/Stable, affirmed in May 2017
  - Moody's Ba2/Stable, upgraded in September 2017
  - Fitch BB-/Positive, affirmed in March 2018



# GEORGIA'S KEY ECONOMIC DRIVERS

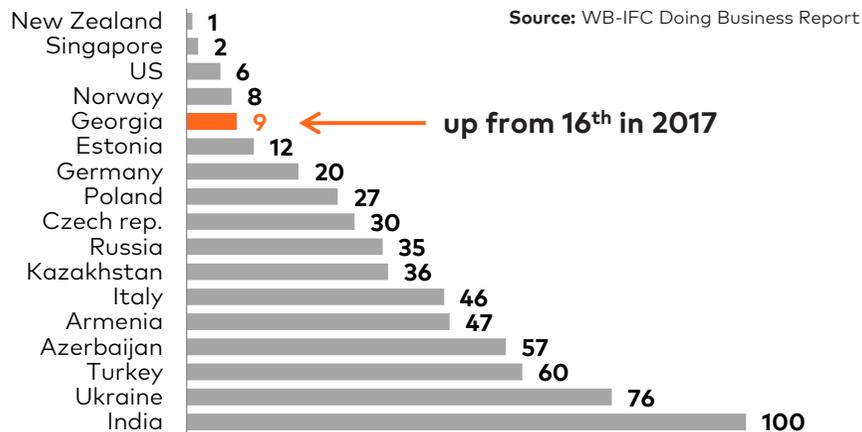


<p><b>Liberal economic policy</b></p>	<p><b>Top performer globally in WB Doing Business over the past 12 years</b></p> <ul style="list-style-type: none"> <li>Liberty Act (effective January 2014) ensures a credible fiscal and monetary framework:</li> <li>Public expenditure/GDP capped at 30%; Fiscal deficit/GDP capped at 3%; Public debt/GDP capped at 60%</li> <li>Business friendly environment and low tax regime (attested by favourable international rankings)</li> </ul>
<p><b>Regional logistics and tourism hub</b></p>	<p><b>A natural transport and logistics hub, connecting land-locked energy rich countries in the east and European markets in the west</b></p> <ul style="list-style-type: none"> <li>Access to a market of 2.8bn customers without customs duties: Free trade agreements with EU, China, CIS and Turkey, recently signed FTA with Hong Kong. The GSP with USA, Canada, Japan, Norway and Switzerland; FTA with India under consideration</li> <li>Tourism revenues on the rise: tourism inflows stood at 17.8% of GDP in 2017 and total arrivals reached 7.9mln visitors in 2017 (up 17.6% y-o-y), out of which tourist arrivals were up 23.4% y-o-y to 4.1mln visitors.</li> <li>Regional energy transit corridor accounting for 1.6% of the world's oil and gas transit volumes</li> </ul>
<p><b>Strong FDI</b></p>	<p><b>An influx of foreign investors on the back of the economic reforms have boosted productivity and accelerated growth</b></p> <ul style="list-style-type: none"> <li>FDI stood at US\$ 1.9bln (12.3% of GDP) in 2017, up 16.2% y-o-y</li> <li>FDI averaged 10.0% of GDP in 2007-2017</li> </ul>
<p><b>Support from international community</b></p>	<p><b>Georgia and the EU signed an Association Agreement and DCFTA in June 2014</b></p> <ul style="list-style-type: none"> <li>Visa-free travel to the EU is another major success in Georgian foreign policy. Georgian passport holders were granted free entrance to the EU countries from 28 March 2017</li> <li>Discussions commenced with the USA to drive inward investments and exports</li> <li>Strong political support from NATO, EU, US, UN and member of WTO since 2000; Substantial support from DFIs, the US and EU</li> </ul>
<p><b>Electricity transit hub potential</b></p>	<p><b>Developed, stable and competitively priced energy sector</b></p> <ul style="list-style-type: none"> <li>Only 20% of hydropower capacity utilized; 145 renewable (HPPs/WPPs/SPPs) energy power plants are in various stages of construction or development</li> <li>Georgia imports natural gas mainly from Azerbaijan</li> <li>Significantly boosted transmission capacity in recent years, a new 400 kV line to Turkey and 500 kV line to Azerbaijan built, other transmission lines to Armenia and Russia upgraded</li> <li>Additional 2,000 MW transmission capacity development in the pipeline, facilitating cross-border electricity trade and energy swaps to Eastern Europe</li> </ul>
<p><b>Political environment stabilised</b></p>	<ul style="list-style-type: none"> <li>Georgia underscored its commitment to European values by securing a democratic transfer of political power in successive parliamentary, presidential, and local elections and by signing an Association Agreement and free trade agreement with the EU</li> <li>Constitution amendments passed in 2013 to enhance governing responsibility of Parliament and reduce the powers of the Presidency</li> <li>Continued economic relationship with Russia, although economic dependence is relatively low</li> <li>Russia began issuing visas to Georgians in March 2009; Georgia abolished visa requirements for Russians -The Russian side announced to ease visa procedures for Georgians citizens effective December 23, 2015</li> <li>Direct flights between the two countries resumed in January 2010</li> <li>Member of WTO since 2000, allowed Russia's access to WTO; In 2013 trade restored with Russia</li> <li>In 2017, Russia accounted for 14.5% of Georgia's exports and 10.0% of imports; just 3.5% of cumulative FDI over 2003-17</li> </ul>

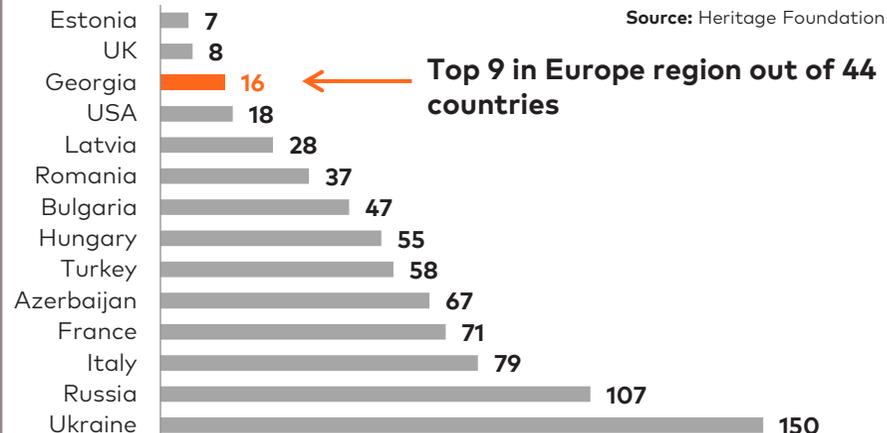
# GROWTH ORIENTED REFORMS



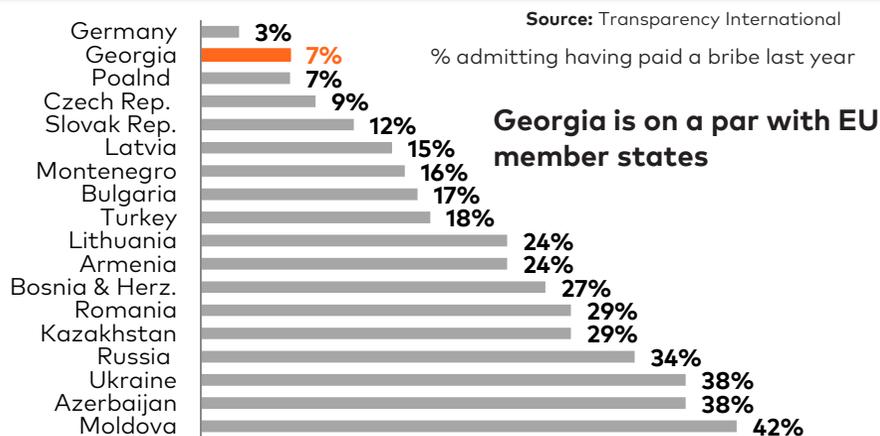
## Ease of Doing Business | 2018



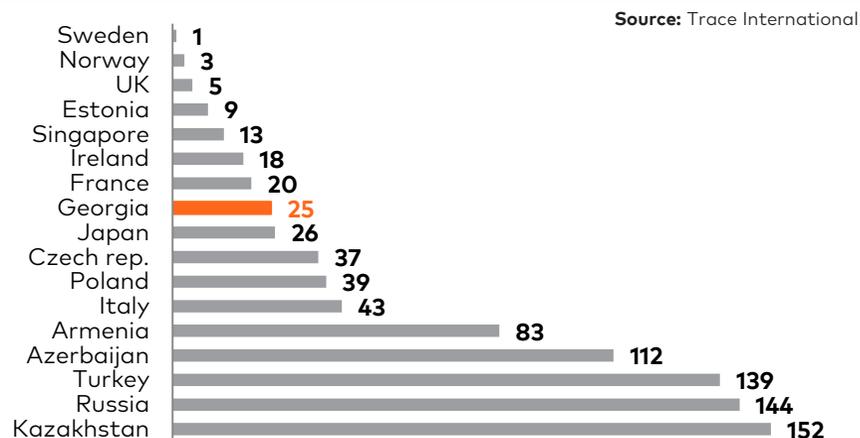
## Economic Freedom Index | 2018



## Global Corruption Barometer | 2017



## Business Bribery Risk | 2017





## 1 Structural Reforms

- **Tax Reform**
  - Corporate income tax reform
  - Enhancing easiness of tax compliance
- **Capital Market Reform**
  - Boosting stock exchange activities
  - Developing of local bond market
- **Pension Reform**
  - Introduction of private pension system
- **PPP Reform**
  - Introduction of transparent and efficient PPP framework
- **Public Investment Management Framework**
  - Improved efficiency of state projects
- **Deposit Insurance**
  - Boosting private savings
  - Enhancing trust to financial system
- **Accounting Reform**
  - Increased transparency and financial accountability
  - Enhanced protection of shareholder rights
- **Association Agreement Agenda**

## 2 Promoting Transit & Tourism Hub

- **Roads**
  - Plan to finish all spinal projects by 2020 – East-West Highway, other supporting infrastructure
- **Rail**
  - Baku – Tbilisi Kars new railroad line
  - Railway modernization project
- **Air**
  - Tbilisi International Airport
    - 2nd runway to be constructed
    - International Cargo terminal
- **Maritime**
  - Anaklia deep water Black Sea port
    - Strategic location
    - Capable of accommodating Panamax type cargo vessels
    - High capacity – up to 100mln tons turnover annually
- **Up to USD 1bln** for first phase (out of 9) in Georgia

## 3 Promoting Open Governance

- **Improvement of public services offered to the private sector**
  - Creation of "Front Office"
  - Application of "Single Window Principle"
- **Involvement of the private sector in legislative process**
  - Discussion of draft legislation at an early stage
- **Strict monitoring of implementation of government decisions**
  - Creation of a special unit for monitoring purposes

## 4 Education Reform

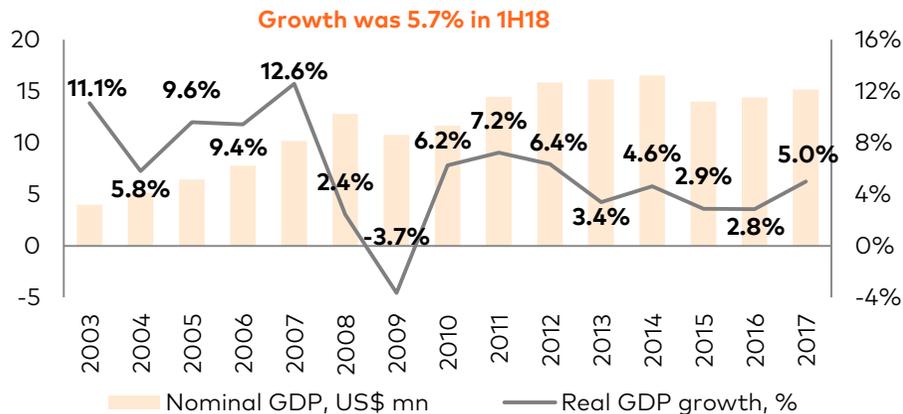
- **General Education Reform**
  - Maximising quality of teaching in secondary schools
- **Fundamental Reform of Higher Education**
  - Based on the comprehensive research of the labor market needs
- **Improvement of Vocational Education**
  - Increase involvement of the private sector in the professional education

# DIVERSIFIED RESILIENT ECONOMY



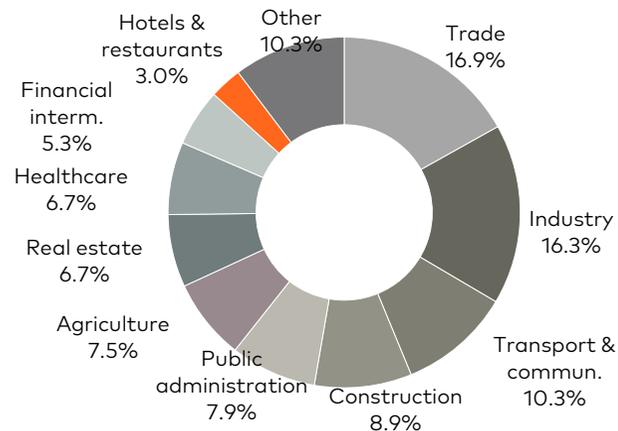
## Gross domestic product

Source: Geostat



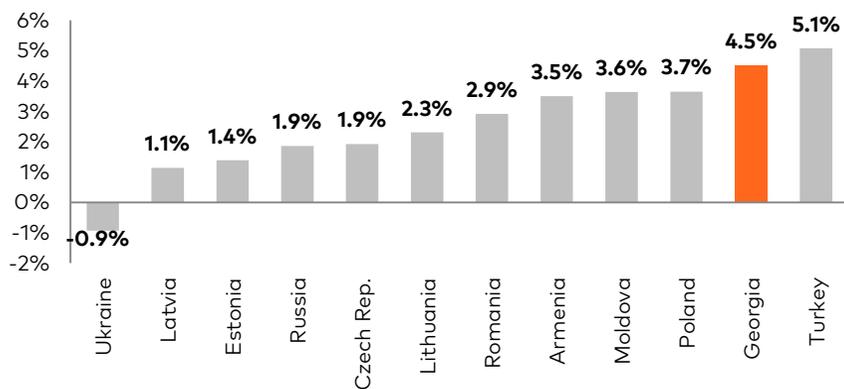
## Diversified nominal GDP structure, 1Q18

Source: Geostat



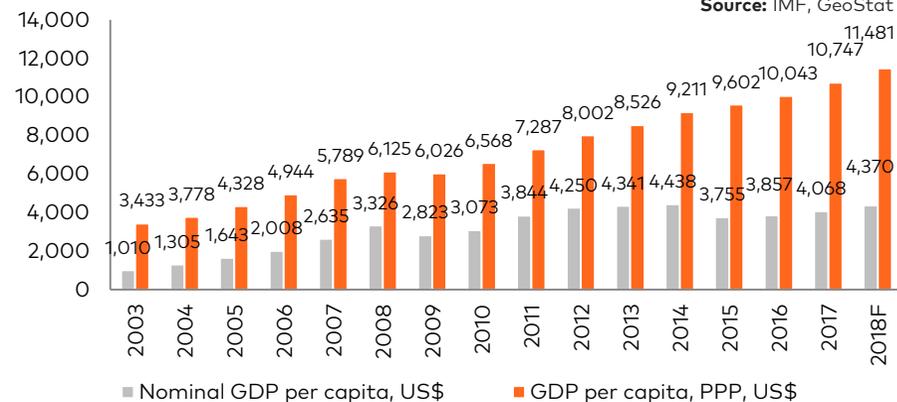
## Comparative real GDP growth rates, % (2007-2017 average)

Source: IMF, GeoStat



## GDP per capita

Source: IMF, GeoStat

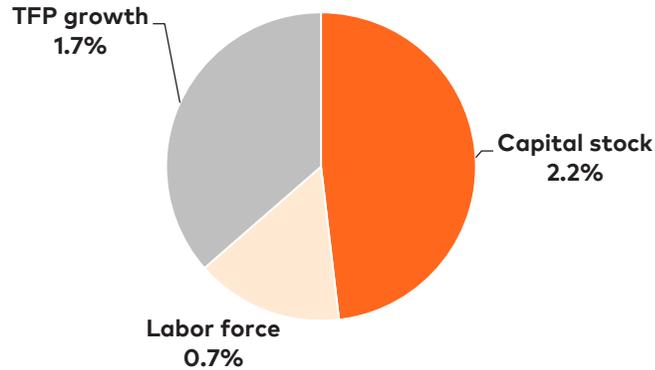


# PRODUCTIVITY AND CAPITAL HAVE BEEN THE MAIN ENGINE OF GROWTH SINCE 2004



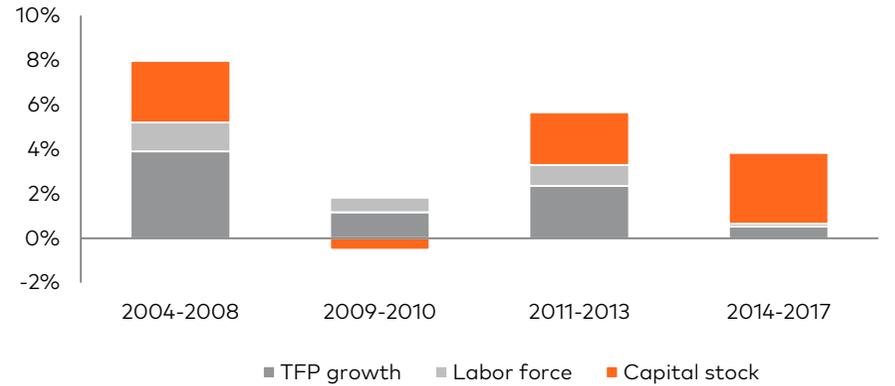
Overall contribution of capital, labour, and Total Factor Productivity (TFP) to growth, 2007-2017

Source: GeoStat, G&T calculation



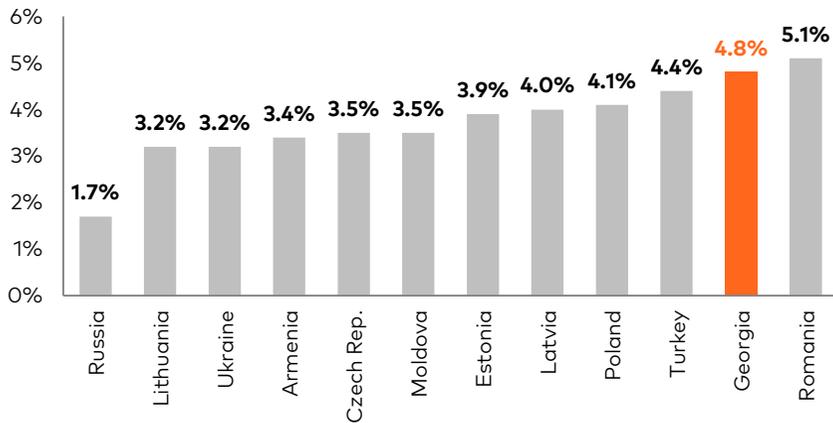
Contributions of capital, labour, and TFP to growth during periods

Source: GeoStat, G&T calculation



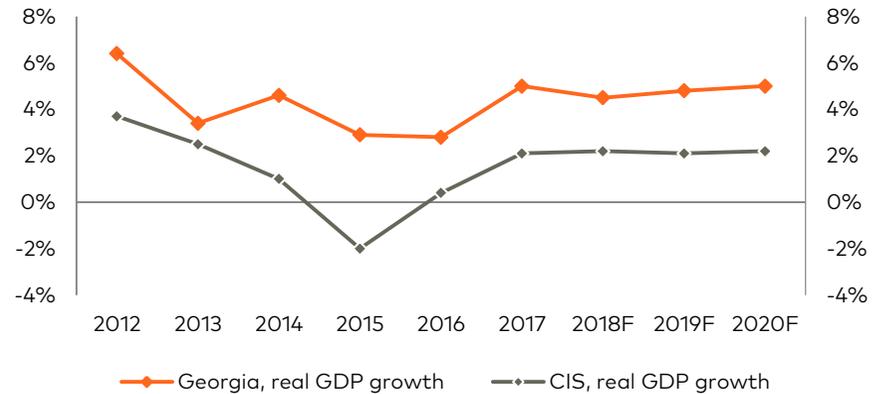
Real GDP growth projection, 2018

Source: IMF, April 2018



Georgia vs. CIS: GDP growth

Source: IMF, April 2018

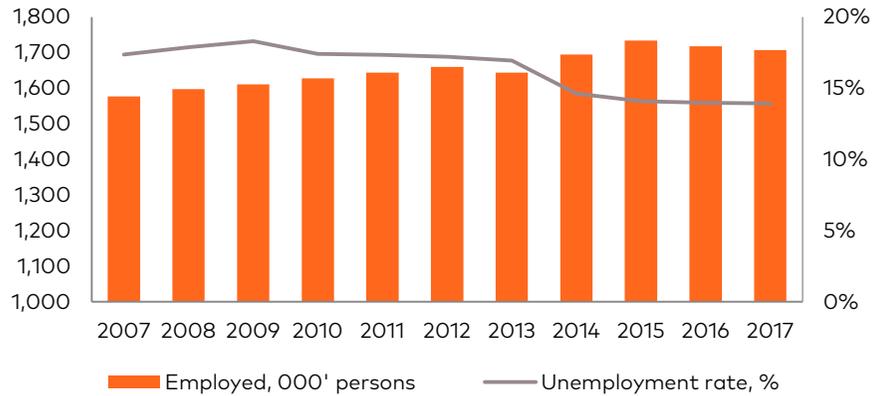


# FURTHER JOB CREATION IS ACHIEVABLE



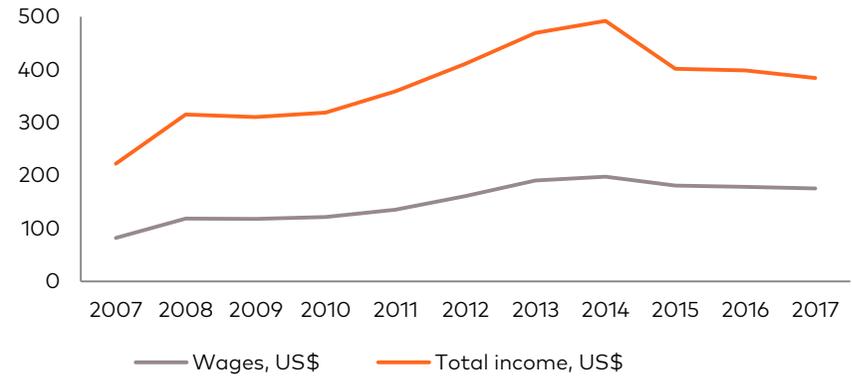
## Unemployment rate down 0.1ppts y/y to 13.9% in 2017

Source: Geostat



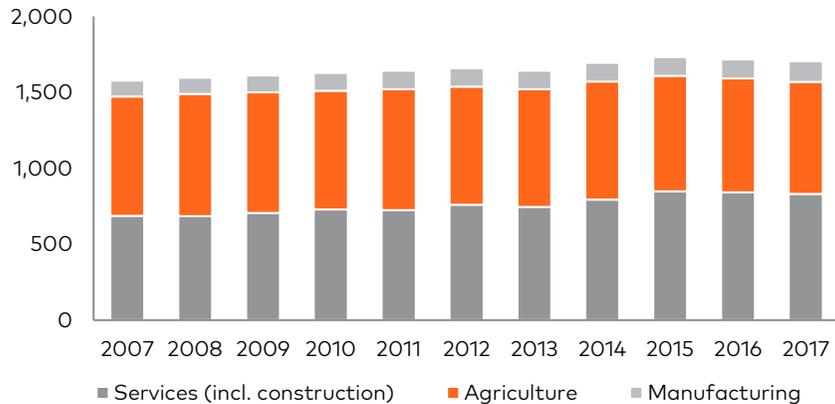
## Average monthly wages and income per household

Source: GeoStat



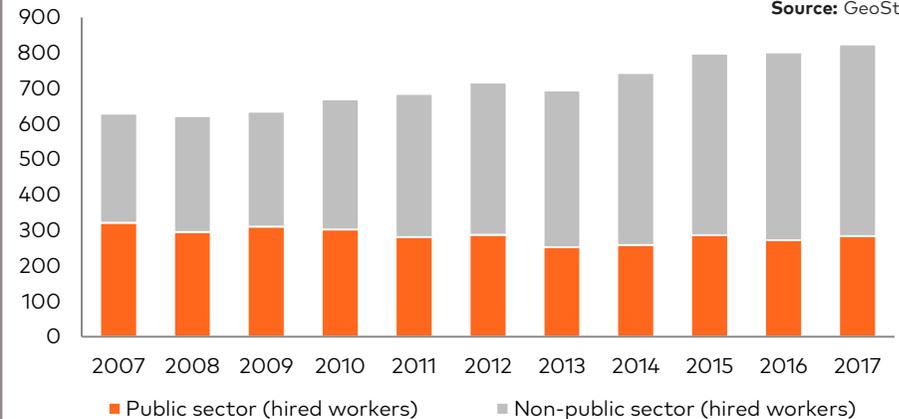
## Share of services in total employment has increased

Source: GeoStat



## Hired workers accounted for 48.3% in total employment in 2017

Source: GeoStat

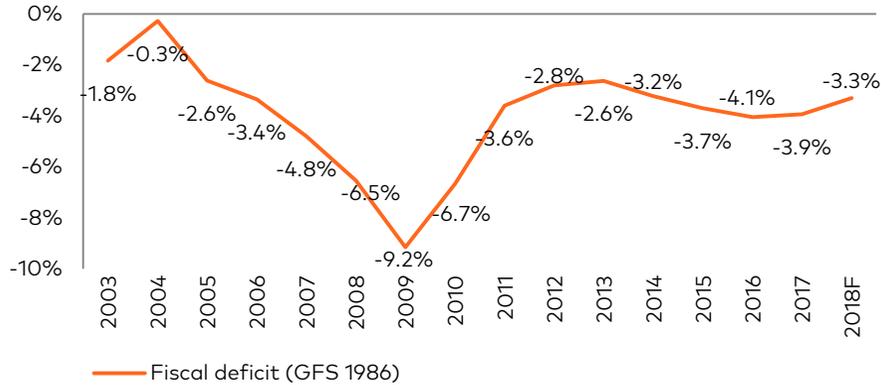


# LOW PUBLIC DEBT



## Fiscal deficit

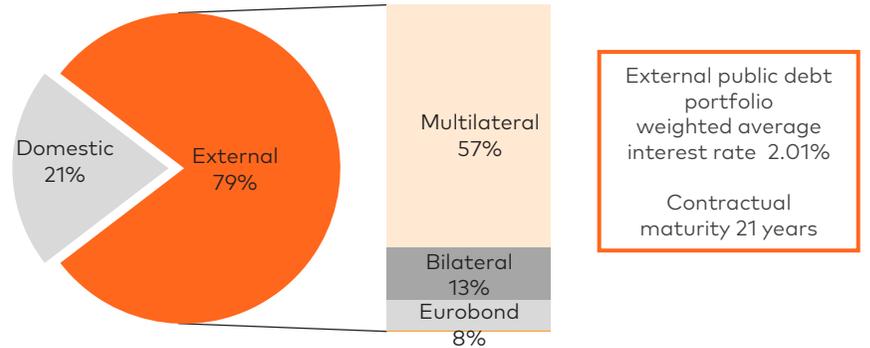
Source: Ministry of Finance of Georgia



Note: Deficit calculated based on IMF's GFSM-1986 methodology

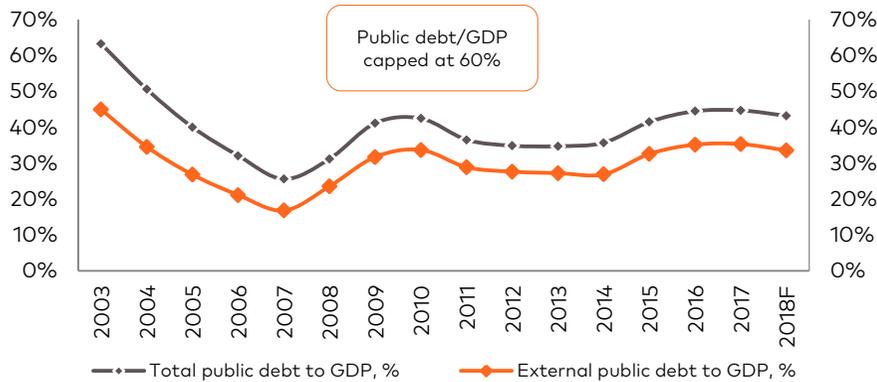
## Breakdown of public debt

Source: Ministry of Finance of Georgia, as of Dec-2017



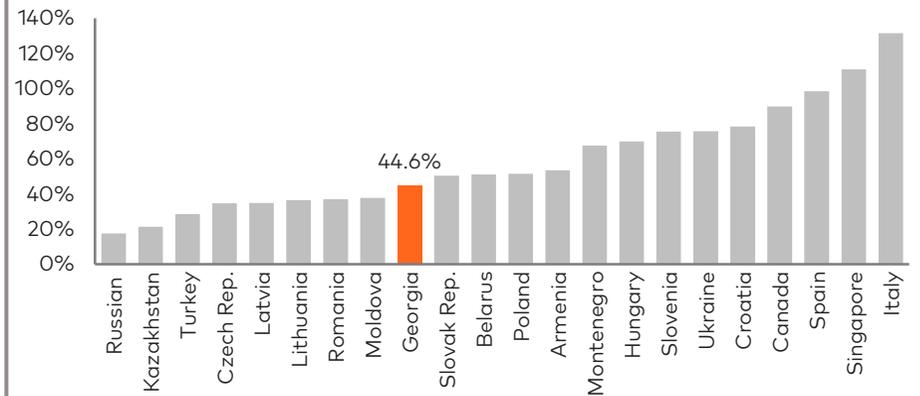
## Public debt as % of GDP

Source: Ministry of Finance of Georgia, Geostat



## Gross government debt/GDP, 2017

Source: IMF, MoF

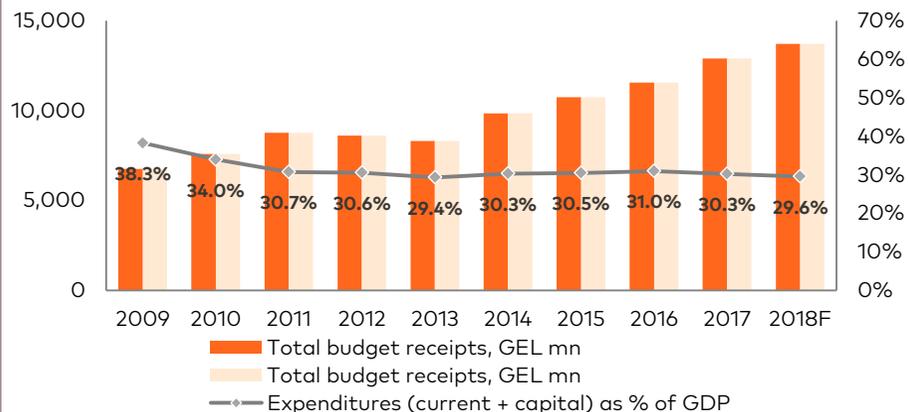


# INVESTING IN INFRASTRUCTURE AND SPENDING LOW ON SOCIAL



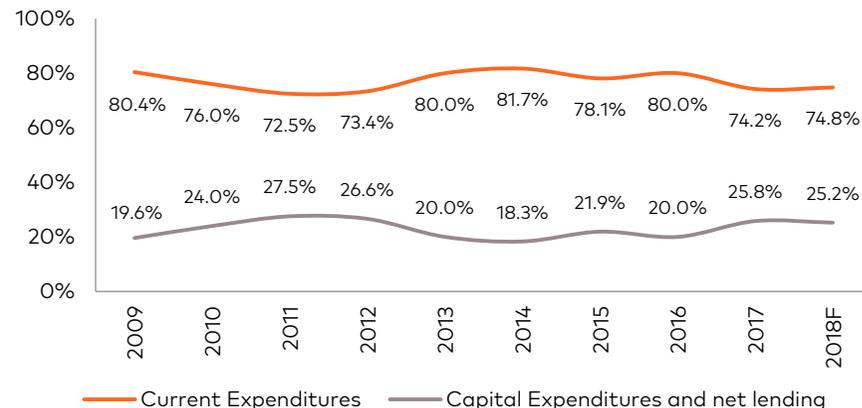
## Revenues and expenditures, consolidated budget

Source: Ministry of Finance, GeoStat



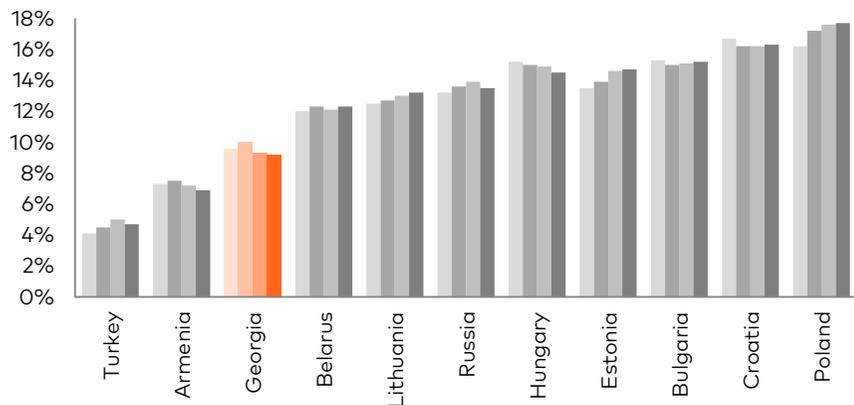
## Current and capital expenditure

Source: Ministry of Finance



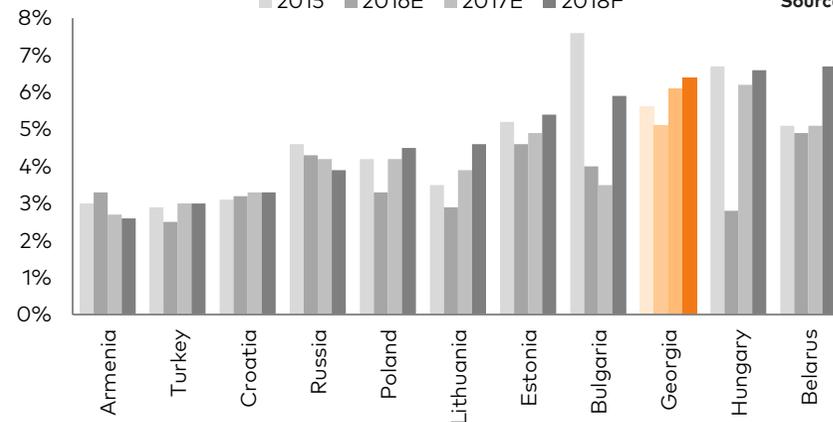
## Government social expenditure as % of GDP

Source: IMF



## Government capital expenditure as % of GDP

Source: IMF



# FISCAL PERFORMANCE



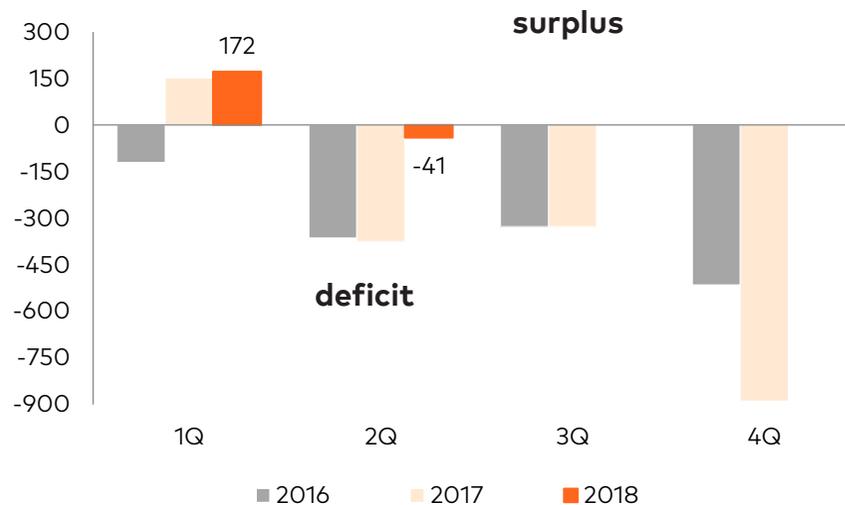
## Consolidated budget tax revenues, GEL mln

Source: Ministry of Finance



## Consolidated budget balance, GEL mln

Source: Ministry of Finance

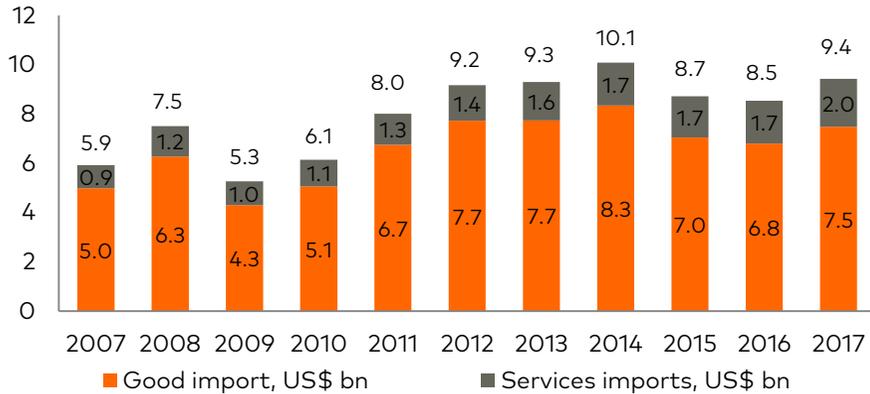


# DIVERSIFIED FOREIGN TRADE



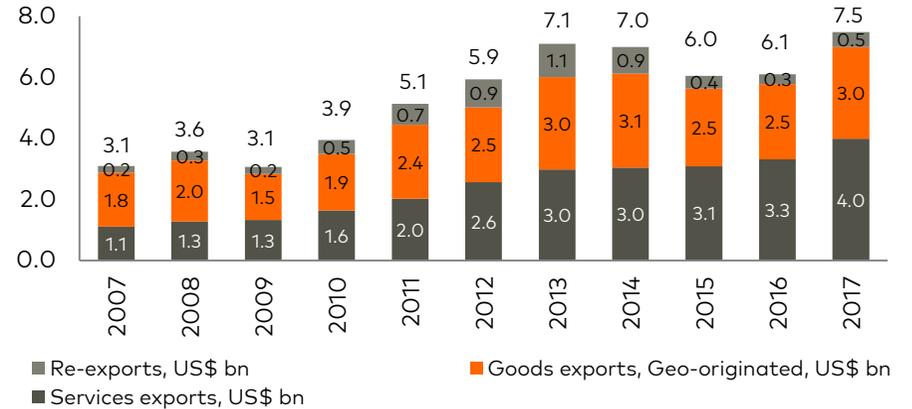
## Imports of goods and services

Source: NBG – BOP statistics



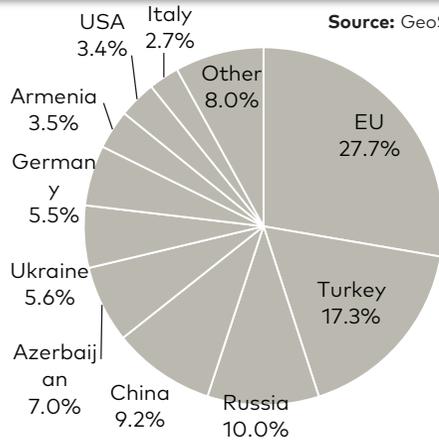
## Exports of goods and services

Source: NBG – BOP statistics



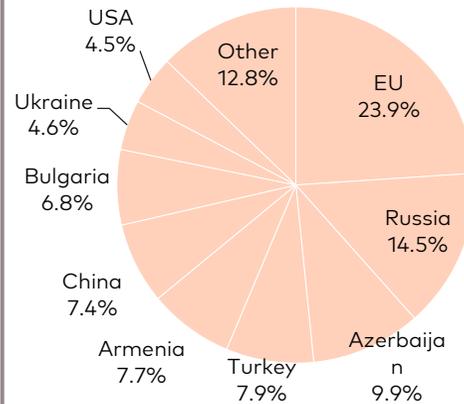
## Imports, 2017

Source: GeoStat



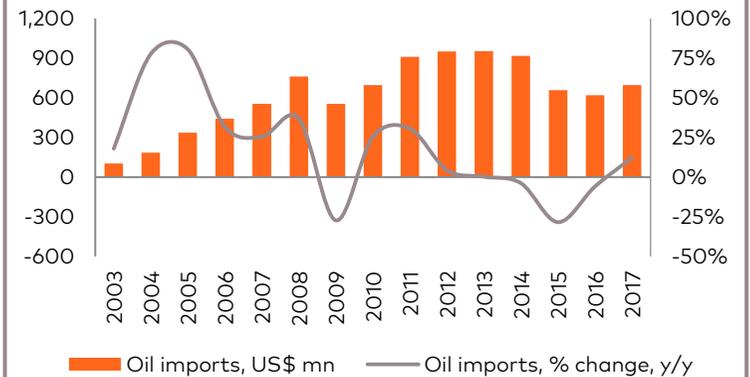
## Exports, 2017

Source: GeoStat



## Oil imports

Source: GeoStat

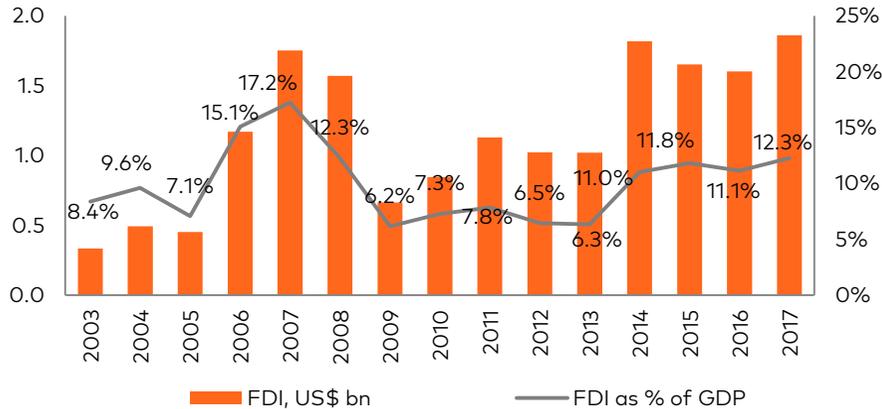


# DIVERSIFIED SOURCES OF CAPITAL



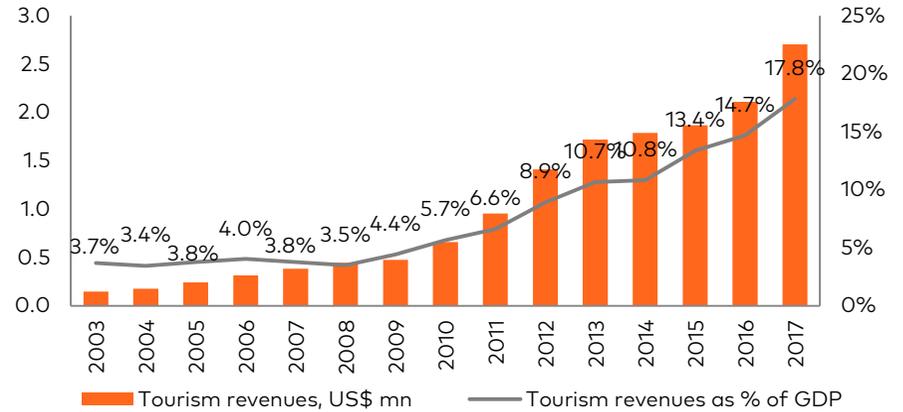
## Strong foreign investor interest

Source: Geostat



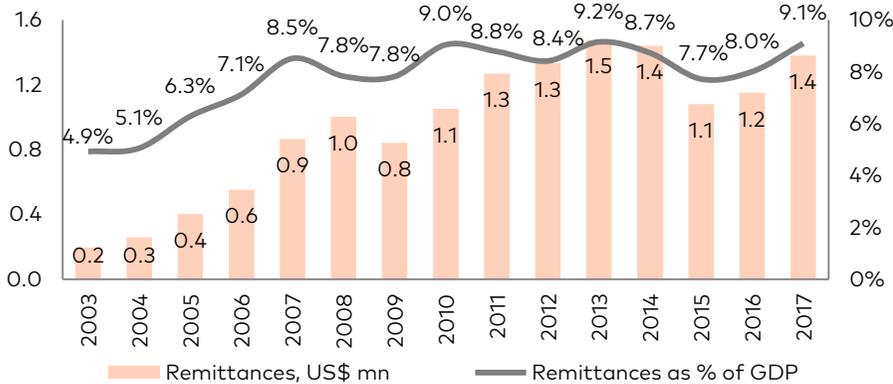
## Tourist arrivals and revenues on the rise

Source: NBG



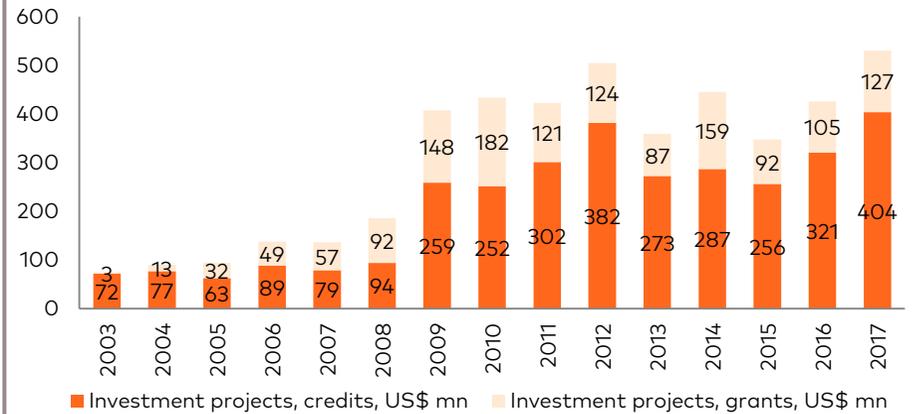
## Remittances - steady source of external funding

Source: National Bank of Georgia



## Donor funding for public infrastructure projects

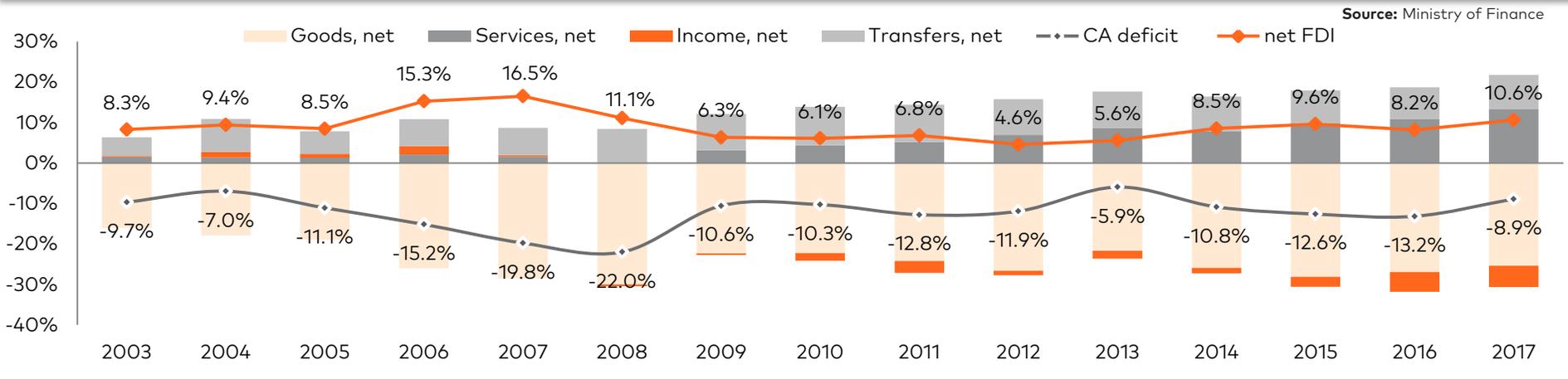
Source: Ministry of Finance of Georgia



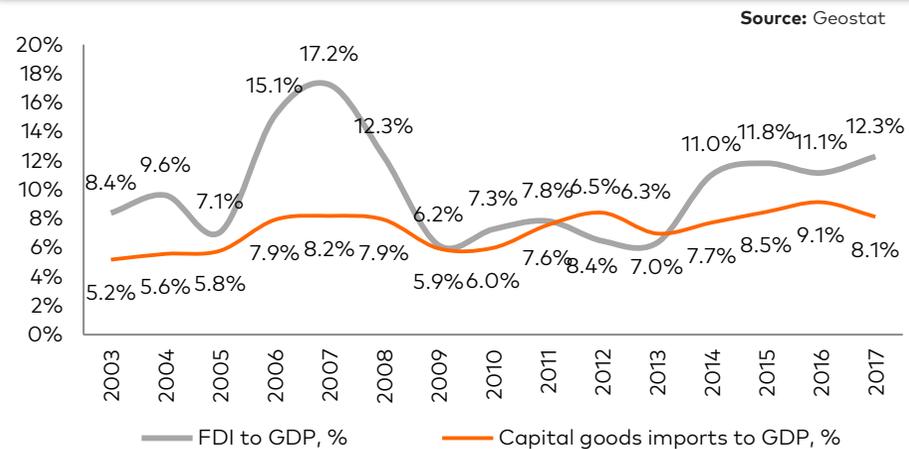
# CURRENT ACCOUNT DEFICIT SUPPORTED BY FDI



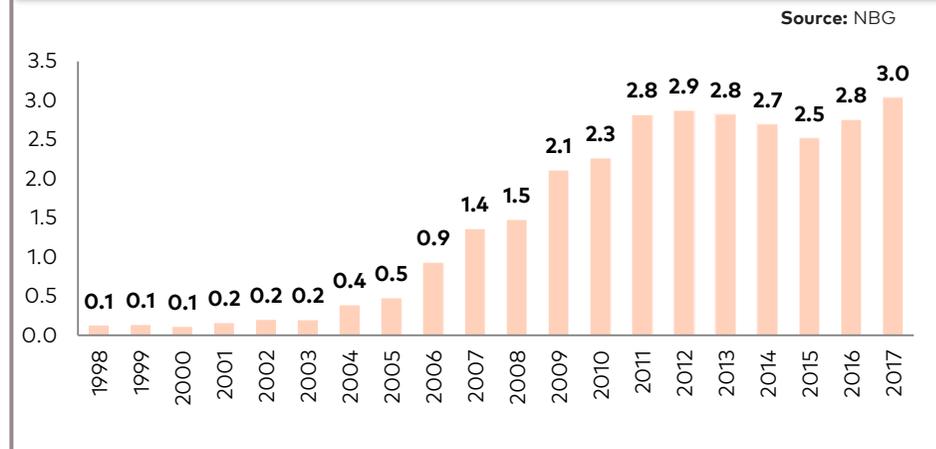
## Current account balance (% of nominal GDP)



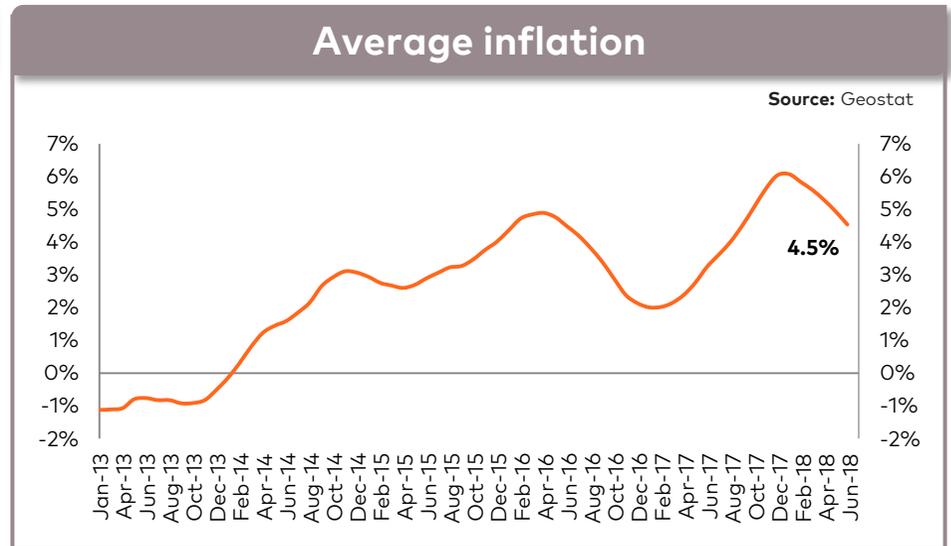
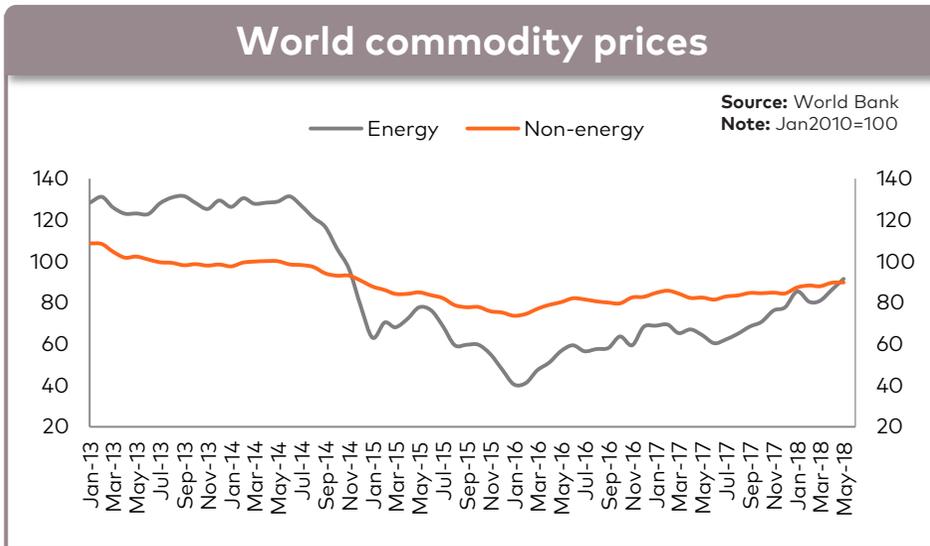
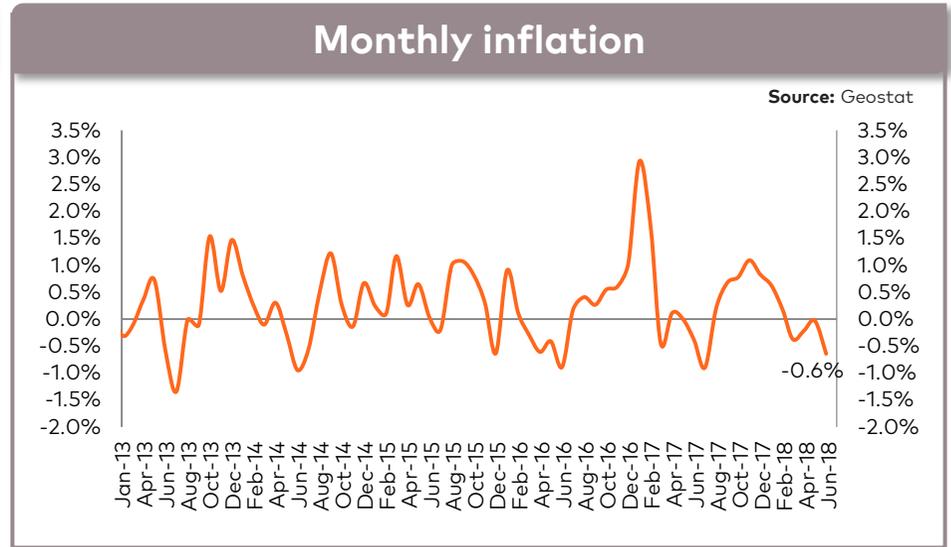
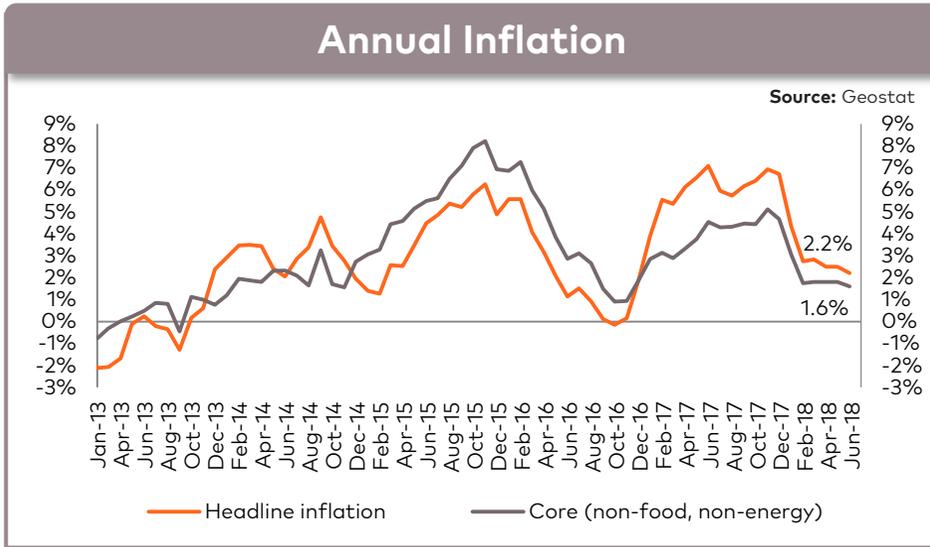
## FDI and capital goods import



## Building international reserves



# INFLATION TARGETING SINCE 2009



# INTERNATIONAL RESERVES SUFFICIENT TO FINANCE MORE THAN 3 MONTHS OF IMPORTS



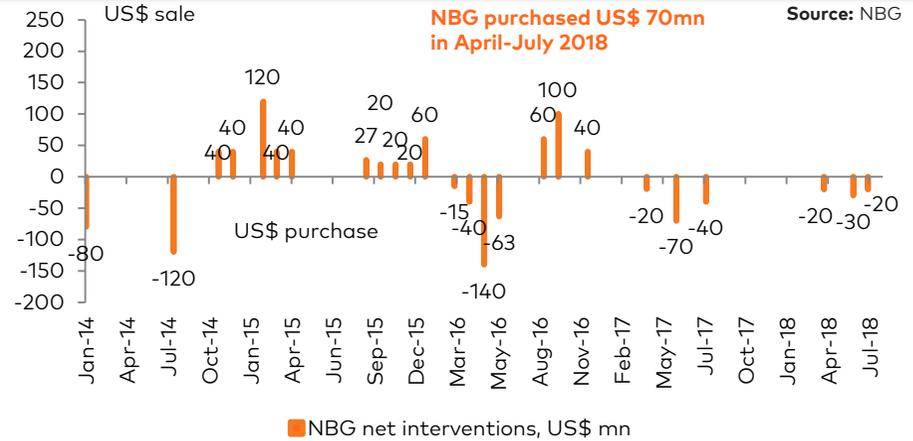
## International reserves

Source: NBG



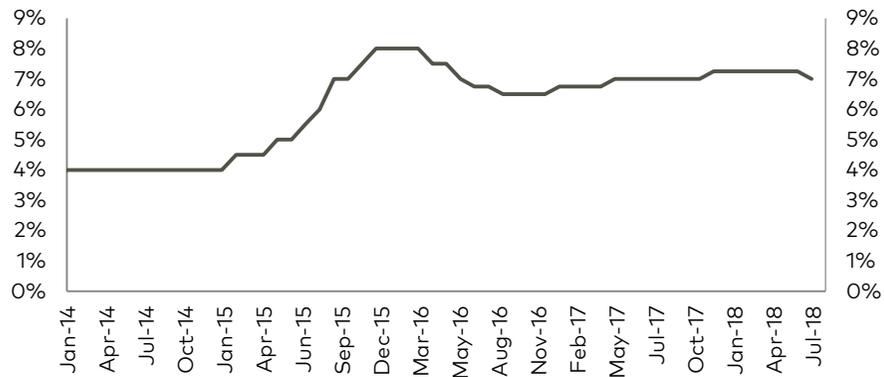
## Central Bank's interventions

Source: NBG



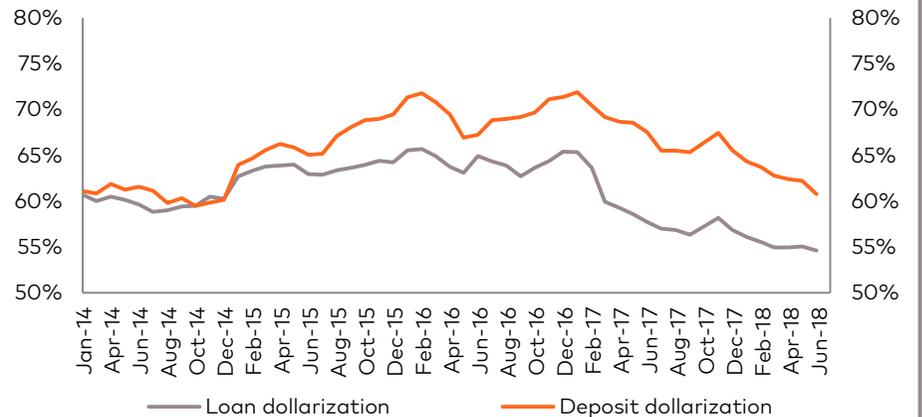
## Monetary policy rate

Source: NBG

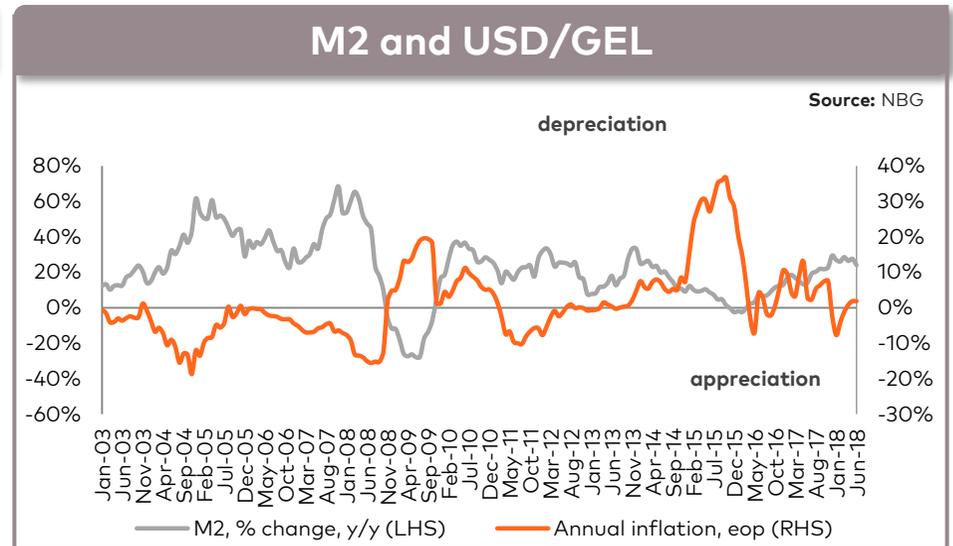
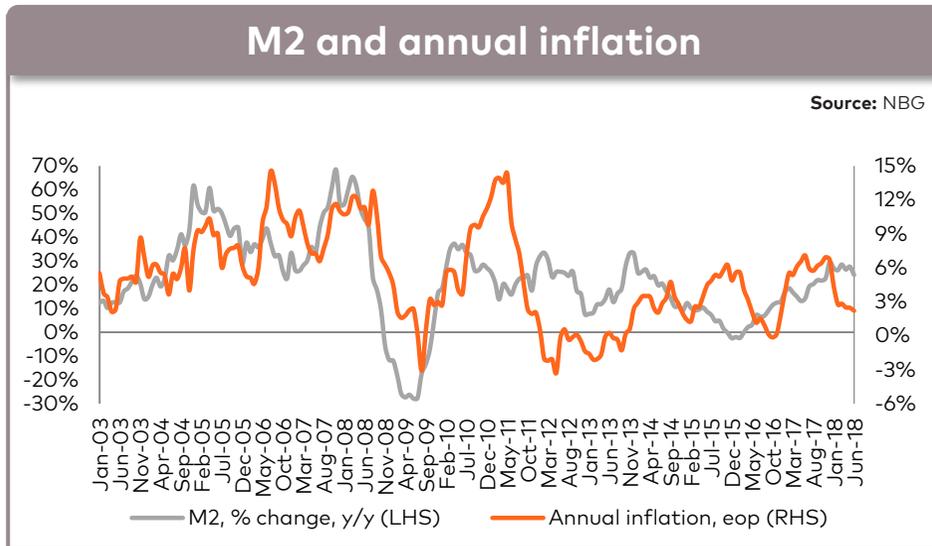
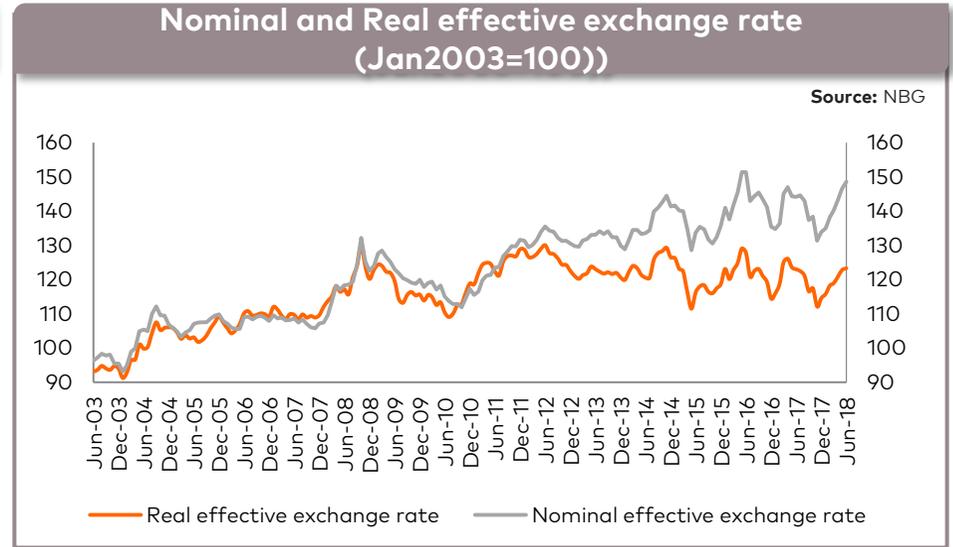
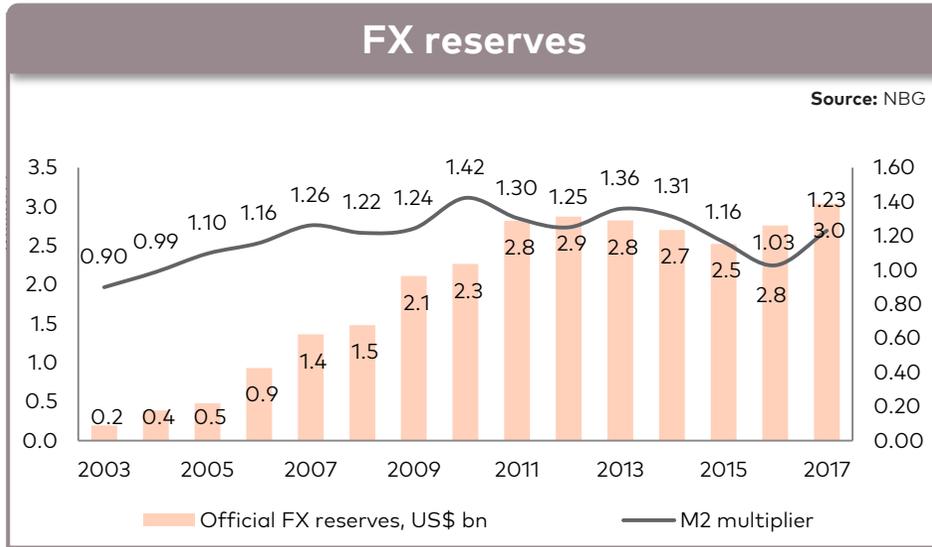


## Dollarisation

Source: NBG



# FLOATING EXCHANGE RATE - POLICY PRIORITY



# GROWING AND WELL-CAPITALISED BANKING SECTOR

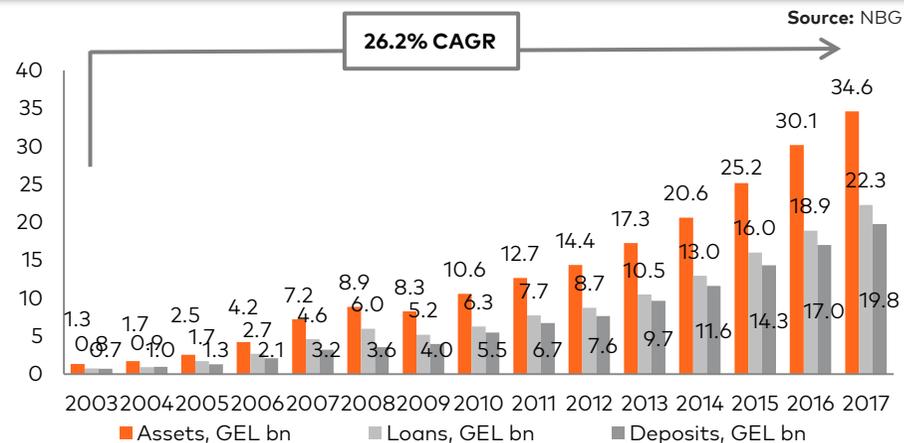


## Summary

- **Prudent regulation ensuring financial stability**
  - High level of liquidity requirements from NBG at 30% of liabilities, resulting in banking sector liquid assets to client deposits of 37% as of Dec 2017
- **Resilient banking sector**
  - Demonstrated strong resilience towards both domestic and external shocks *without single bank going bankrupt*
  - **No nationalization** of the banks and no government ownership since 1994
  - **Very low leverage** with retail loans estimated at 31% of GDP and total loans at 56% of GDP as of 2017 resulting in low number of defaults in face of different shocks to the economy

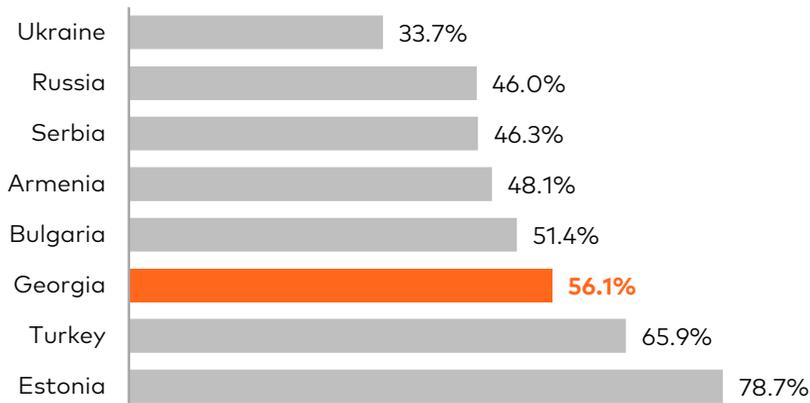
Source: National Bank of Georgia, GeoStat

## Banking sector assets, loans and deposits



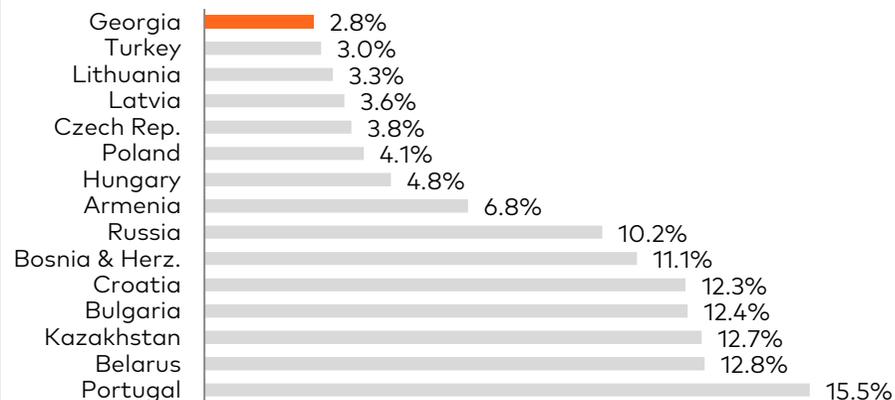
## Banking Sector loans to GDP, 2017

Source: IMF, Central Banks



## Non-performing loans, 2017

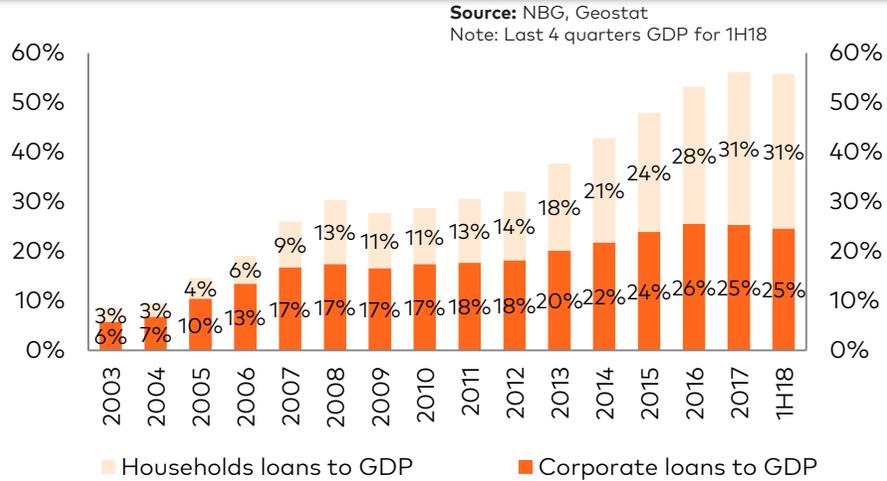
Source: IMF, NBG



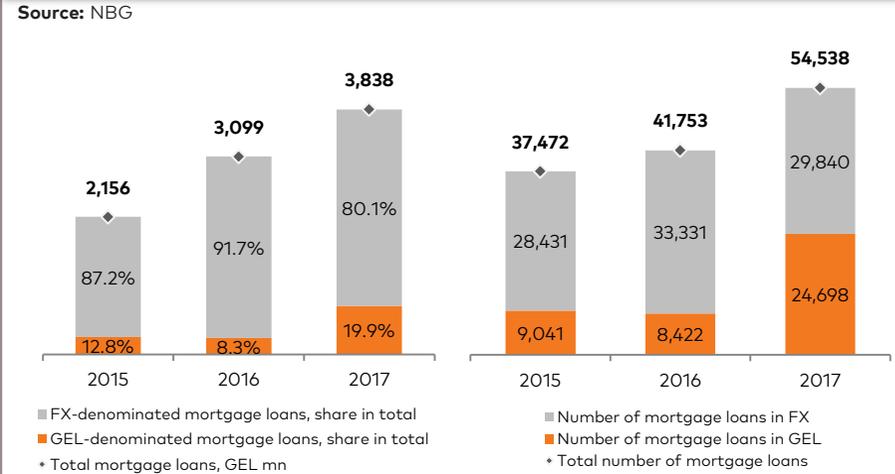
# BANKING SECTOR PROVIDES ROOM FOR FURTHER GROWTH



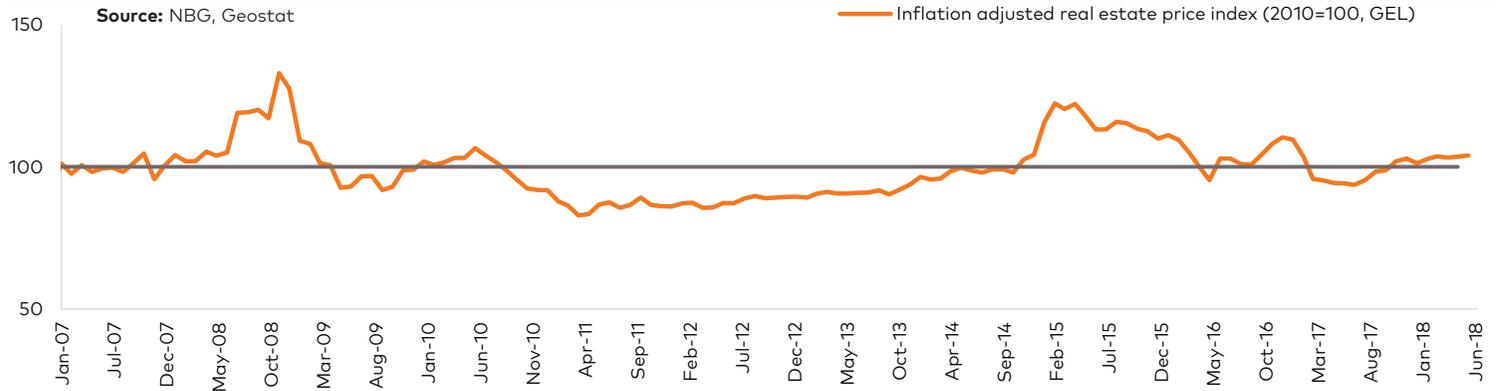
## Banking sector corporate & households loans to GDP



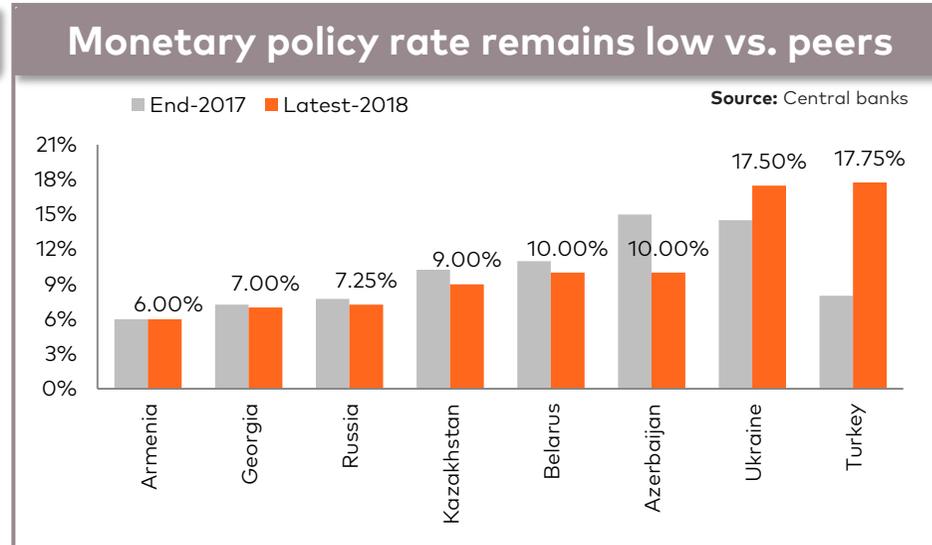
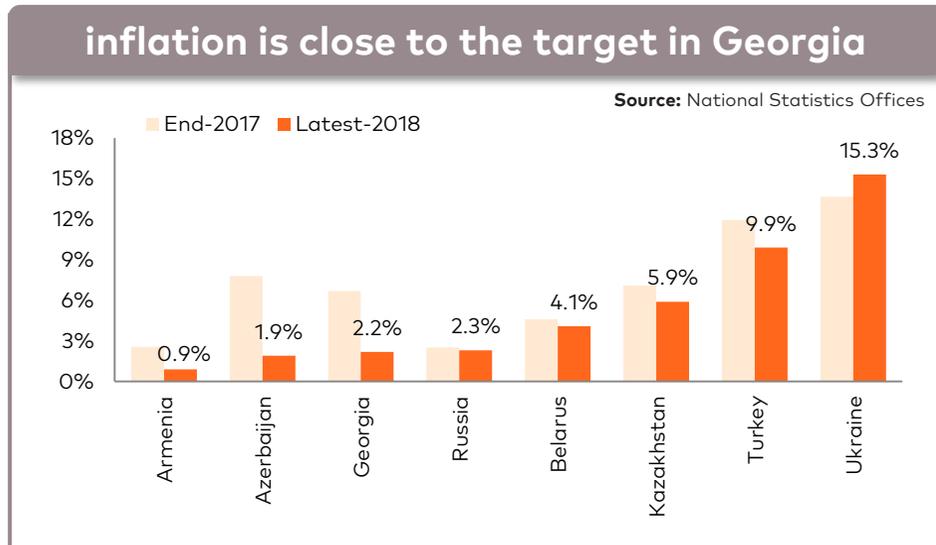
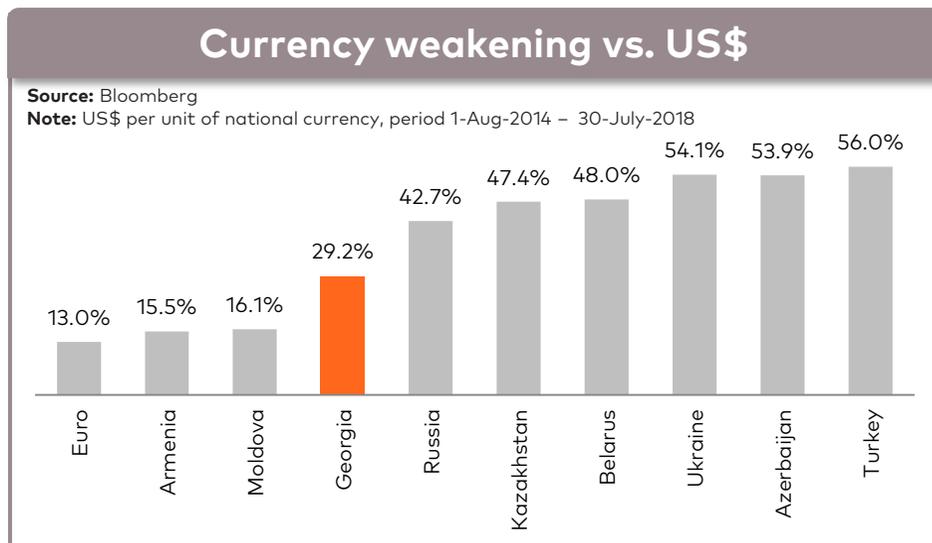
## Mortgage loans



## Real estate price index



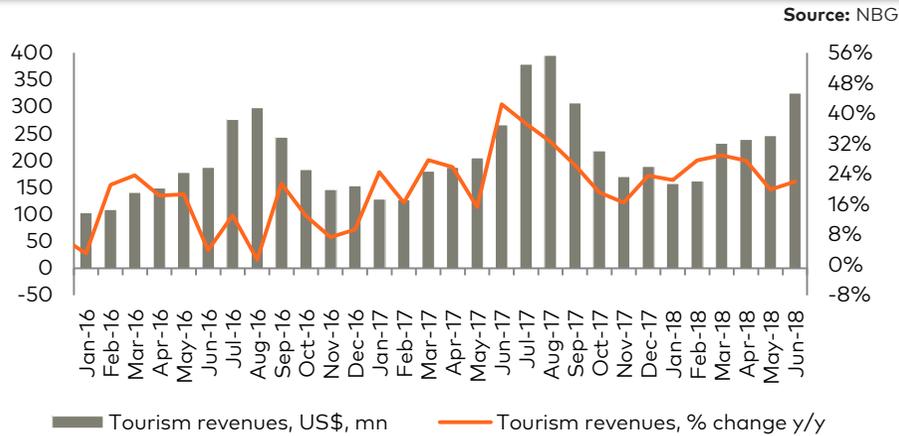
# FLEXIBLE FX REGIME SUPPORTS TO MACRO STABILITY



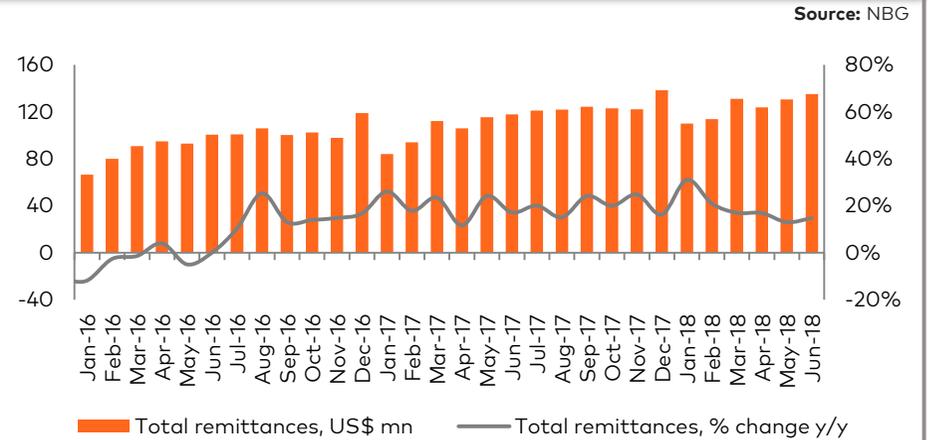
# RECENT TREND – TOURIST ARRIVALS, EXPORTS AND REMITTANCES UP



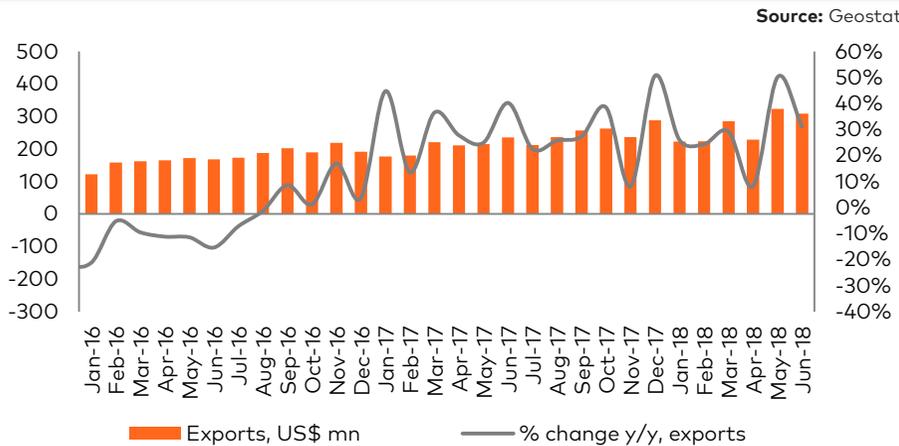
## Tourism revenues up 28.9% y/y in 1H18



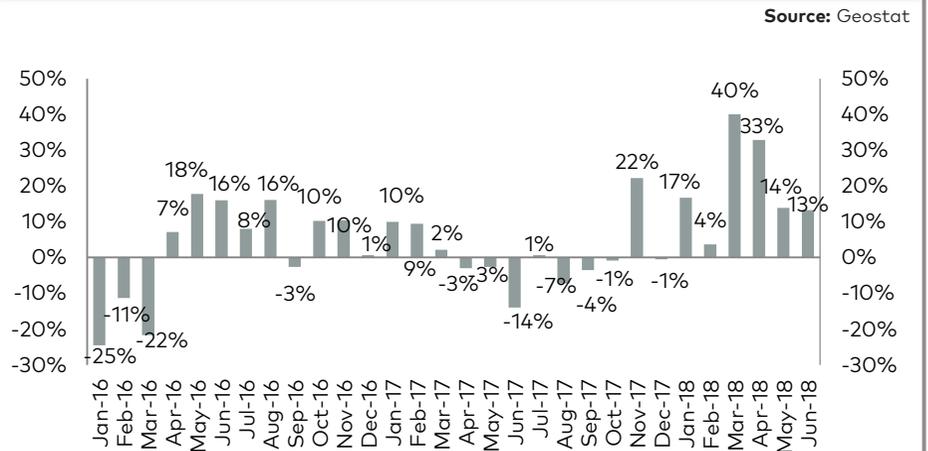
## Remittances up 18.3% y/y in 1H18



## Exports up 28.5% y/y in 1H18



## Trade deficit up 20.0% y/y in 1H18



# CONTENT



- **Overview** | Bank of Georgia Group PLC **4**
- **Results Discussion** | Banking Business **11**
- **Georgian Macro Overview** **35**
- **Appendices** **56**



## Robust Corporate Governance based on UK Corporate Governance Code



### **Neil Janin, Independent Non-Executive Chairman**

Experience: formerly Director at McKinsey & Company in Paris; formerly co-chairman of the commission of the French Institute of Directors (IFA); formerly Chase Manhattan Bank in New York and Paris



### **Kaha Kiknavelidze, Chief Executive Officer**

Experience: with the Group since 2008; originally joined as member of the Bank's Supervisory Board and Audit Committee; formerly: managing partner of Rioni Capital, Executive Director at UBS



### **Hanna Loikkanen, Senior Independent Non-Executive Director**

Experience: currently advisor to East Capital Private Equity AB; Non-Executive Director of PJSC Rosbank; formerly: Senior executive at East Capital, FIM Group Russia, Nordea Finance, SEB



### **Al Breach, Independent Non-Executive Director**

Experience: Director of Gemsstock Ltd, The Browser and Furka Holdings AG, and advisor to East Capital; formerly: Head of Research, Strategist & Economist at UBS Russia and CIS, economist at Goldman Sachs



### **Tamaz Georgadze, Independent Non-Executive Director**

Experience: Executive Director and founder of Raisin GmbH (formerly SavingGlobal GmbH); formerly: Partner at McKinsey & Company in Berlin, aide to President of Georgia



### **Jonathan Muir, Independent Non-Executive Director**

Experience: CEO of LetterOne Holdings SA and of LetterOne Investment Holdings; formerly: CFO and Vice President of Finance and Control of TNK-BP, Partner at Ernst & Young



### **Cecil Quillen, Independent Non-Executive Director**

Experience: Partner at Linklaters LLP with nearly 29 years of experience in working on a broad spectrum of securities and finance matters

# HIGHLY EXPERIENCED MANAGEMENT TEAM



Senior Executive Compensation Policy applies to top executives and envisages long-term deferred and discretionary awards of securities and no cash bonuses to be paid to such executives



## **Kaha Kiknavelidze, Chief Executive Officer**

With the Group since 2008. Originally joined as member of the Bank's Supervisory Board and Audit Committee. Kaha founded and managed Rioni Capital Partners LLP, a London-based investment management company until his appointment as a CEO of the Bank. Kaha has served in a number of roles at UBS and Troika Dialog. Holds an MBA from Emory University.



## **David Tsiklauri, Chief Financial Officer**

Joined the Group as Deputy CEO in charge of Corporate Investment Banking in 2017 from TBC, where he was a Deputy CEO in charge of Corporate Banking since 2014. Before joining TBC Bank, David served as the Vice President of the Capital Markets and Treasury Solutions team at Deutsche Bank. Holds an MBA from London Business School.



## **Levan Kulijanishvili, Deputy CEO, Operations**

With the Group since 1997. Joined as a Junior Financial Analyst of the Bank. Held various senior positions, including Deputy CEO in charge of finance, Head of Internal Audit, Head of Financial Monitoring, Head of Strategy and Planning, and Head of the Financial Analysis. Holds an MBA from Grenoble Graduate School of Business



## **George Chiladze, Deputy CEO, Chief Risk Officer**

With the Group since 2008. Joined as a Deputy CEO in charge of finance at the Bank. Left the Group in 2011 and rejoined in 2013 as Deputy CEO, Chief Risk Officer. Prior to rejoining the Group, he was Deputy CEO at the Partnership Fund. Prior to returning to Georgia in 2003, he worked at the programme trading desk at Bear Stearns in New York City. Holds a PhD in physics from Johns Hopkins University in Baltimore, Maryland.



## **Mikheil Gomarteli, Deputy CEO, Emerging and Mass Retail Banking**

With the Group since 1997. Mikheil is a textbook professional growth story made possible in our Group – he developed his way from selling debit cards door-to-door to successfully leading our Retail Banking franchise for over ten years now. Holds an undergraduate degree in Economics from Tbilisi State University.



## **Ramaz Kukuladze, Deputy CEO, SOLO and MSME Banking**

With the Group since 2006. Joined as Deputy CEO, Corporate Banking. Left the Group in 2009 and rejoined the Group in February 2017. Prior to rejoining the Group, Ramaz held the role of Chief Commercial Officer and Deputy CEO at Bank Republic since 2013. Holds an MBA from IE Business School.



## **Vasil Khodeli, Deputy CEO, Corporate Investment Banking**

With the Group since 1998. Previously served as Head of Corporate Banking of the Bank since 2004. He has more than 20 years of banking experience and has held various roles with the Group. Holds an MBA from Grenoble Business School.



## **Vakhtang Bobokhidze, Deputy CEO, Information Technologies**

With the Group since 2005. Joined as Quality Control Manager. Left the Group in 2010 and rejoined the Group in December 2010. Prior to being appointed as Deputy CEO, served as Head of IT Department since 2016. Holds an MBA from Tbilisi State University.

# BANK OF GEORGIA GROUP INCOME STATEMENT



GEL thousands, unless otherwise noted	Bank of Georgia Group Consolidated					Banking Business					Discontinued Operations					Eliminations		
	2Q18	2Q17	Change y-o-y	1Q18	Change q-o-q	2Q18	2Q17	Change y-o-y	1Q18	Change q-o-q	2Q18	2Q17	Change y-o-y	1Q18	Change q-o-q	2Q18	2Q17	1Q18
Interest income	327,244	271,006	20.8%	311,149	5.2%	329,628	272,946	20.8%	313,553	5.1%	-	-	-	-	-	(2,384)	(1,940)	(2,404)
Interest expense	(139,756)	(110,907)	26.0%	(130,035)	7.5%	(143,298)	(112,638)	27.2%	(133,430)	7.4%	-	-	-	-	-	3,542	1,731	3,395
<b>Net interest income</b>	<b>187,488</b>	<b>160,099</b>	<b>17.1%</b>	<b>181,114</b>	<b>3.5%</b>	<b>186,330</b>	<b>160,308</b>	<b>16.2%</b>	<b>180,123</b>	<b>3.4%</b>	-	-	-	-	-	<b>1,158</b>	<b>(209)</b>	<b>991</b>
Fee and commission income	55,332	45,359	22.0%	50,673	9.2%	55,693	45,903	21.3%	51,213	8.7%	-	-	-	-	-	(361)	(544)	(540)
Fee and commission expense	(17,680)	(14,332)	23.4%	(16,488)	7.2%	(17,846)	(14,501)	23.1%	(16,702)	6.8%	-	-	-	-	-	166	169	214
<b>Net fee and commission income</b>	<b>37,652</b>	<b>31,027</b>	<b>21.4%</b>	<b>34,185</b>	<b>10.1%</b>	<b>37,847</b>	<b>31,402</b>	<b>20.5%</b>	<b>34,511</b>	<b>9.7%</b>	-	-	-	-	-	<b>(195)</b>	<b>(375)</b>	<b>(326)</b>
Net foreign currency gain	25,004	18,005	38.9%	14,913	67.7%	24,577	19,282	27.5%	16,015	53.5%	-	-	-	-	-	427	(1,277)	(1,102)
Net other income	3,380	777	NMF	5,518	-38.7%	3,706	1,046	NMF	5,744	-35.5%	-	-	-	-	-	(326)	(269)	(226)
<b>Revenue</b>	<b>253,524</b>	<b>209,908</b>	<b>20.8%</b>	<b>235,730</b>	<b>7.5%</b>	<b>252,460</b>	<b>212,038</b>	<b>19.1%</b>	<b>236,393</b>	<b>6.8%</b>	-	-	-	-	-	<b>1,064</b>	<b>(2,130)</b>	<b>(663)</b>
Salaries and other employee benefits	(53,505)	(47,008)	13.8%	(48,818)	9.6%	(53,925)	(47,507)	13.5%	(49,453)	9.0%	-	-	-	-	-	420	499	635
Administrative expenses	(26,717)	(21,826)	22.4%	(25,168)	6.2%	(26,862)	(22,286)	20.5%	(25,633)	4.8%	-	-	-	-	-	145	460	465
Depreciation and amortisation	(11,392)	(10,197)	11.7%	(11,522)	-1.1%	(11,392)	(10,197)	11.7%	(11,522)	-1.1%	-	-	-	-	-	-	-	-
Other operating expenses	(966)	(795)	21.5%	(771)	25.3%	(966)	(795)	21.5%	(771)	25.3%	-	-	-	-	-	-	-	-
<b>Operating expenses</b>	<b>(92,580)</b>	<b>(79,826)</b>	<b>16.0%</b>	<b>(86,279)</b>	<b>7.3%</b>	<b>(93,145)</b>	<b>(80,785)</b>	<b>15.3%</b>	<b>(87,379)</b>	<b>6.6%</b>	-	-	-	-	-	<b>565</b>	<b>959</b>	<b>1,100</b>
Profit from associates	376	394	-4.6%	319	17.9%	376	394	-4.6%	319	17.9%	-	-	-	-	-	-	-	-
<b>Operating income before cost of credit risk</b>	<b>161,320</b>	<b>130,476</b>	<b>23.6%</b>	<b>149,770</b>	<b>7.7%</b>	<b>159,691</b>	<b>131,647</b>	<b>21.3%</b>	<b>149,333</b>	<b>6.9%</b>	-	-	-	-	-	<b>1,629</b>	<b>(1,171)</b>	<b>437</b>
Expected credit loss / impairment charge on loans to customers	(35,678)	(37,756)	-5.5%	(41,006)	-13.0%	(35,678)	(37,756)	-5.5%	(41,006)	-13.0%	-	-	-	-	-	-	-	-
Expected credit loss / impairment charge on finance lease receivables	(266)	(67)	NMF	13	NMF	(266)	(67)	NMF	13	NMF	-	-	-	-	-	-	-	-
Other expected credit loss / impairment charge on other assets and provisions	(3,726)	(2,192)	70.0%	2,850	NMF	(3,726)	(2,192)	70.0%	2,850	NMF	-	-	-	-	-	-	-	-
<b>Cost of credit risk</b>	<b>(39,670)</b>	<b>(40,015)</b>	<b>-0.9%</b>	<b>(38,143)</b>	<b>4.0%</b>	<b>(39,670)</b>	<b>(40,015)</b>	<b>-0.9%</b>	<b>(38,143)</b>	<b>4.0%</b>	-	-	-	-	-	-	-	-
<b>Profit before non-recurring items and income tax</b>	<b>121,650</b>	<b>90,461</b>	<b>34.5%</b>	<b>111,627</b>	<b>9.0%</b>	<b>120,021</b>	<b>91,632</b>	<b>31.0%</b>	<b>111,190</b>	<b>7.9%</b>	-	-	-	-	-	<b>1,629</b>	<b>(1,171)</b>	<b>437</b>
Net non-recurring items	(43,875)	(1,017)	NMF	(2,948)	NMF	(44,047)	(1,017)	NMF	(2,948)	NMF	-	-	-	-	-	172	-	-
<b>Profit before income tax</b>	<b>77,775</b>	<b>89,444</b>	<b>-13.0%</b>	<b>108,679</b>	<b>-28.4%</b>	<b>75,974</b>	<b>90,615</b>	<b>-16.2%</b>	<b>108,242</b>	<b>-29.8%</b>	-	-	-	-	-	<b>1,801</b>	<b>(1,171)</b>	<b>437</b>
Income tax expense	(27,507)	(3,284)	NMF	(9,058)	NMF	(27,507)	(3,284)	NMF	(9,058)	NMF	-	-	-	-	-	-	-	-
<b>Profit from continuing operations</b>	<b>50,268</b>	<b>86,160</b>	<b>-41.7%</b>	<b>99,621</b>	<b>-49.5%</b>	<b>48,467</b>	<b>87,331</b>	<b>-44.5%</b>	<b>99,184</b>	<b>-51.1%</b>	-	-	-	-	-	<b>1,801</b>	<b>(1,171)</b>	<b>437</b>
Profit from discontinued operations	78,961	37,468	110.7%	28,938	NMF	-	-	-	-	-	80,762	36,297	122.5%	29,375	NMF	(1,801)	1,171	(437)
<b>Profit</b>	<b>129,229</b>	<b>123,628</b>	<b>4.5%</b>	<b>128,559</b>	<b>0.5%</b>	<b>48,467</b>	<b>87,331</b>	<b>-44.5%</b>	<b>99,184</b>	<b>-51.1%</b>	<b>80,762</b>	<b>36,297</b>	<b>122.5%</b>	<b>29,375</b>	<b>NMF</b>	-	-	-
<b>Attributable to:</b>																		
- shareholders of the Group	123,078	117,178	5.0%	115,952	6.1%	48,324	86,962	-44.4%	98,784	-51.1%	74,754	30,216	147.4%	17,168	NMF	-	-	-
- non-controlling interests	6,151	6,450	-4.6%	12,607	-51.2%	143	369	-61.2%	400	-64.3%	6,008	6,081	-1.2%	12,207	-50.8%	-	-	-
<b>Profit from continuing operations attributable to:</b>																		
- shareholders of the Group	50,125	85,791	-41.6%	99,221	-49.5%	48,324	86,962	-44.4%	98,784	-51.1%	-	-	-	-	-	1,801	(1,171)	437
- non-controlling interests	143	369	-61.2%	400	-64.3%	143	369	-61.2%	400	-64.3%	-	-	-	-	-	-	-	-
<b>Profit from discontinued operations attributable to:</b>																		
- shareholders of the Group	72,953	31,387	132.4%	16,731	NMF	-	-	-	-	-	74,754	30,216	147.4%	17,168	NMF	(1,801)	1,171	(437)
- non-controlling interests	6,008	6,081	-1.2%	12,207	-50.8%	-	-	-	-	-	6,008	6,081	-1.2%	12,207	-50.8%	-	-	-
<b>Earnings per share (basic)</b>	<b>2.77</b>	<b>3.10</b>	<b>-10.6%</b>	<b>3.08</b>	<b>-10.1%</b>													
- earnings per share from continuing operations	1.13	2.27	-50.2%	2.64	-57.2%													
- earnings per share from discontinued operations	1.64	0.83	97.6%	0.44	NMF													
<b>Earnings per share (diluted)</b>	<b>2.74</b>	<b>2.98</b>	<b>-8.1%</b>	<b>2.98</b>	<b>-8.1%</b>													
- earnings per share from continuing operations	1.12	2.18	-48.6%	2.55	-56.1%													
- earnings per share from discontinued operations	1.62	0.80	102.5%	0.43	NMF													

