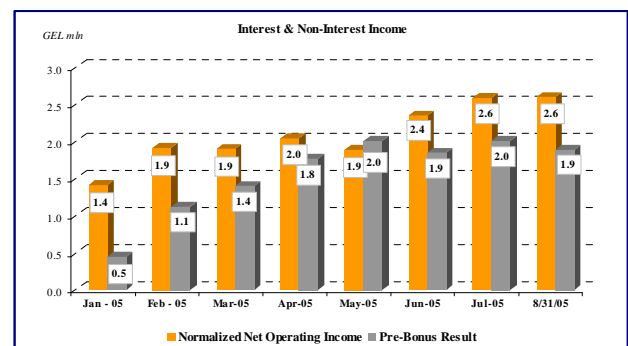
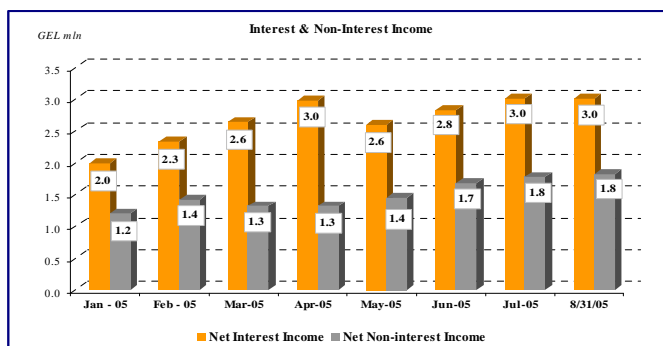


JSC Bank of Georgia Announces Its August 2005 Results, Announces New High- Profile Hires

- Net Interest Income of GEL 3.0 million, down GEL 5 thousand or 0.2% m-o-m (a 33% increase y-o-y)
- Net Non-Interest Income of GEL 1.8 million, up GEL 43 thousand, or 2.4% m-o-m (a 7% increase y-o-y)
- Total Operating Income of GEL 4.8 million, up GEL 38 thousand or 0.8% m-o-m (a 22% increase y-o-y)
- Normalized Net Operating Income (NNOI) of GEL 2.6 million, up GEL15 thousand, or 0.6% m-o-m (a 28% increase y-o-y)
- Pre-Bonus Result (PBR) of GEL 1.9 million, down GEL 0.2 million, or 5.6% m-o-m (a 70% increase y-o-y)
- Net Income of GEL 1.2 million, down GEL 22 thousand, or 1.9 % m-o-m (a 6% increase y-o-y)

Bank of Georgia (GSE:GEB), a leading Georgian universal bank, announced today its August 2005 results, reporting Net Income of GEL 1.2 million in August '05 (YTD Net Income of GEL 7.6 million, up 56.1% y-o-y).

“Our performance in August, despite the seasonal slowdown, exceeded our expectations. I am also pleased that both our loan portfolio and client deposits continue to grow. Net loan portfolio reached GEL 243.2 million, up GEL 9.0 million m-o-m (up 20% YTD) and Client Deposits stood at GEL 266.4 million, up GEL 12.5 million m-o-m (up 21% YTD). Our assets exceeded GEL 400 million for the first time, and stood at GEL 410 million at the end of the month (up GEL 22.3 million, up 21% YTD). Furthermore, we are delighted to announce that we have, once again, succeeded in attracting top talent from abroad with Gvantsa Shengelia, a back office specialist formerly with Deutsche Bank and Morgan Stanley in the United States, joining the bank as Head of Reporting and Analysis, and Thea Jokhadze, CFA, joining from Pace Global Energy Services in Washington D.C., as Director of Funding. We believe that Bank of Georgia has become the employer of choice in the Georgian market,” noted **Lado Gurgenzidze**, Chief Executive Officer.



About Bank of Georgia

Bank of Georgia is a leading Georgian universal bank. The bank markets and distributes a wide spectrum of retail products through its extensive branch network, and offers a full range of commercial banking and investment banking (through its affiliate, Galt & Taggart Securities) services to corporate clients. Additionally, BCI, the wholly-owned insurance subsidiary of the bank, offers a wide range of corporate and retail insurance products. As at August 31, 2005, the bank had GEL 410 million in assets and GEL 67 million in equity.

For more information, please contact:

Lado Gurgenzidze, Chief Executive Officer

+995 32 444 103

lgurgenzidze@bog.ge

Irakli Gilauri, Chief Financial Officer

+995 32 444 109

lgilauri@bog.ge

Macca Ekizashvili, Head of Investor Relations

+995 32 444 256

ir@bog.ge

Or visit our investor relations page at www.bog.ge/ir

This news report is presented for general informational purposes only and should not be construed either as an offer to sell or the solicitation of an offer to buy any securities. Certain statements in this news report are forward-looking statements and, as such, are based on the management's current expectations and are subject to uncertainty and change in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors.