

JSC Bank of Georgia Announces the Acquisition of 670,000 Newly Issued Shares By East Capital Bering Ukraine Fund

JSC Bank of Georgia (GSE: GEB), a leading Georgian universal bank, announced today the acquisition of 670,000 newly issued shares of the bank by Concentra Ltd, a company wholly-owned and acting on behalf of East Capital Bering Ukraine Fund. All of the shares were sold at GEL 6.93 per share. The bank's book value as of July 31, 2005 was GEL 5.33 per share. As a result of this transaction, Bank of Georgia increased its equity capital to GEL 65.7 million, and currently has 12,135,214 shares outstanding.

"I am very pleased to welcome East Capital Bering Ukraine Fund as the bank's shareholder. Every new institutional shareholder is very much appreciated, as the ongoing upgrade of our shareholder base raises the bank's profile internationally", commented Chief Executive Officer, ***Lado Gurgenedze***.

About Bank of Georgia

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

For more information, please contact:

Lado Gurgenedze, Chief Executive Officer

+995 32 444 103

lgurgenedze@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

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