



GLOBAL FINANCE



The Banker



Bank of the Year 2008
GEORGIA

The Banker



Bank of the Year 2007
GEORGIA

The Banker



Bank of the Year 2006
Georgia

Standard & Poor's: 'B/B'

Fitch Ratings: 'B/B'

Moody's: 'B3/NP' (FC) & 'Ba3/NP' (LC)

LSE: BGEO

GSE: GEB

Reuters: BGEO.L

Bloomberg: BGEO.LI

Bank of Georgia Q2 2009 results overview



საქართველოს ბანკი
BANK OF GEORGIA

September 2009

Introduction to Bank of Georgia

The leading bank in Georgia

- ☑ No.1 by assets (circa 33.7%),⁽¹⁾ loans (circa 31.5%),⁽¹⁾ client deposits (circa 29.2%)⁽¹⁾ and equity (circa 39.6%)⁽¹⁾
- ☑ Leading retail bank, with top brand, best distribution network and broadest range of services of any bank in Georgia
- ☑ Leading corporate bank with approximately 80,000 legal entities and over 146,000 current accounts

	June 2009
☑ Retail current accounts	880,000+
☑ Cards outstanding	590,000+
☑ Branches	140
☑ ATMs	394

- ☑ Leading wealth management services provider with 2,641 current accounts, 1,350 clients
- ☑ The only Georgian entity with credit ratings from all three global rating agencies
 - ☑ S&P: 'B/B' – at the sovereign ceiling
 - ☑ Fitch Ratings: 'B/B'
 - ☑ Moody's: 'B3/NP (FC)' & 'Ba3/NP (LC)'
- ☑ Listed on the London Stock Exchange (GDRs) and Georgian Stock Exchange
 - ☑ Market Cap (LSE) US\$170 mln as of 15 June 2009
 - ☑ Approximately 95% free float
- ☑ Issue of the first ever Eurobonds in Georgia
 - ☑ Bloomberg: BKGEO; 5 year, 9%, US\$200 mln
 - ☑ B/Ba2/B (composite B+)

Investment highlights

- ☑ Undisputed leader of Georgian financial services industry with market-leading corporate, retail and wealth management franchise
- ☑ Strongly positioned to benefit from US\$4.5 bln international assistance package pledged to Georgia by international donors in the aftermath of Russia-Georgia conflict in August 2008
- ☑ Disciplined capital management, low leverage, strong liquidity position, conservative risk management
- ☑ Sophisticated management team with western banking & finance background
- ☑ Transparency and good governance, over 89% institutionally owned. Supervisory Board includes representatives of two large institutional shareholders and three independent directors

Note: (1) As of 31 July 2009; based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge



Bank of Georgia Q2 2009 & 1H 2009 results overview

Q2 2009 & 1H 2009 P&L results highlights

Millions, unless otherwise noted

Bank of Georgia (Consolidated, IFRS Based)	Q2 2009		Q1 2009		Growth, Q-O-Q ¹	Q2 2008		Growth, Y-O-Y ¹
	GEL	US\$	GEL	US\$		GEL	US\$	
	<i>Unaudited</i>		<i>Unaudited</i>					
Net Interest Income	49.5	29.8	52.4	31.4	-5.7%	55.8	39.4	-11.4%
Net Non-Interest Income	31.1	18.8	29.3	17.5	6.3%	30.3	21.4	2.8%
Total Operating Income (Revenue) ²	80.6	48.6	81.7	48.9	-1.4%	86.1	60.7	-6.4%
Recurring Operating Costs	46.3	27.9	44.6	26.7	3.8%	48.9	34.5	-5.2%
Normalized Net Operating Income ³	34.3	20.7	37.1	22.2	-7.6%	37.3	26.3	-8.1%
Net Non-Recurring Income (Costs)	(0.3)	(0.2)	(0.2)	(0.1)	NMF	3.2	2.3	NMF
Net Provision Expense	40.7	24.5	32.1	19.2	26.9%	7.2	5.1	465.6%
Net Income/ (Loss)	(4.3)	(2.6)	5.1	3.0	NMF	28.3	20.0	NMF
Tier I Capital Adequacy Ratio (BIS)	23.9%		22.2%			25.0%		
Total Capital Adequacy Ratio (BIS)	34.2%		31.7%			25.8%		
Tier I Capital Adequacy Ratio (NBG)	17.8%		16.4%			15.8%		
Total Capital Adequacy Ratio (NBG)	18.4%		17.4%			15.1%		

Millions, unless otherwise noted

Bank of Georgia (Consolidated, IFRS Based)	1H 2009		1H 2008		Growth, Y-O-Y ¹
	GEL	US\$	GEL	US\$	
	<i>Unaudited</i>		<i>Unaudited</i>		
Net Interest Income	101.9	61.4	105.6	74.5	-3.5%
Net Non-Interest Income	60.4	36.4	61.4	43.3	327.8%
Total Operating Income (Revenue) ²	162.3	97.9	167.0	117.8	35.6%
Recurring Operating Costs	91.0	54.9	93.3	65.8	-2.5%
Normalized Net Operating Income ³	71.3	43.0	73.7	52.0	170.3%
Net Non-Recurring Income (Costs)	(0.5)	(0.3)	11.9	8.4	-104.4%
Net Provision Expense	72.8	43.9	14.6	10.3	396.8%
Net Income/ (Loss)	0.8	0.5	60.3	42.5	-98.7%
Tier I Capital Adequacy Ratio (BIS)	23.9%		25.0%		
Total Capital Adequacy Ratio (BIS)	34.2%		25.8%		
Tier I Capital Adequacy Ratio (NBG)	17.8%		15.8%		
Total Capital Adequacy Ratio (NBG)	18.4%		15.1%		

¹ Compared to the same period in 2008; growth calculations based on GEL values.

² Revenue includes Net Interest Income and Net Non-Interest Income.

³ Normalized for Net Non-Recurring Costs.



June 2009 Balance Sheet results highlights

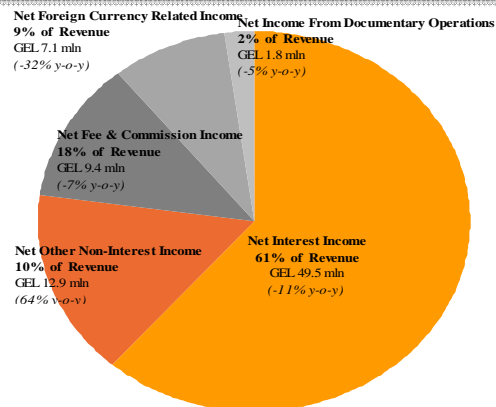
Millions, unless otherwise noted

Bank of Georgia (Consolidated, IFRS)	Q2 2009		Q1 2009		YE 2008		Q2 2008	
	GEL	US\$	GEL	US\$	GEL	US\$	GEL	US\$
	(Unaudited)		(Unaudited)		(Audited)		(Unaudited)	
Net Loans	1,749.6	1,055.3	1,911.6	1,144.7	2,080.6	1,409.6	2,062.4	1,454.4
Total Assets	2,907.8	1,753.9	3,186.8	1,908.2	3,258.9	2,207.9	3,400.7	2,398.2
Total Deposits	1,066.4	643.2	1,185.9	710.1	1,272.1	861.8	1,520.3	1,072.2
Borrowed Funds	1,011.4	610.0	1,162.8	696.3	1,137.8	770.8	903.6	637.3
Total Liabilities	2,197.9	1,325.7	2,474.9	1,482.0	2,540.1	1,720.9	2,617.7	1,846.0
Shareholders' Equity	709.9	428.2	711.8	426.3	718.8	487.0	783.0	552.2
Book Value Per Share, GEL & US\$	22.70	13.69	22.77	13.64	22.81	15.45	25.06	17.67

	Growth, Q-O-Q	Growth, Y-O-Y	Growth, YTD
Net Loans	-8.5%	-15.2%	-15.9%
Total Assets	-8.8%	-14.5%	-10.8%
Total Deposits	-10.1%	-29.9%	-16.2%
Borrowed Funds	-13.0%	11.9%	-11.1%
Total Liabilities	-11.2%	-16.0%	-13.5%
Shareholders' Equity	-0.3%	-9.3%	-1.2%
Book Value Per Share	-0.3%	-9.4%	-0.5%

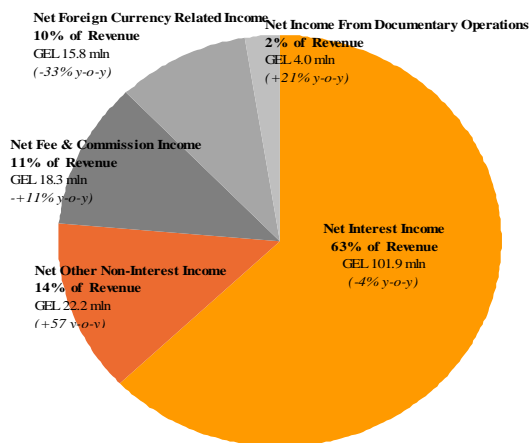
Composition of revenue in Q2 2009 & 1H 2009

Composition of Revenue, Q2 2009



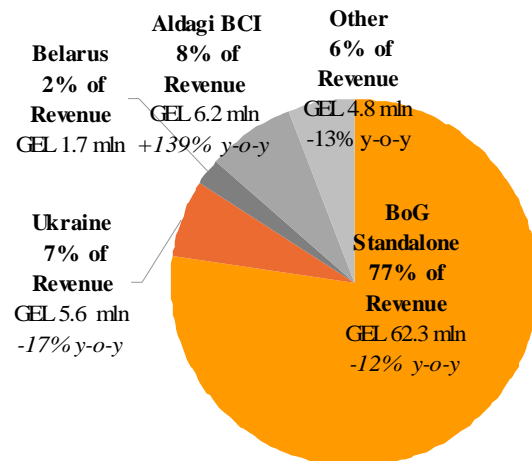
GEL 80.6 million in Q2 2009 (-6% y-o-y, -2% q-o-q)

Composition of Revenue, 1H 2009

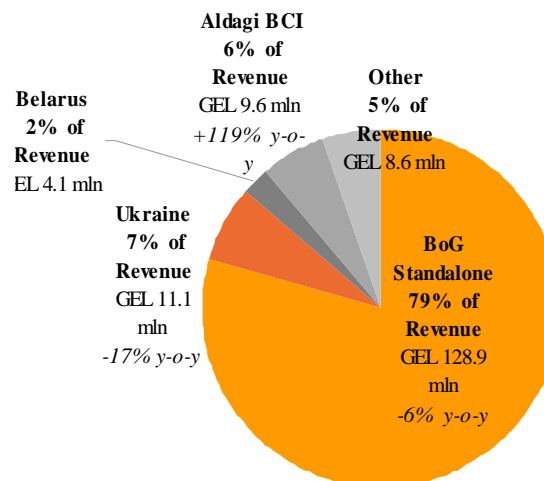


GEL 162.3 million in 1H 2009 (-3 y-o-y)

Revenue by Segments, Q2 2009

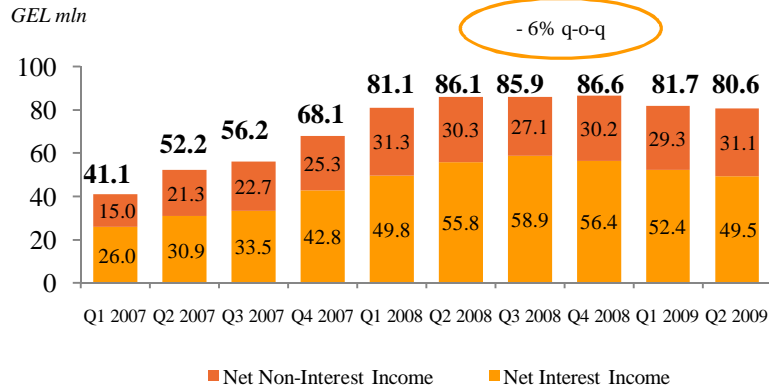


Revenue by Segments, 1H 2009

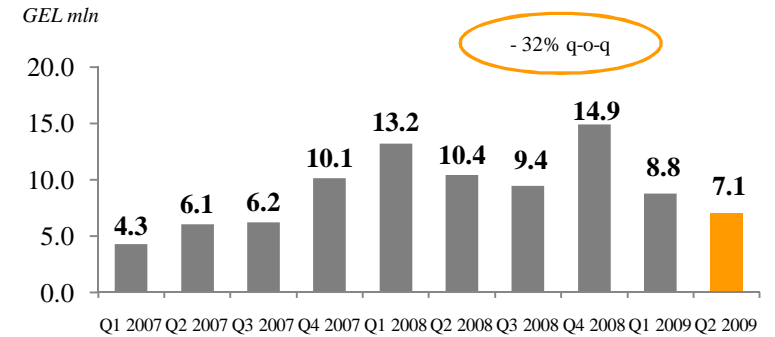


Analysis of revenue

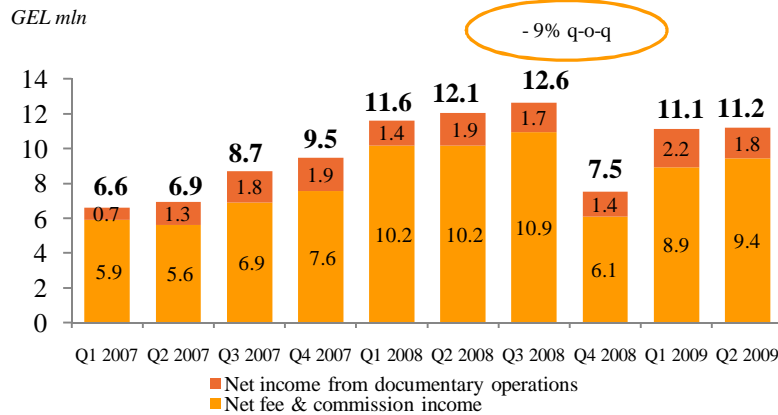
Revenue growth



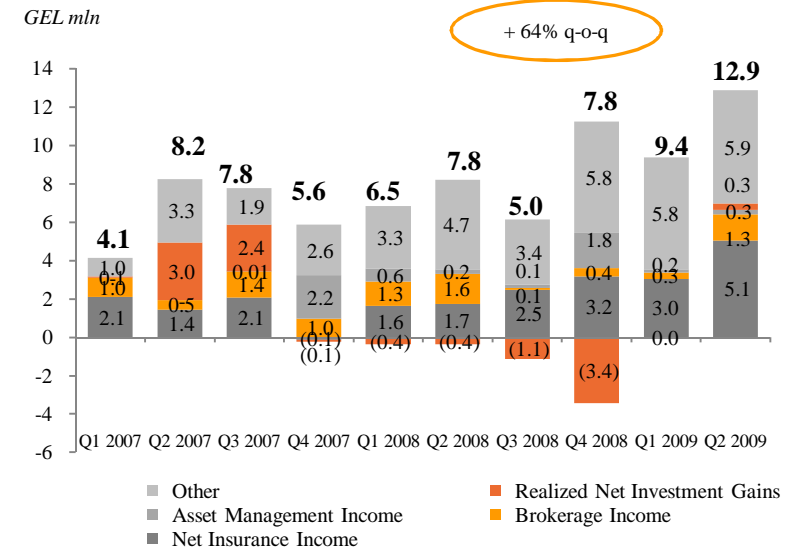
Net foreign currency related income



Net fee & commission income & income from documentary operations

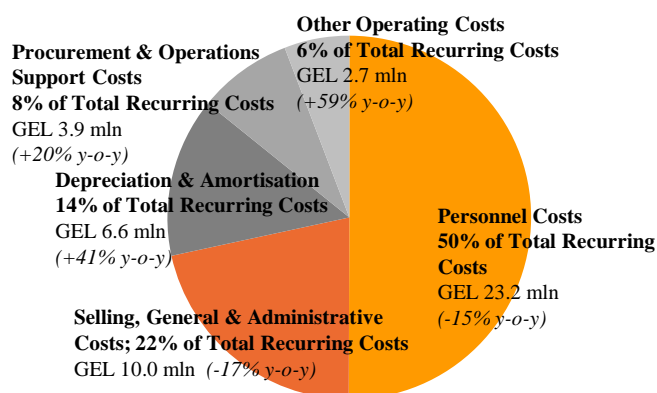


Other non-interest income



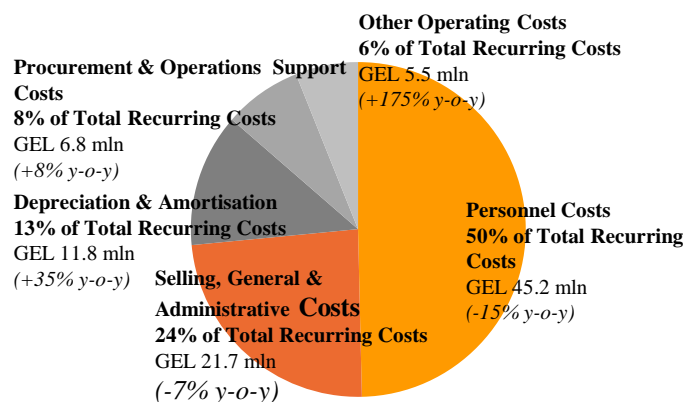
Analysis of recurring operating costs

Recurring operating cost structure, Q2 2009



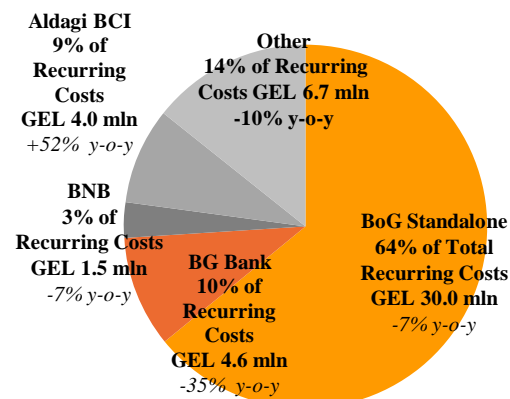
Total recurring operating costs: GEL 46.3 million in Q2 2009 (-5% y-o-y; +4% q-o-q)

Recurring operating cost structure, 1H 2009

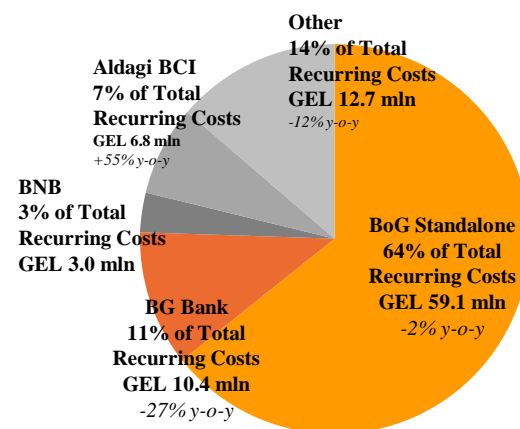


Total recurring operating costs: GEL 91.0 mln in 1H 2009 (-3% y-o-y)

Recurring operating cost structure by segments, Q2 2009

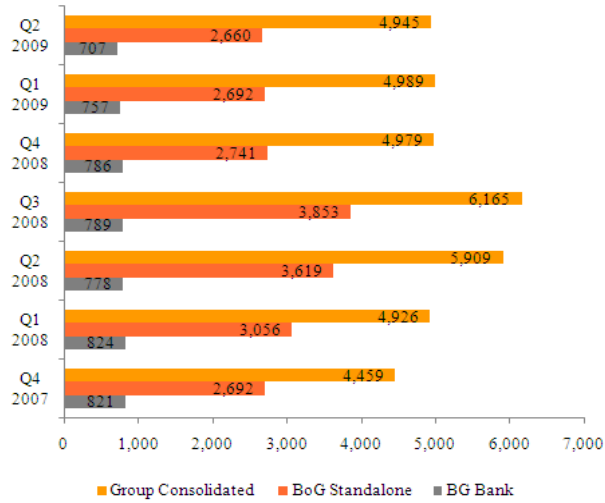


Recurring operating cost structure by segments, 1H 2009

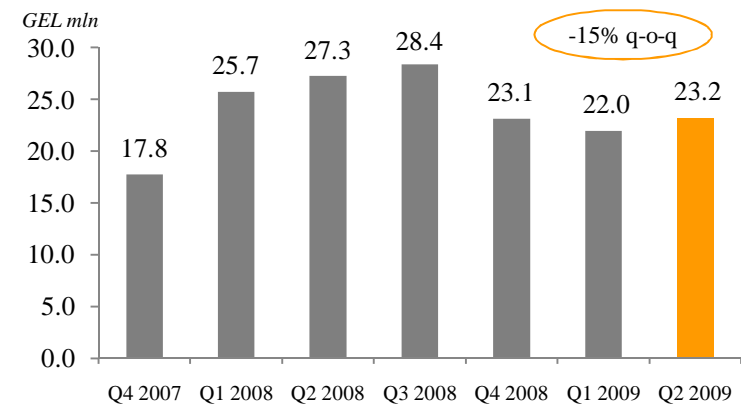


Analysis of recurring operating costs cont'd

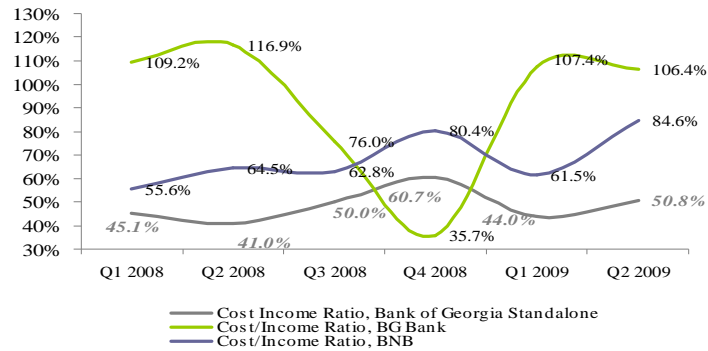
Employees



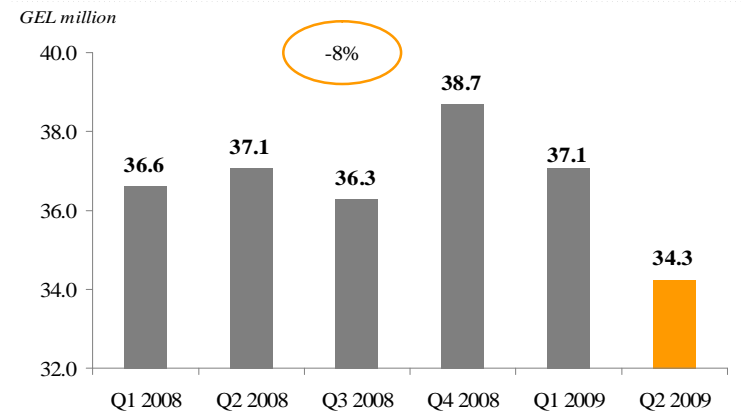
Personnel costs



Cost/Income ratio

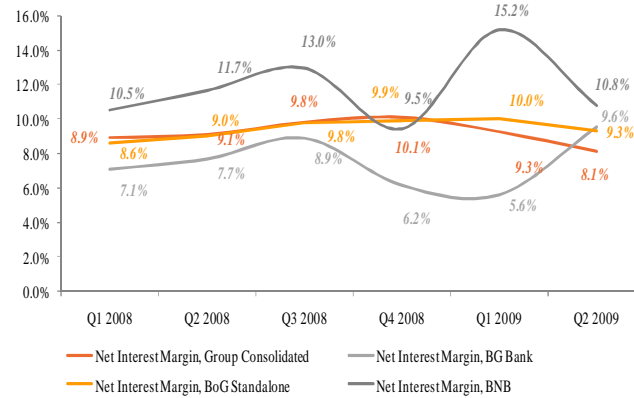


Normalised net operating income

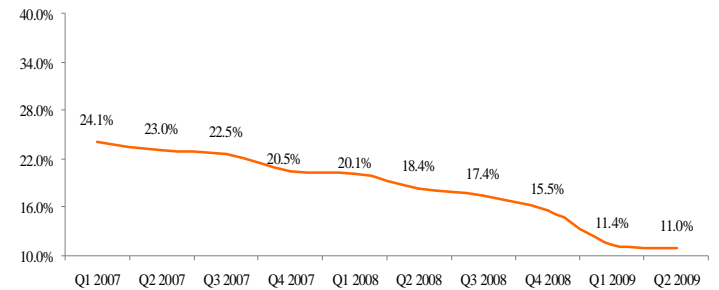


NIM & loan yields

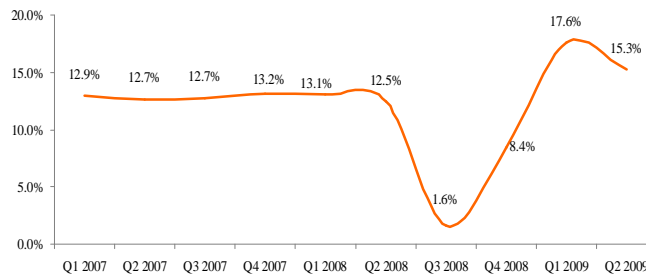
Net Interest Margin (annualised)*



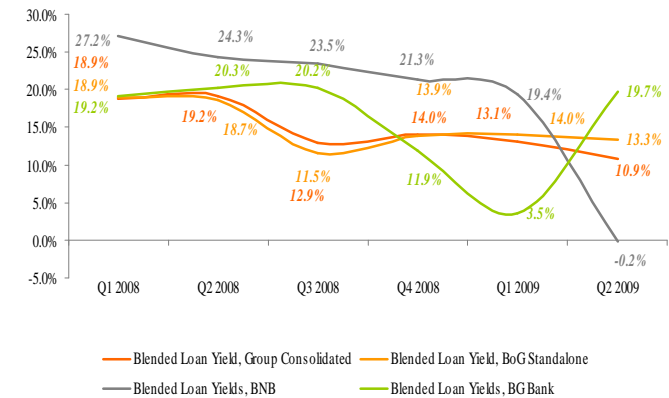
RB & WM loan yield (annualised)*



CB loan yield (annualised)*

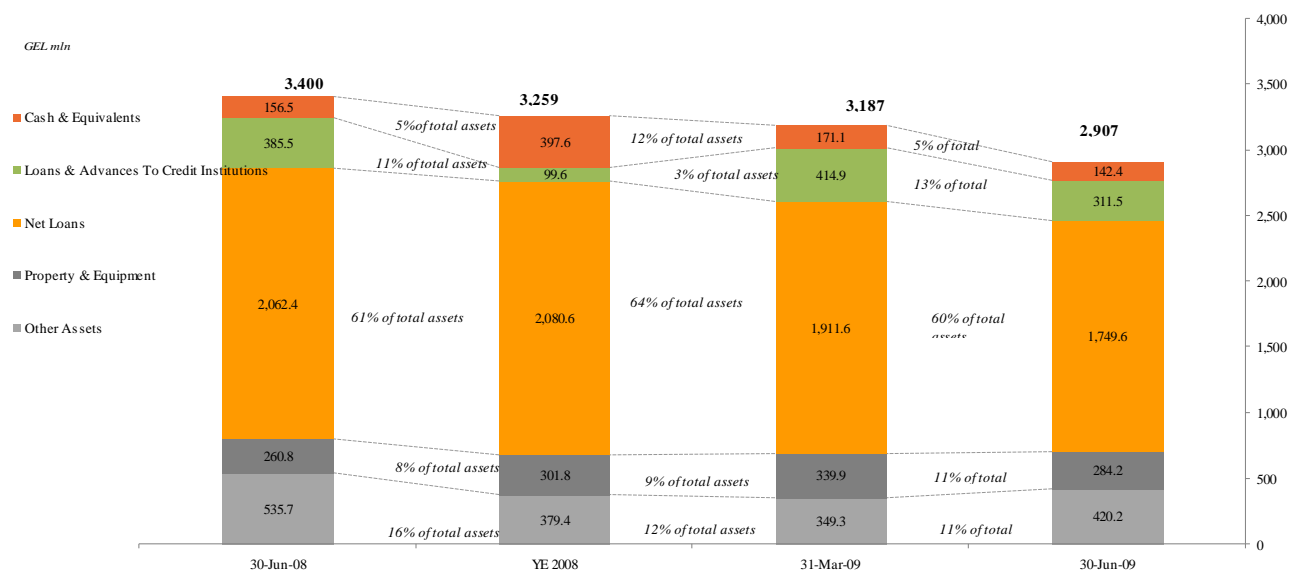


Blended loan yield (annualised)*



* Based on consolidated data, including Corporate Center where all loan recoveries are allocated

Composition of assets as at 30 June 2009

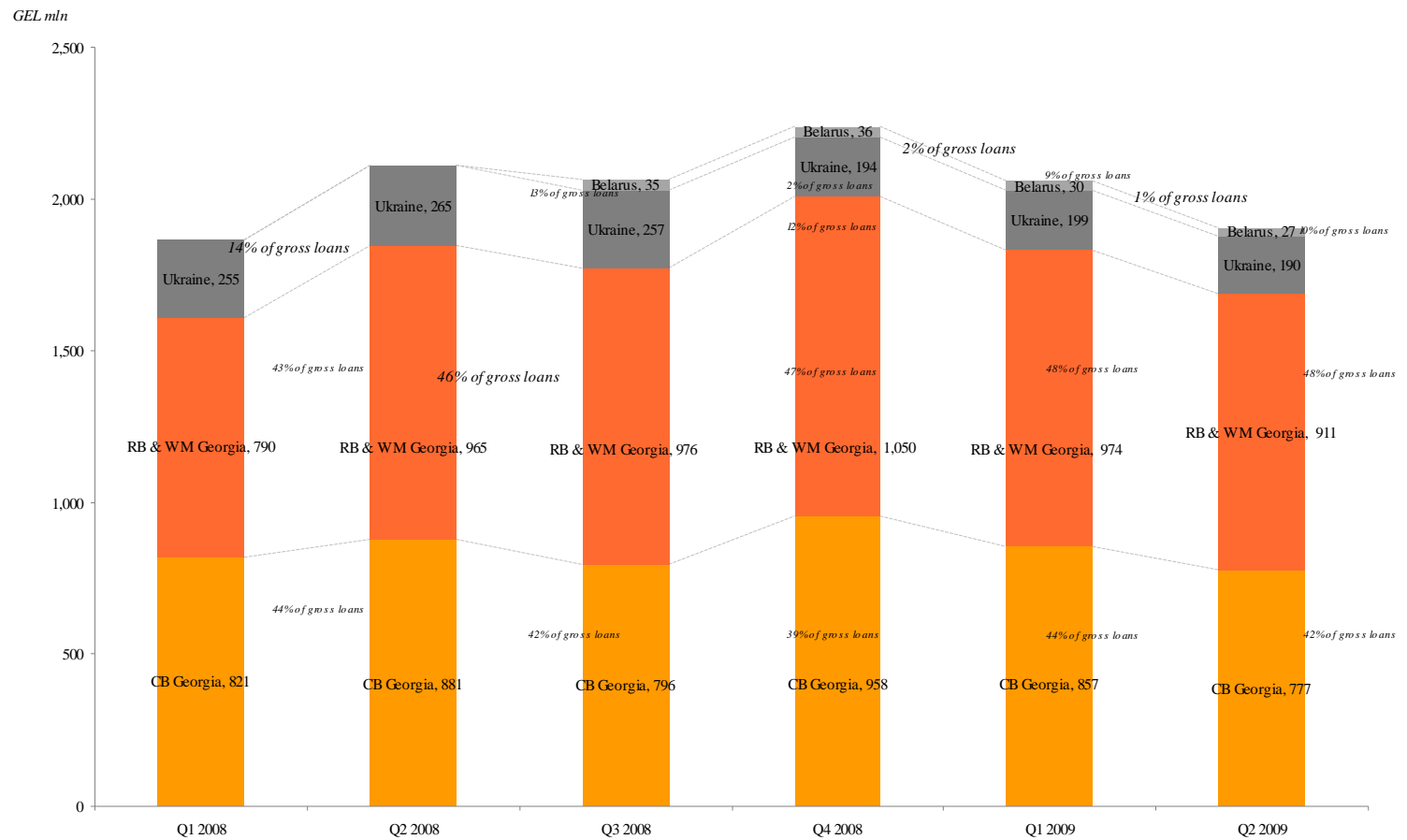


Other assets

GEL million	30-Jun-08	YE 2008	31-Mar-09	30-Jun-09
Available-For-Sale & Trading Securities	82.8	33.7	40.5	28.4
Treasuries And Equivalents	18.0	8.3	-	-
Other Fixed Income Instruments	87.7	14.6	38.4	59.1
Insurance Related Assets	20.0	42.0	52.6	47.4
Investments In Other Business Entities & Investment Property	146.8	64.0	36.5	80.9
Intangible Assets Owned & Goodwill	119.8	152.5	146.7	147.2
Tax Assets, Current And Deferred	1.1	12.8	6.7	8.3
Prepayments And Other Assets	59.6	51.4	27.9	48.9
Other assets	535.7	379.4	349.3	420.2

Note: Net loans include net finance lease receivables

Composition of gross loan book as at 30 June 2009



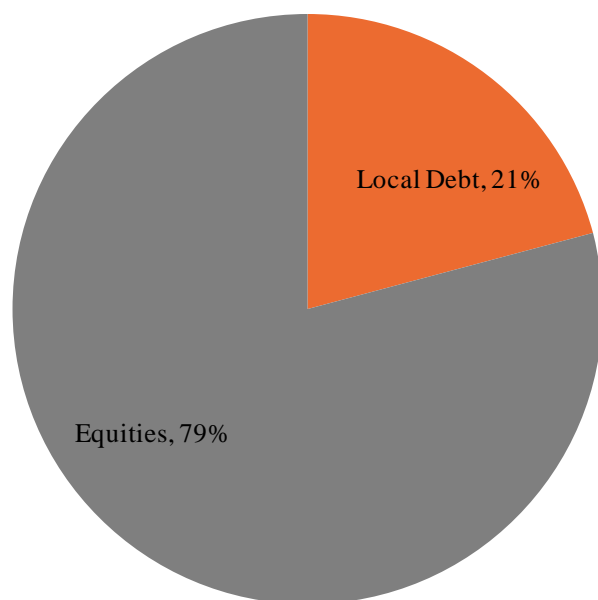
Gross loan book Q2 2009: GEL 1,904.7 million

Note: does not include loans allocated to corporate center/eliminations



Securities portfolio as at 30 June 2009

Breakdown of securities portfolio, 30 June 2009

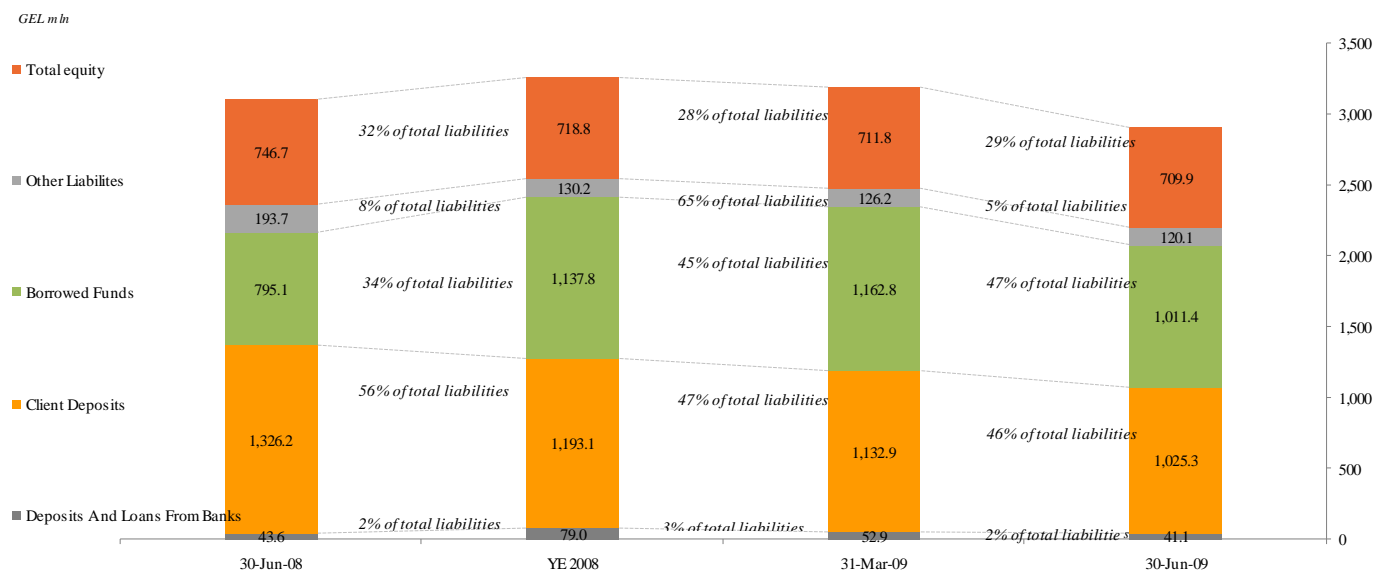


Total securities portfolio: GEL 28 million

Breakdown of securities investments

GEL '000s	Debt	Equity	Total
GTS	-	2,790	2,790
LC/GTAM	-	17,131	17,131
BG Bank (Ukraine)	5,924	-	5,924
BNB (Belarus)	-	-	-
Other	-	2,551	2,551
Total	5,924	22,472	28,396

Liabilities breakdown as at 30 June 2009

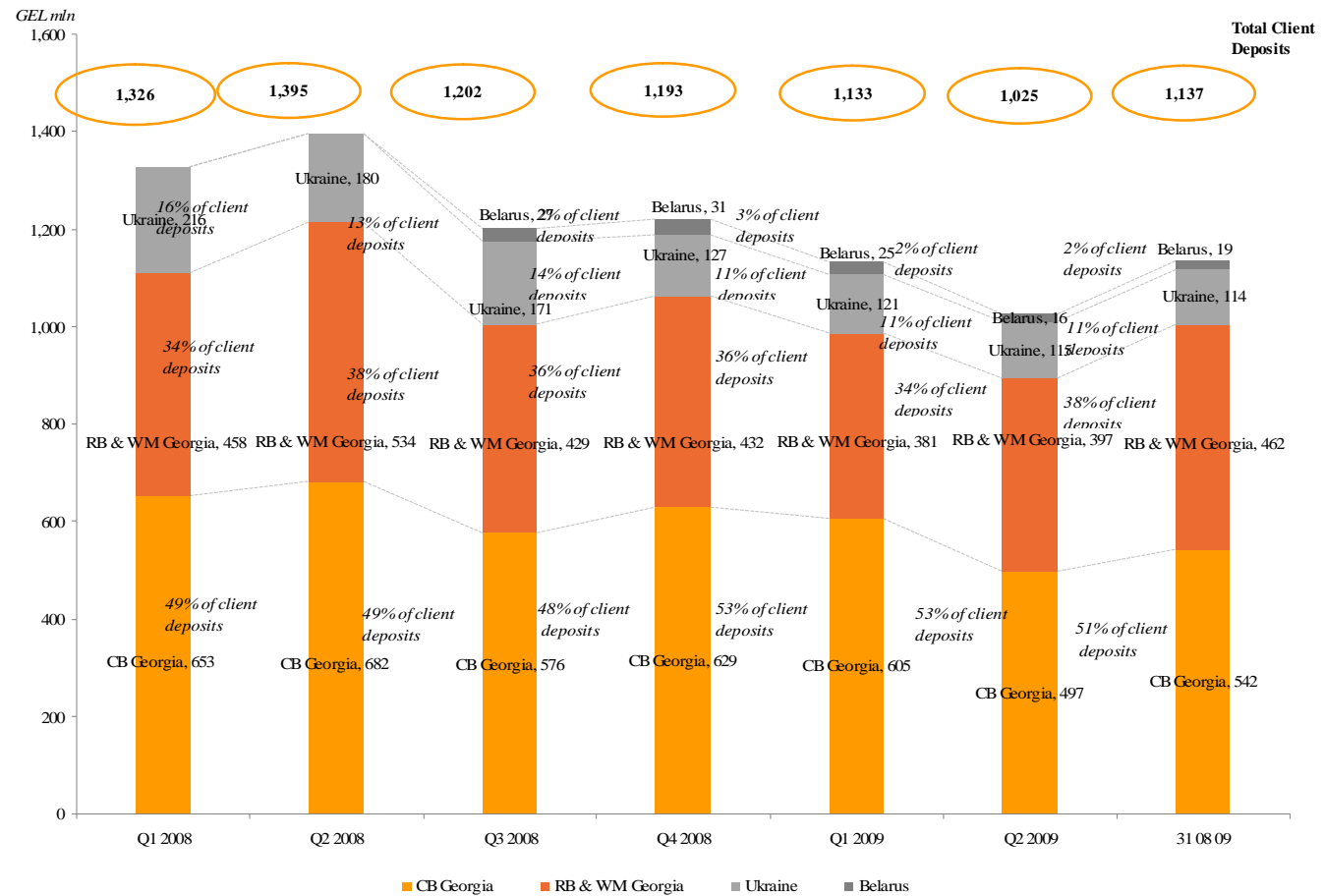


Other liabilities

GEL million	30-Jun-08	YE 2008	31-Mar-09	30-Jun-09
Issued Fixed Income Securities	4.7	0.0	0.1	0.2
Insurance Related Liabilities	48.1	55.4	63.8	59.7
Tax Liabilities, Current And Deferred	38.8	24.4	19.0	19.4
Accruals And Other Liabilities	102.0	50.4	43.3	40.9
Other liabilities	193.7	130.2	126.2	120.1