# BANK OF GEORGIA GROUP INCOME STATEMENT



GEL thousands, unless otherwise noted	Bank of Georgia Group Consolidated			Banking Business			Discontinued Operations			Eliminations		
	1H18	1H17	Change y-o-y	1H18	1H17	Change y-o-y	1H18	1H17	Change y-o-y	1H18	1H17	Change y-o-y
Interest income	638,393	536,337	19.0%	643,181	540,068	19.10%	-	-	-	(4,788)	(3,731)	28.3%
Interest expense	(269,791)	(215,903)	25.0%	(276,728)	(218,880)	26.40%	-	-	-	6,937	2,977	133.0%
<b>Net interest income</b>	<b>368,602</b>	<b>320,434</b>	<b>15.0%</b>	<b>366,453</b>	<b>321,188</b>	<b>14.1%</b>	-	-	-	<b>2,149</b>	<b>(754)</b>	<b>NMF</b>
Fee and commission income	106,005	88,508	19.8%	106,906	89,605	19.3%	-	-	-	(901)	(1,097)	-17.9%
Fee and commission expense	(34,168)	(27,696)	23.4%	(34,549)	(28,011)	23.3%	-	-	-	381	315	21.0%
<b>Net fee and commission income</b>	<b>71,837</b>	<b>60,812</b>	<b>18.1%</b>	<b>72,357</b>	<b>61,594</b>	<b>17.5%</b>	-	-	-	<b>(520)</b>	<b>(782)</b>	<b>-33.5%</b>
Net foreign currency gain	<b>39,916</b>	<b>30,531</b>	<b>30.7%</b>	<b>40,591</b>	<b>38,982</b>	<b>4.1%</b>	-	-	-	<b>(675)</b>	<b>(8,451)</b>	<b>-92.0%</b>
Net other income	<b>8,898</b>	<b>3,561</b>	<b>149.9%</b>	<b>9,451</b>	<b>4,063</b>	<b>132.6%</b>	-	-	-	<b>(553)</b>	<b>(502)</b>	<b>10.2%</b>
<b>Revenue</b>	<b>489,253</b>	<b>415,338</b>	<b>17.8%</b>	<b>488,852</b>	<b>425,827</b>	<b>14.8%</b>	-	-	-	<b>401</b>	<b>(10,489)</b>	<b>NMF</b>
Salaries and other employee benefits	(102,323)	(90,797)	12.7%	(103,378)	(91,786)	12.6%	-	-	-	1,055	989	6.7%
Administrative expenses	(51,885)	(43,885)	18.2%	(52,495)	(44,805)	17.2%	-	-	-	610	920	-33.7%
Depreciation and amortisation	(22,914)	(19,722)	16.2%	(22,914)	(19,722)	16.2%	-	-	-	-	-	-
Other operating expenses	(1,736)	(1,526)	13.8%	(1,736)	(1,526)	13.8%	-	-	-	-	-	-
<b>Operating expenses</b>	<b>(178,858)</b>	<b>(155,930)</b>	<b>14.7%</b>	<b>(180,523)</b>	<b>(157,839)</b>	<b>14.4%</b>	-	-	-	<b>1,665</b>	<b>1,909</b>	<b>-12.8%</b>
Profit from associates	695	909	-23.5%	695	909	-23.5%	-	-	-	-	-	-
<b>Operating income before cost of credit risk</b>	<b>311,090</b>	<b>260,317</b>	<b>19.5%</b>	<b>309,024</b>	<b>268,897</b>	<b>14.9%</b>	-	-	-	<b>2,066</b>	<b>(8,580)</b>	<b>NMF</b>
Expected credit loss / impairment charge on loans to customers	(76,684)	(79,097)	-3.1%	(76,684)	(79,097)	-3.1%	-	-	-	-	-	-
Expected credit loss / impairment charge on finance lease receivables	(253)	(207)	22.2%	(253)	(207)	22.2%	-	-	-	-	-	-
Other expected credit loss / impairment charge on other assets and provisions	(876)	(8,732)	-90.0%	(876)	(8,732)	-90.0%	-	-	-	-	-	-
<b>Cost of credit risk</b>	<b>(77,813)</b>	<b>(88,036)</b>	<b>-11.6%</b>	<b>(77,813)</b>	<b>(88,036)</b>	<b>-11.6%</b>	-	-	-	-	-	-
<b>Profit before non-recurring items and income tax</b>	<b>233,277</b>	<b>172,281</b>	<b>35.4%</b>	<b>231,211</b>	<b>180,861</b>	<b>27.8%</b>	-	-	-	<b>2,066</b>	<b>(8,580)</b>	<b>NMF</b>
Net non-recurring items	(46,823)	(2,711)	NMF	(46,995)	(2,711)	NMF	-	-	-	172	-	-
<b>Profit before income tax</b>	<b>186,454</b>	<b>169,570</b>	<b>10.0%</b>	<b>184,216</b>	<b>178,150</b>	<b>3.4%</b>	-	-	-	<b>2,238</b>	<b>(8,580)</b>	<b>NMF</b>
Income tax expense	(36,565)	(7,692)	NMF	(36,565)	(7,692)	NMF	-	-	-	-	-	-
<b>Profit from continuing operations</b>	<b>149,889</b>	<b>161,878</b>	<b>-7.4%</b>	<b>147,651</b>	<b>170,458</b>	<b>-13.4%</b>	-	-	-	<b>2,238</b>	<b>(8,580)</b>	<b>NMF</b>
Profit from discontinued operations	107,899	69,922	54.3%	-	-	-	110,137	61,342	79.5%	(2,238)	8,580	NMF
<b>Profit</b>	<b>257,788</b>	<b>231,800</b>	<b>11.2%</b>	<b>147,651</b>	<b>170,458</b>	<b>-13.4%</b>	<b>110,137</b>	<b>61,342</b>	<b>79.5%</b>	-	-	-
<b>Attributable to:</b>												
- shareholders of the Group	239,030	217,609	9.8%	147,108	169,602	-13.3%	91,922	48,007	91.5%	-	-	-
- non-controlling interests	18,758	14,191	32.2%	543	856	-36.6%	18,215	13,335	36.6%	-	-	-
<b>Profit from continuing operations attributable to:</b>												
- shareholders of the Group	149,346	161,022	-7.3%	147,108	169,602	-13.3%	-	-	-	2,238	(8,580)	NMF
- non-controlling interests	543	856	-36.6%	543	856	-36.6%	-	-	-	-	-	-
<b>Profit from discontinued operations attributable to:</b>												
- shareholders of the Group	89,684	56,587	58.5%	-	-	-	91,922	48,007	91.5%	(2,238)	8,580	NMF
- non-controlling interests	18,215	13,335	36.6%	-	-	-	18,215	13,335	36.6%	-	-	-
<b>Earnings per share (basic)</b>	<b>5.82</b>	<b>5.74</b>	<b>1.4%</b>									
- earnings per share from continuing operations	3.64	4.24	-14.2%									
- earnings per share from discontinued operations	2.18	1.50	45.3%									
<b>Earnings per share (diluted)</b>	<b>5.76</b>	<b>5.51</b>	<b>4.5%</b>									
- earnings per share from continuing operations	3.60	4.08	-11.8%									
- earnings per share from discontinued operations	2.16	1.43	51.0%									

# BANK OF GEORGIA GROUP BALANCE SHEET



GEL thousands, unless otherwise noted	Bank of Georgia Group Consolidated					Banking Business					Discontinued Operations					Eliminations		
	Jun-18	Jun-17	Change y-o-y	Mar-18	Change q-o-q	Jun-18	Jun-17	Change y-o-y	Mar-18	Change q-o-q	Jun-18	Jun-17	Change y-o-y	Mar-18	Change q-o-q	Jun-18	Jun-17	Mar-18
Cash and cash equivalents	1,546,863	1,454,387	6.4%	1,754,920	-11.9%	1,546,863	1,401,728	10.4%	1,754,920	-11.9%	-	349,166	NMF	-	-	-	(296,507)	-
Amounts due from credit institutions	993,862	1,090,259	-8.8%	941,804	5.5%	993,862	976,810	1.7%	955,175	4.1%	-	152,635	NMF	-	-	-	(39,186)	(13,371)
Investment securities	1,725,692	1,398,097	23.4%	1,748,728	-1.3%	1,725,692	1,396,832	23.5%	1,804,231	-4.4%	-	47,625	NMF	-	-	-	(46,360)	(55,503)
Loans to customers and finance lease receivables	8,078,132	6,517,773	23.9%	7,727,568	4.5%	8,078,132	6,579,996	22.8%	7,792,108	3.7%	-	-	-	-	-	-	(62,223)	(64,540)
Accounts receivable and other loans	4,878	155,463	-96.9%	3,453	41.3%	4,878	4,050	20.4%	6,537	-25.4%	-	152,309	NMF	-	-	-	(896)	(3,084)
Insurance premiums receivable	-	59,658	NMF	-	-	-	-	-	-	-	-	60,188	NMF	-	-	-	(530)	-
Prepayments	74,238	98,073	-24.3%	79,600	-6.7%	74,238	26,622	NMF	79,600	-6.7%	-	71,702	NMF	-	-	-	(251)	-
Inventories	11,085	204,433	-94.6%	10,371	6.9%	11,085	9,374	18.3%	10,371	6.9%	-	195,059	NMF	-	-	-	-	-
Investment property	218,224	306,140	-28.7%	218,142	0.0%	218,224	162,538	34.3%	218,142	0.0%	-	147,937	NMF	-	-	-	(4,335)	-
Property and equipment	313,627	1,418,453	-77.9%	324,810	-3.4%	313,627	303,396	3.4%	324,810	-3.4%	-	1,110,722	NMF	-	-	-	4,335	-
Goodwill	33,351	159,569	-79.1%	33,351	0.0%	33,351	33,453	-0.3%	33,351	0.0%	-	126,116	NMF	-	-	-	-	-
Intangible assets	61,462	77,150	-20.3%	57,139	7.6%	61,462	52,348	17.4%	57,139	7.6%	-	24,802	NMF	-	-	-	-	-
Income tax assets	21,792	6,453	NMF	13,189	65.2%	21,792	1,332	NMF	13,189	65.2%	-	5,121	NMF	-	-	-	-	-
Assets of disposal group held for distribution	125,615	190,555	-34.1%	113,823	10.4%	125,615	112,476	11.7%	117,289	7.1%	-	83,661	NMF	-	-	-	(5,582)	(3,466)
Other assets	-	-	-	2,447,592	NMF	-	-	-	-	-	-	-	-	3,841,004	NMF	-	-	(1,393,412)
<b>Total assets</b>	<b>13,208,821</b>	<b>13,136,463</b>	<b>0.6%</b>	<b>15,474,490</b>	<b>-14.6%</b>	<b>13,208,821</b>	<b>11,060,955</b>	<b>19.4%</b>	<b>13,166,862</b>	<b>0.3%</b>	<b>-</b>	<b>2,527,043</b>	<b>NMF</b>	<b>3,841,004</b>	<b>NMF</b>	<b>-</b>	<b>(451,535)</b>	<b>(1,533,376)</b>
Client deposits and notes	7,174,234	5,319,398	34.9%	6,762,071	6.1%	7,174,234	5,655,341	26.9%	7,296,110	-1.7%	-	-	-	-	-	-	(335,943)	(534,039)
Amounts due to credit institutions	2,740,595	3,077,869	-11.0%	2,521,291	8.7%	2,740,595	2,602,304	5.3%	2,642,427	3.7%	-	538,533	NMF	-	-	-	(62,968)	(121,136)
Debt securities issued	1,527,452	1,582,431	-3.5%	1,524,600	0.2%	1,527,452	1,312,990	16.3%	1,569,404	-2.7%	-	319,033	NMF	-	-	-	(49,592)	(44,804)
Accruals and deferred income	33,397	141,801	-76.4%	27,478	21.5%	33,397	28,639	16.6%	27,478	21.5%	-	113,162	NMF	-	-	-	-	-
Insurance contracts liabilities	-	81,446	NMF	-	-	-	-	-	-	-	-	81,446	NMF	-	-	-	-	-
Income tax liabilities	43,326	12,858	NMF	19,538	121.8%	43,326	11,291	NMF	19,538	121.8%	-	1,567	NMF	-	-	-	-	-
Other liabilities	52,231	412,467	-87.3%	41,073	27.2%	52,231	38,363	36.1%	41,876	24.7%	-	377,136	NMF	-	-	-	(3,032)	(803)
Liabilities of disposal group held for distribution	-	-	-	1,837,869	NMF	-	-	-	-	-	-	-	-	1,964,463	NMF	-	-	(126,594)
<b>Total liabilities</b>	<b>11,571,235</b>	<b>10,628,270</b>	<b>8.9%</b>	<b>12,733,920</b>	<b>-9.1%</b>	<b>11,571,235</b>	<b>9,648,928</b>	<b>19.9%</b>	<b>11,596,833</b>	<b>-0.2%</b>	<b>-</b>	<b>1,430,877</b>	<b>NMF</b>	<b>1,964,463</b>	<b>NMF</b>	<b>-</b>	<b>(451,535)</b>	<b>(827,376)</b>
Share capital	1,790	1,152	55.4%	1,151	55.5%	1,790	1,152	55.4%	1,151	55.5%	-	-	-	-	-	-	-	-
Additional paid-in capital	463,130	140,480	NMF	64,530	NMF	463,130	-	NMF	-	NMF	-	140,480	NMF	64,530	NMF	-	-	-
Treasury shares	(41)	(51)	-19.6%	(57)	-28.1%	(41)	(51)	-19.6%	(57)	-28.1%	-	-	-	-	-	-	-	-
Other reserves	26,268	114,822	-77.1%	101,967	-74.2%	26,268	(51,798)	NMF	(117,684)	NMF	-	166,620	NMF	797,564	NMF	-	-	(577,913)
Retained earnings	1,139,285	1,958,650	-41.8%	2,246,096	-49.3%	1,139,285	1,456,477	-21.8%	1,679,497	-32.2%	-	502,173	NMF	694,686	NMF	-	-	(128,087)
Reserves of disposal group held for distribution	-	-	-	15,828	NMF	-	-	-	-	-	-	-	-	15,828	NMF	-	-	-
<b>Total equity attributable to shareholders of the Group</b>	<b>1,630,432</b>	<b>2,215,053</b>	<b>-26.4%</b>	<b>2,429,515</b>	<b>-32.9%</b>	<b>1,630,432</b>	<b>1,405,780</b>	<b>16.0%</b>	<b>1,562,907</b>	<b>4.3%</b>	<b>-</b>	<b>809,273</b>	<b>NMF</b>	<b>1,572,608</b>	<b>NMF</b>	<b>-</b>	<b>-</b>	<b>(706,000)</b>
Non-controlling interests	7,154	293,140	-97.6%	311,055	-97.7%	7,154	6,247	14.5%	7,122	0.4%	-	286,893	NMF	303,933	NMF	-	-	-
<b>Total equity</b>	<b>1,637,586</b>	<b>2,508,193</b>	<b>-34.7%</b>	<b>2,740,570</b>	<b>-40.2%</b>	<b>1,637,586</b>	<b>1,412,027</b>	<b>16.0%</b>	<b>1,570,029</b>	<b>4.3%</b>	<b>-</b>	<b>1,096,166</b>	<b>NMF</b>	<b>1,876,541</b>	<b>NMF</b>	<b>-</b>	<b>-</b>	<b>(706,000)</b>
<b>Total liabilities and equity</b>	<b>13,208,821</b>	<b>13,136,463</b>	<b>0.6%</b>	<b>15,474,490</b>	<b>-14.6%</b>	<b>13,208,821</b>	<b>11,060,955</b>	<b>19.4%</b>	<b>13,166,862</b>	<b>0.3%</b>	<b>-</b>	<b>2,527,043</b>	<b>NMF</b>	<b>3,841,004</b>	<b>NMF</b>	<b>-</b>	<b>(451,535)</b>	<b>(1,533,376)</b>
Book value per share	34.12	58.83	-42.0%	64.91	-47.4%													

