

JSC Bank of Georgia and EBRD sign the Amended and Restated Participation Agreement

JSC Bank of Georgia (LSE: BGEO) (the “Bank”), Georgia’s leading bank, and the European Bank for Reconstruction and Development (the “EBRD”) have signed today the Amended and Restated Participation Agreement in the aggregate amount of US\$25 million. The original participation agreement was signed in June 2005 for the amount of US\$5 million. The current agreement provides additional US\$20 million co-financing for Bank of Georgia’s corporate clients that can be used for term lending of up to eight years maturity as well as revolving lines of credit for working capital needs. The facility enables EBRD to co-finance corporate clients together with Bank of Georgia, without recourse to the Bank, fully bearing the Georgian corporate risk.

“We are delighted to announce yet another initiative from one of our key lenders, demonstrating EBRD’s readiness to support credit growth in Georgia in this crucial time. EBRD’s Medium Term Co-Financing Facility (MCFF) is intended to share the risk of corporate lending between Bank of Georgia and the EBRD, freeing up the Bank’s funds and capital to be extended to new projects. We are certain that this new tranche of the MCFF will provide the needed boost to the availability of corporate credit and play into the general rebound of the economy that we are beginning to observe,” commented **Irakli Gilauri**, Chief Executive Officer

About Bank of Georgia

Bank of Georgia is the leading Georgian bank offering a broad range of corporate and investment banking, retail banking, wealth management and insurance services to its customers in Georgia, Ukraine and Belarus. Bank of Georgia is the largest bank in Georgia by assets, loans, deposits and equity, with 34.3% market share by total assets (all data according to the NBG as of 31 March 2009). The bank has 142 branches and over 870,000 retail and more than 140,000 corporate current accounts.

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

Standard & Poor’s	‘B/B’
FitchRatings	‘B/B’
Moody’s	‘B3/NP’ (FC) & ‘Ba3/NP’ (LC)

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