Total Liabilities 30 June 2009: GEL 2,198 million

Client deposits breakdown

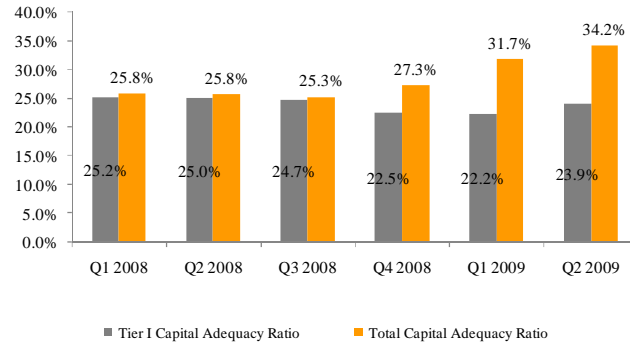


Note: RB & WM client deposits include deposits at Galt & Taggart Securities

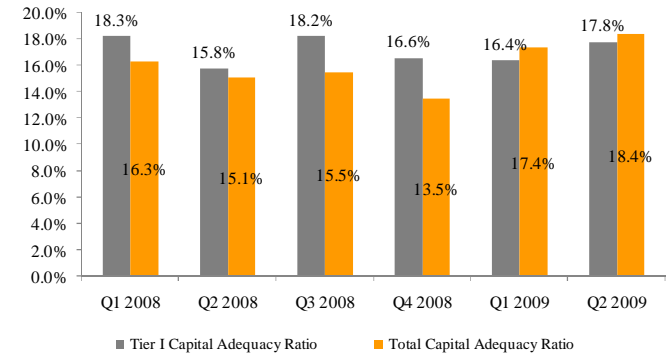
Capital adequacy & wholesale funding

Capital adequacy

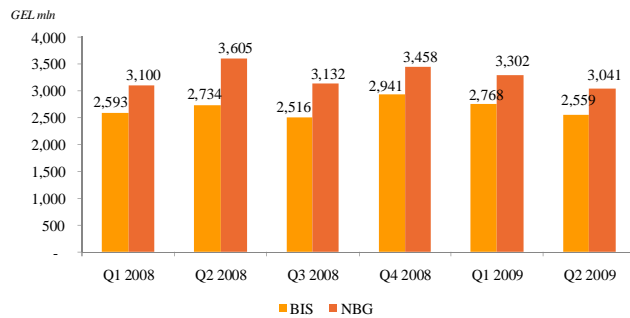
BIS capital adequacy ratios, BoG consolidated



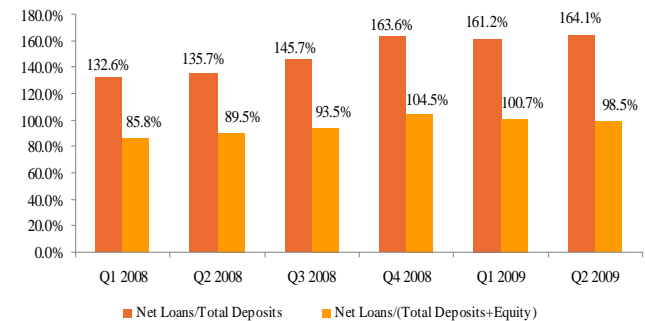
NBG capital adequacy ratios, BoG standalone



Risk-weighted assets BIS vs. NBG



Net loans/deposits & loans/(deposits+equity), BoG consolidated



International borrowings

An agreement for US\$ 200 million financing package, consisting of senior, subordinated and convertible loans, signed with IFC and EBRD on 30 December 2008.

Total amount was drawn down as of 31 March 2009

Selected international loans

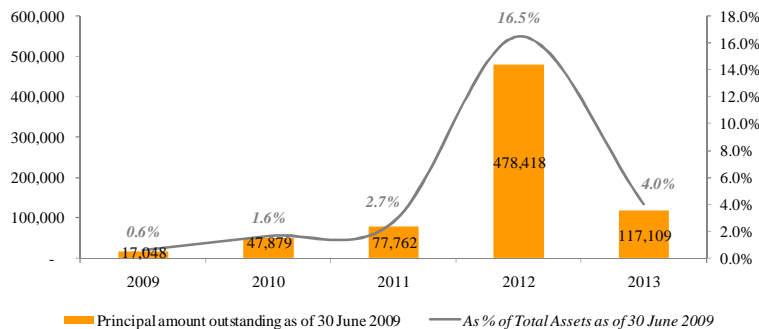
Key Lenders	Principle Amount Outstanding as of June 30, 2009	Maturity
Syndicated Loan arranged by Citi and ADB*	US\$ 25.0 million	2010
Eurobonds	US\$ 200.0 million	2012
Senior Term Loan from FMO	US\$ 11.4 million	2014
Senior Term Loan from WorldBusiness Capital	US\$ 7.2 million	2016
Subordinated Loan from Thames River Capital (Call in 2011)	US\$ 5.0 million	2016
Subordinated Loan from HBK Investments (Call in 2012)	US\$ 15.0 million	2017
Subordinated Loan from Merrill Lynch (Call in 2012)	US\$ 35.0 million	2017
Senior Term Loan from WorldBusiness Capital (GLC)	US\$ 5.1 million	2017
Subordinated loan from FMO and DEG (Call in 2013)	US\$ 30.0 million	2018
Senior Loan from OPIC	US\$ 29.0 million	2018
Subordinated Loan from OPIC	US\$ 10.0 million	2018
Senior Term Loan from IFC	US\$ 50.0 million	2013
Senior Term Loan from EBRD	US\$ 50.0 million	2014
Subordinated Loan from IFC	US\$ 24.0 million	2019
Subordinated Loan from EBRD	US\$ 24.0 million	2019
Convertible Loan from IFC	US\$ 26.0 million	2019
Convertible Loan from EBRD	US\$ 26.0 million	2019
Other, USD denominated	US\$ 8.9 million	NMF
Other, EUR denominated	EUR 2.4 million	NMF
Total	US\$ 584.0 million	

* US\$8.3 mln was repaid in August 2009

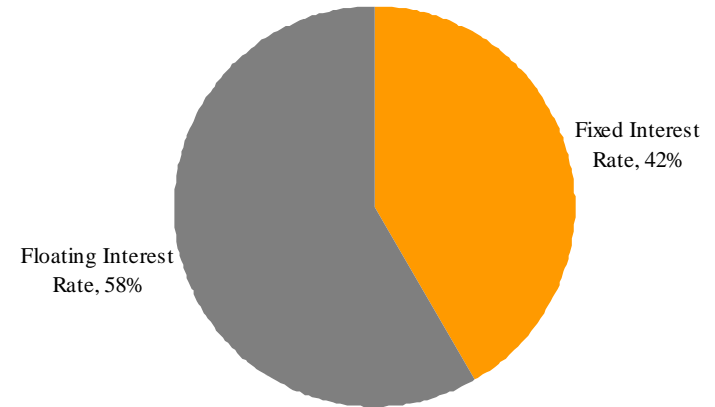
Note: Depicts final maturity dates

Excluding credit lines as part of documentary business

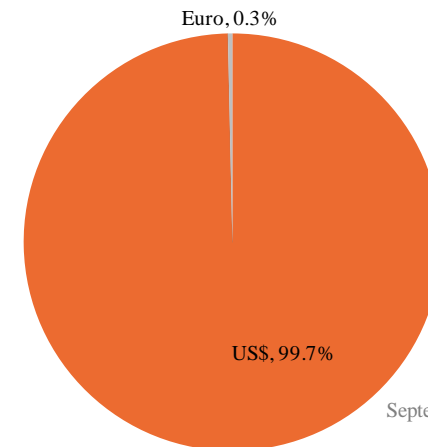
International borrowings repayment schedule