# BNB FINANCIAL HIGHLIGHTS



## INCOME STATEMENT, HIGHLIGHTS

GEL thousands, unless otherwise stated

	2Q18	2Q17	Change y-o-y	1Q18	Change q-o-q	1H18	1H17	Change y-o-y
Net interest income	6,354	7,946	-20.0%	6,544	-2.9%	12,898	16,647	-22.5%
Net fee and commission income	2,503	2,278	9.9%	2,277	9.9%	4,780	4,627	3.3%
Net foreign currency gain	4,182	2,818	48.4%	3,277	27.6%	7,459	4,616	61.6%
Net other income	192	155	23.9%	117	64.1%	309	266	16.2%
<b>Revenue</b>	<b>13,231</b>	<b>13,197</b>	<b>0.3%</b>	<b>12,215</b>	<b>8.3%</b>	<b>25,446</b>	<b>26,156</b>	<b>-2.7%</b>
Operating expenses	(8,184)	(7,233)	13.1%	(7,721)	6.0%	(15,905)	(13,634)	16.7%
<b>Operating income before cost of credit risk</b>	<b>5,047</b>	<b>5,964</b>	<b>-15.4%</b>	<b>4,494</b>	<b>12.3%</b>	<b>9,541</b>	<b>12,522</b>	<b>-23.8%</b>
Cost of credit risk	(2,305)	(2,240)	-28.9%	(717)	NMF	(3,022)	(8,874)	-65.9%
Net non-recurring items	(5)	2	NMF	(700)	-99.3%	(706)	(55)	NMF
<b>Profit before income tax</b>	<b>2,737</b>	<b>2,726</b>	<b>0.4%</b>	<b>3,077</b>	<b>-11.0%</b>	<b>5,813</b>	<b>3,593</b>	<b>61.8%</b>
Income tax expense	(721)	(455)	58.5%	(779)	-7.4%	(1,498)	(654)	129.1%
<b>Profit</b>	<b>2,016</b>	<b>2,271</b>	<b>-11.2%</b>	<b>2,298</b>	<b>-12.3%</b>	<b>4,315</b>	<b>2,939</b>	<b>46.8%</b>

## BALANCE SHEET, HIGHLIGHTS

GEL thousands, unless otherwise stated

	Jun-18	Jun-17	Change y-o-y	Mar-18	Change q-o-q
Cash and cash equivalents	86,932	61,709	40.9%	77,403	12.3%
Amounts due from credit institutions	10,719	4,154	158.0%	10,387	3.2%
Investment securities	38,815	99,333	-60.9%	40,819	-4.9%
Loans to customers and finance lease receivables	394,502	369,647	6.7%	377,680	4.5%
Other assets	40,833	24,835	64.4%	37,731	8.2%
<b>Total assets</b>	<b>571,801</b>	<b>559,678</b>	<b>2.2%</b>	<b>544,020</b>	<b>5.1%</b>
Client deposits and notes	297,756	263,681	12.9%	288,337	3.3%
Amounts due to credit institutions	161,332	195,466	-17.5%	144,208	11.9%
Debt securities issued	32,453	28,334	14.5%	30,726	5.6%
Other liabilities	3,723	4,662	-20.1%	7,331	-49.2%
<b>Total liabilities</b>	<b>495,264</b>	<b>492,143</b>	<b>0.6%</b>	<b>470,602</b>	<b>5.2%</b>
<b>Total equity</b>	<b>76,537</b>	<b>67,535</b>	<b>13.3%</b>	<b>73,418</b>	<b>4.2%</b>
<b>Total liabilities and equity</b>	<b>571,801</b>	<b>559,678</b>	<b>2.2%</b>	<b>544,020</b>	<b>5.1%</b>

# BANKING BUSINESS KEY RATIOS



	2Q18	2Q17	1Q18	1H18	1H17
<b>Profitability</b>					
ROAA, Annualised **	3.1%	3.2%	3.1%	3.1%	3.2%
ROAE, Annualised **	25.2%	24.1%	25.9%	25.9%	23.9%
<i>RB ROAE **</i>	30.5%	27.1%	31.5%	30.9%	27.5%
<i>CIB ROAE **</i>	20.0%	20.4%	19.7%	20.0%	19.5%
Net Interest Margin, Annualised	6.9%	7.3%	7.0%	7.0%	7.3%
<i>RB NIM</i>	8.0%	8.6%	8.3%	8.1%	8.7%
<i>CIB NIM</i>	3.5%	3.3%	3.2%	3.3%	3.3%
Loan Yield, Annualised	14.0%	14.3%	13.9%	13.9%	14.1%
<i>RB Loan Yield</i>	15.8%	16.4%	15.9%	15.8%	16.1%
<i>CIB Loan Yield</i>	10.4%	10.6%	9.9%	10.1%	10.6%
Liquid Assets Yield, Annualised	3.8%	3.4%	3.6%	3.7%	3.3%
Cost of Funds, Annualised	5.0%	4.8%	4.8%	4.9%	4.7%
Cost of Client Deposits and Notes, Annualised	3.6%	3.6%	3.4%	3.5%	3.5%
<i>RB Cost of Client Deposits and Notes</i>	2.9%	3.0%	2.8%	2.9%	3.0%
<i>CIB Cost of Client Deposits and Notes</i>	4.1%	4.2%	3.9%	4.0%	4.0%
Cost of Amounts Due to Credit Institutions, Annualised	7.2%	6.6%	6.9%	7.0%	6.4%
Cost of Debt Securities Issued	7.7%	7.1%	7.7%	7.8%	6.5%
Operating Leverage, Y-O-Y	3.8%	-0.1%	-2.8%	0.4%	2.9%
Operating Leverage, Q-O-Q	0.2%	-5.7%	3.2%	0.0%	0.0%
<b>Efficiency</b>					
Cost / Income	36.9%	38.1%	37.0%	36.9%	37.1%
<i>RB Cost / Income</i>	36.6%	38.8%	36.4%	36.5%	38.2%
<i>CIB Cost / Income</i>	31.4%	32.8%	32.5%	31.9%	31.4%
<b>Liquidity</b>					
NBG Liquidity Ratio	30.2%	44.1%	36.5%	30.2%	44.1%
Liquid Assets To Total Liabilities	36.9%	39.1%	38.9%	36.9%	39.1%
Net Loans To Client Deposits and Notes	112.6%	116.4%	106.8%	112.6%	116.4%
Net Loans To Client Deposits and Notes + DFIs	96.9%	97.6%	91.8%	96.9%	97.6%
Leverage (Times)	7.1	6.8	7.4	7.1	6.8
<b>Asset Quality:</b>					
NPLs (in GEL)	247,861	304,320	247,335	247,861	304,320
NPLs To Gross Loans To Clients	3.0%	4.4%	3.1%	3.0%	4.4%
NPL Coverage Ratio	110.5%	90.2%	111.4%	110.5%	90.2%
NPL Coverage Ratio, Adjusted for discounted value of collateral	147.2%	131.5%	147.2%	147.2%	131.5%
Cost of Risk, Annualised	1.7%	2.2%	2.1%	1.9%	2.3%
<i>RB Cost of Risk</i>	2.2%	3.1%	2.6%	2.4%	3.2%
<i>CIB Cost of Risk</i>	0.6%	0.5%	1.3%	1.0%	0.4%
<b>Capital Adequacy:</b>					
NBG (Basel III) Tier I Capital Adequacy Ratio	12.5%	n/a	12.4%	12.5%	n/a
NBG (Basel III) Total Capital Adequacy Ratio	17.5%	n/a	17.3%	17.5%	n/a

\* For the description of Key ratios, refer to page 68

\*\* 2Q18 and 1H18 results adjusted for demerger related expenses and one-off impact of re-measurement of deferred tax balances

# KEY OPERATING DATA



	Jun-18	Jun-17	Mar-18
<b>Selected Operating Data:</b>			
Total Assets Per FTE, BOG Standalone	1,817	1,635	1,854
Number Of Active Branches, Of Which:	284	280	282
- Express Branches (including Metro)	168	138	156
- Bank of Georgia Branches	104	131	114
- Solo Lounges	12	11	12
Number Of ATMs	856	827	842
Number Of Cards Outstanding, Of Which:	2,235,122	2,117,652	2,246,396
- Debit cards	1,607,087	1,342,214	1,597,662
- Credit cards	628,035	775,438	648,734
Number Of POS Terminals	12,816	11,303	12,571
<b>FX Rates:</b>			
GEL/US\$ exchange rate (period-end)	2.4516	2.4072	2.4144
GEL/GBP exchange rate (period-end)	3.2209	3.1192	3.3932
<b>Full Time Employees, Group, Of Which:</b>			
	<b>Jun-18</b>	<b>Jun-17</b>	<b>Mar-18</b>
	<b>7,270</b>	<b>6,764</b>	<b>7,102</b>
- Full Time Employees, BOG Standalone	5,689	5,297	5,505
- Full Time Employees, BNB	699	649	708
- Full Time Employees, BB other	822	818	889
<b>Shares Outstanding</b>			
	<b>Jun-18</b>	<b>Jun-17</b>	<b>Mar-18</b>
Ordinary Shares	47,779,684	37,652,034	37,431,257
Treasury Shares	1,389,746	1,760,286	1,953,455
Total Shares Outstanding	49,169,430	39,412,320	39,384,712

# EXPRESS BANKING



## 1 168 Express Branches



- Opening accounts and deposits
- Issuing loans and credit cards
- Credit card and loan repayments
- Cash deposit into accounts
- Money transfers
- Utility and other payments

## 3 2,955 Express Pay Terminals



- Credit card repayments
- Loan repayments
- Cash deposit into accounts
- Loan activation
- Utility and other payments
- Mobile top-ups
- MetroMoney top-ups



## 2 1,075,909 Express Cards for Transport payments



- Acts as payments card in metro, buses and mini-buses

## 4 12,815 POS Terminals at 5,382 Merchants



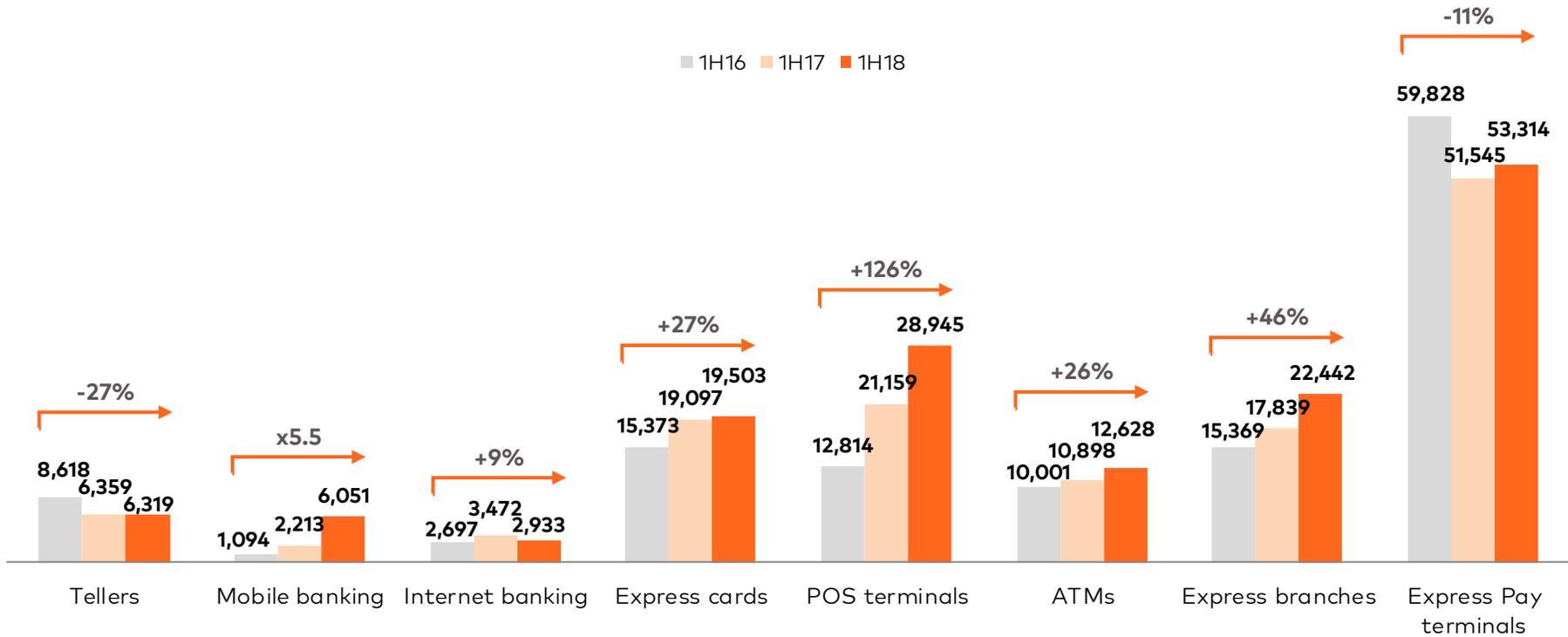
- Payments via cards and Express points
- P2P transactions between merchant and supplier
- Credit limit with 0% interest rate

# EXPRESS - CAPTURING EMERGING MASS MARKET CUSTOMERS



## Number of Transactions '000s

■ 1H16 ■ 1H17 ■ 1H18



# SOLO - A FUNDAMENTALLY DIFFERENT APPROACH TO PREMIUM BANKING



Through Solo, we target to **attract new clients** (currently 39,030) to significantly **increase market share** in **premium banking**. We are well on track to achieving our target of **40,000** Solo clients by the end of 2018.

## SOLO Lounges



### New Solo offers:

- Tailor made banking solutions
- New financial products such as bonds
- Concierge-style environment
- Access to exclusive products and events
- Lifestyle opportunities

### Solo Club

Launched in 2Q17, a membership group within Solo, which offers exclusive access to Solo products and offers ahead of other Solo clients, continues to increase its client base. At 30 June 2018, Solo Club had 3,219 members, up 12.9% q-o-q

# RETAIL BANKING TRANSFORMATION – CLIENT-CENTRIC MODEL



- The transformation of retail banking operations from the product-based model into the client-centric model complete
- As of 30 June 2018, we have 82 branches transformed using our client-centric model
- Outstanding growth in sales volumes and the number of products sold to clients in transformed branches



# NOTES TO KEY RATIOS



- 1 Return on average total assets (ROAA) equals Banking Business Profit for the period divided by monthly average total assets for the same period;
- 2 Return on average total equity (ROAE) equals Banking Business Profit for the period attributable to shareholders of the Group divided by monthly average equity attributable to shareholders of the Group for the same period;
- 3 Net Interest Margin equals Net Banking Interest Income for the period divided by monthly Average Interest Earning Assets Excluding Cash for the same period; Interest Earning Assets Excluding Cash comprise: Amounts Due From Credit Institutions, Investment Securities (but excluding corporate shares) and net Loans To Customers And Finance Lease Receivables;
- 4 Loan Yield equals Banking Interest Income From Loans To Customers And Finance Lease Receivables divided by monthly Average Gross Loans To Customers And Finance Lease Receivables;
- 5 Cost of Funds equals Banking interest expense of the period divided by monthly average interest bearing liabilities; interest bearing liabilities include: amounts due to credit institutions, client deposits and notes and debt securities issued;
- 6 Operating Leverage equals percentage change in revenue less percentage change in operating expenses;
- 7 Cost / Income Ratio equals operating expenses divided by revenue;
- 8 NBG liquidity ratio equals daily average liquid assets (as defined by NBG) during the months divided by daily average liabilities (as defined by NBG) during the months;
- 9 Liquid assets include: cash and cash equivalents, amounts due from credit institutions and investment securities;
- 10 Liquidity Coverage Ratio equals high quality liquid assets (as defined by NBG) divided by net cash outflow over the next 30 days (as defined by NBG)
- 11 Leverage (Times) equals total liabilities divided by total equity;
- 12 NPL Coverage Ratio equals allowance for impairment of loans and finance lease receivables divided by NPLs;
- 13 NPL Coverage Ratio adjusted for discounted value of collateral equals allowance for impairment of loans and finance lease receivables divided by NPLs (discounted value of collateral is added back to allowance for impairment)
- 14 Cost of Risk equals expected loss/impairment charge for loans to customers and finance lease receivables for the period divided by monthly average gross loans to customers and finance lease receivables over the same period;
- 15 NBG (Basel III) Tier I Capital Adequacy ratio equals Tier I Capital divided by total risk weighted assets, both calculated in accordance with the requirements of the National Bank of Georgia instructions;
- 16 NBG (Basel III) Total Capital Adequacy ratio equals total capital divided by total risk weighted assets, both calculated in accordance with the requirements of the National Bank of Georgia instructions;
- 17 NMF – Not meaningful

# BANK OF GEORGIA GROUP COMPANY INFORMATION



## Registered Address

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United Kingdom

Registered under number 10917019 in England and Wales

## Secretary

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## Stock Listing

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Ticker: "BGEO.LN"

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## Auditors

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## Registrar

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Please note that Investor Centre is a free, secure online service run by our Registrar, Computershare, giving you convenient access to information on your shareholdings.

Investor Centre Web Address - [www.investorcentre.co.uk](http://www.investorcentre.co.uk)  
Investor Centre Shareholder Helpline - +44 (0)370 873 5866

## Share price information

Shareholders can access both the latest and historical prices via the website,  
[www.bankofgeorgiagroup.com](http://www.bankofgeorgiagroup.com)