International borrowings - fixed vs. floating rates, 30 June 2009

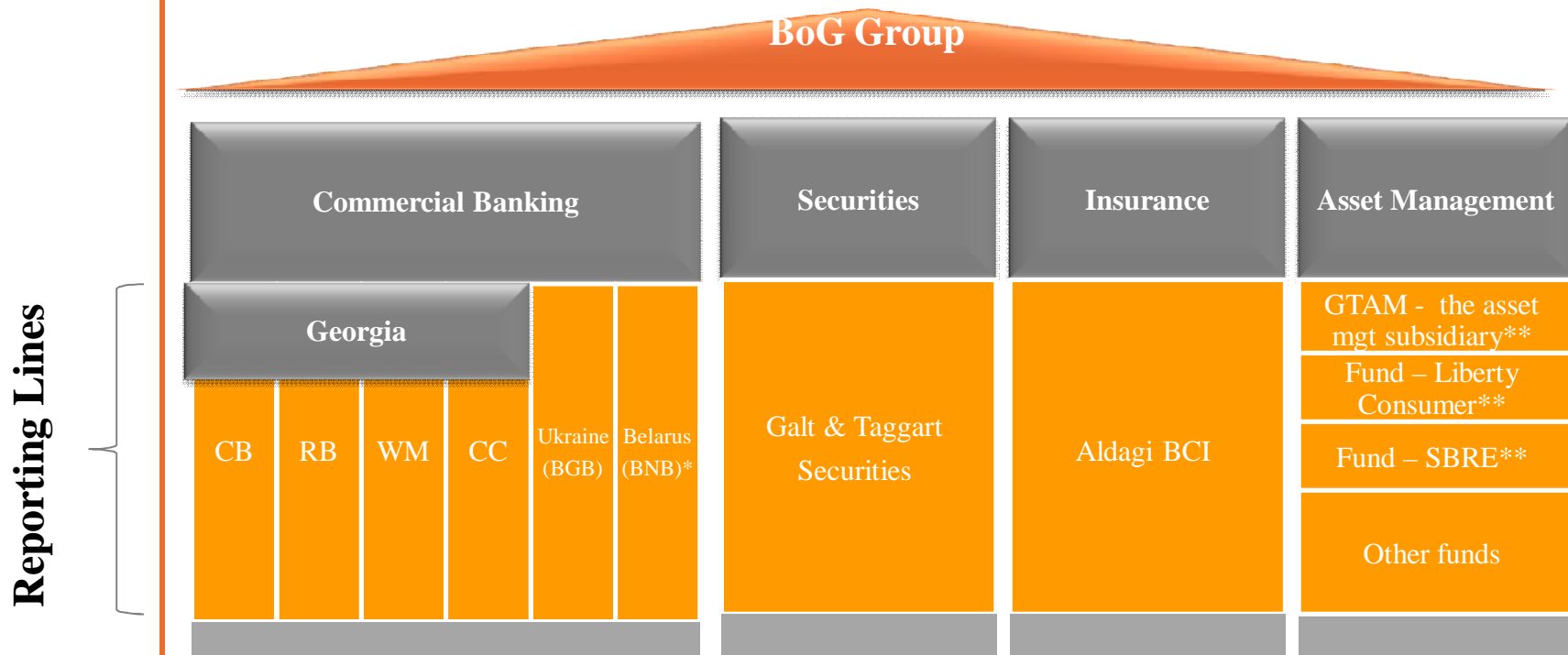


International borrowings by currencies, 30 June 2009



Business overview

Group structure: business lines



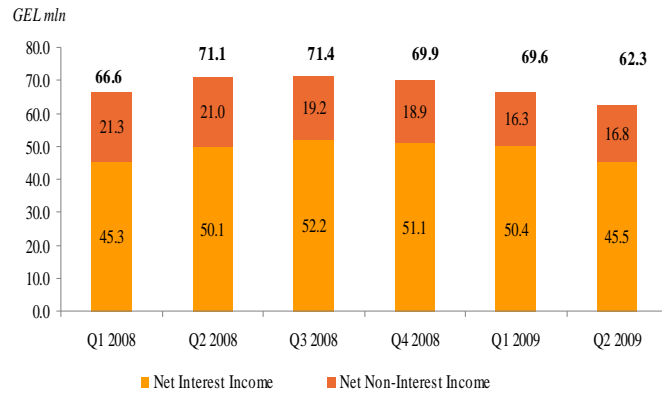
* Belarusky Narodny Bank acquired in June 2008

** BoG owns approximately 65% of Liberty Consumer, which in turn owns approximately 52% of SBRE. Therefore both Liberty Consumer and SBRE are fully consolidated in BoG financials. BoG owns small minority stakes in other funds managed by GTAM

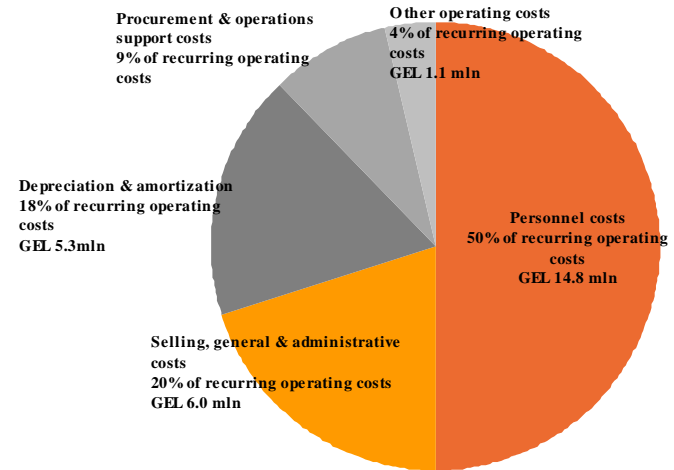
BoG standalone results overview

Bank of Georgia standalone performance

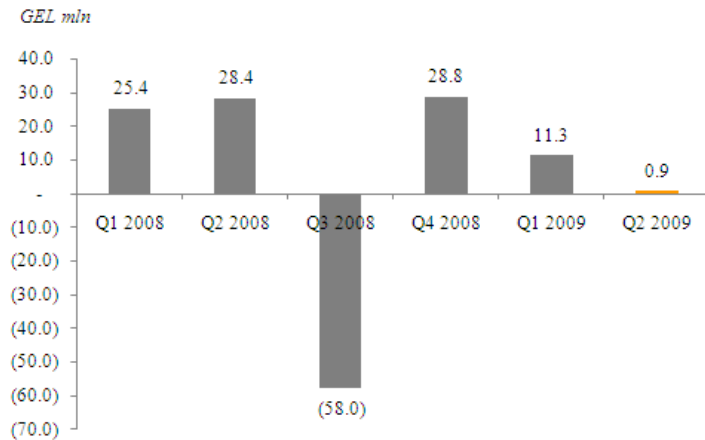
Revenue performance



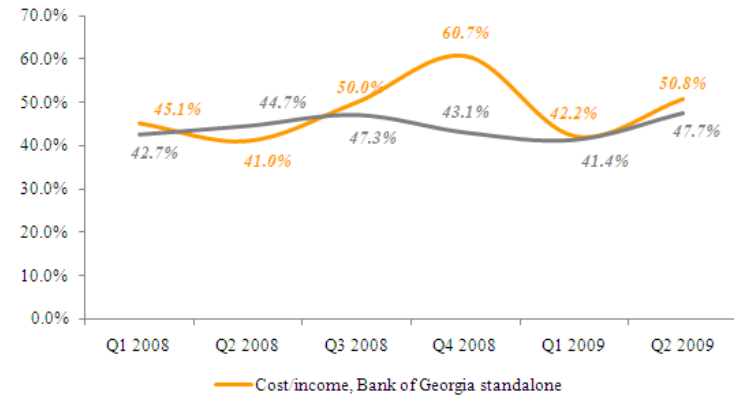
Recurring operating cost structure, Q2 2009



Net income

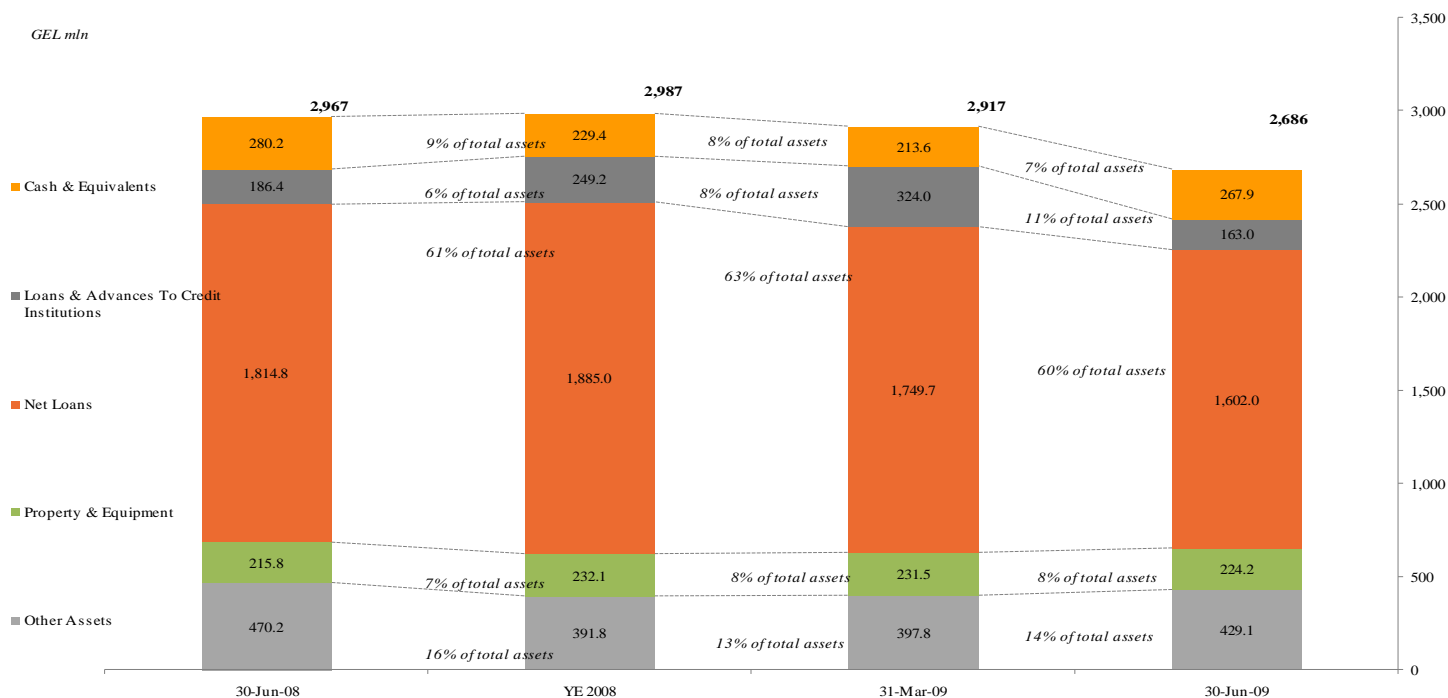


Cost/income ratio



* Normalized for non-recurring costs

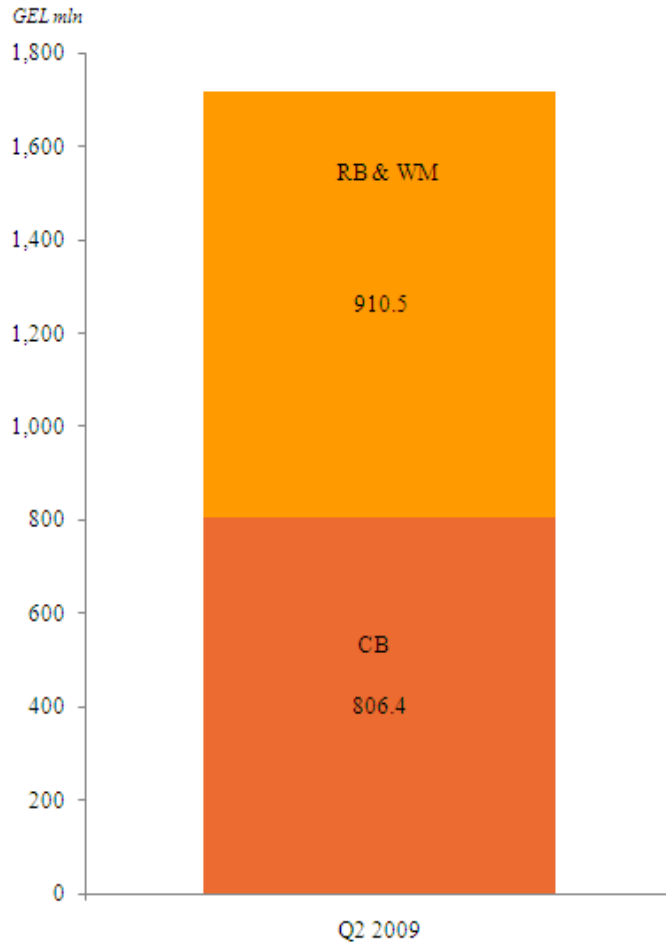
Composition of assets as at 30 June 2009



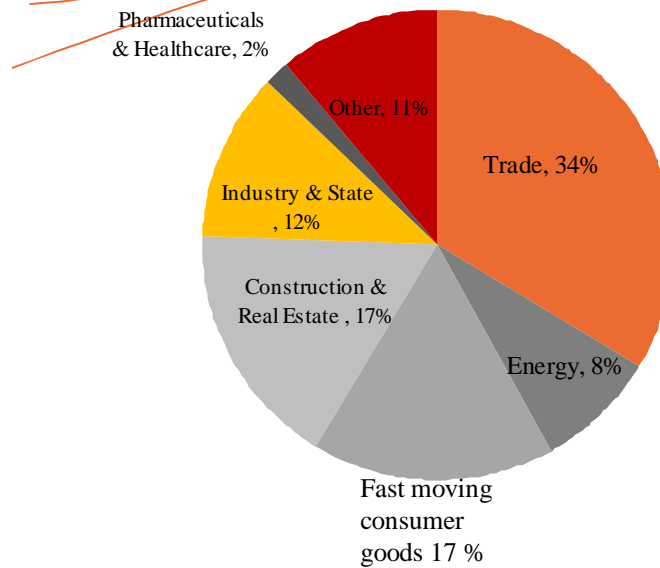
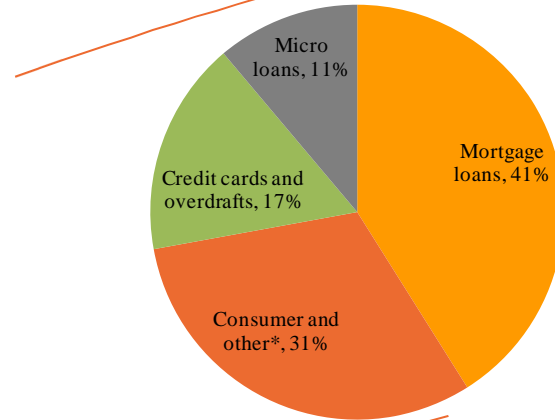
Other assets

GEL Million	30-Jun-08	YE 2008	31-Mar-09	30-Jun-09
Treasuries And Equivalents	18.0	8.3	-	-
Other Fixed Income Instruments	87.7	14.6	38.3	57.3
Investments In Other Business Entities, Net	314.2	295.3	314.5	314.5
Intangible Assets Owned, Net	3.7	13.4	6.8	7.3
Goodwill	22.6	22.7	22.8	22.8
Tax Assets, Current And Deferred	-	6.6	-	-
Prepayments And Other Assets	23.9	30.8	15.3	27.2
Other assets	470.2	391.8	397.8	429.0

Analysis of the loan book

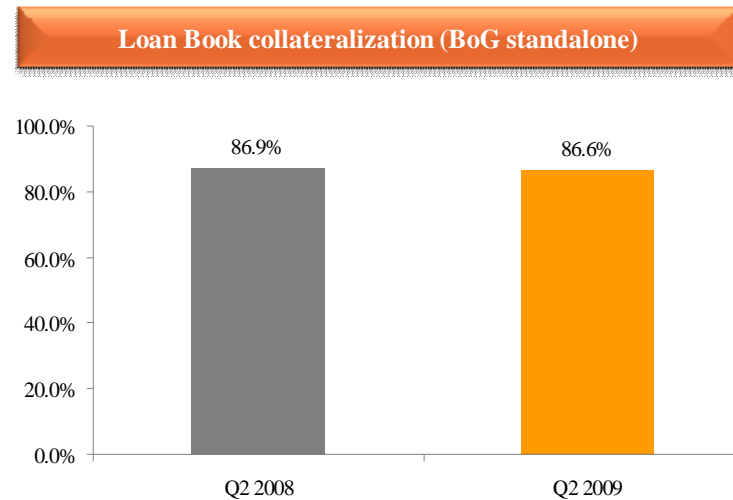
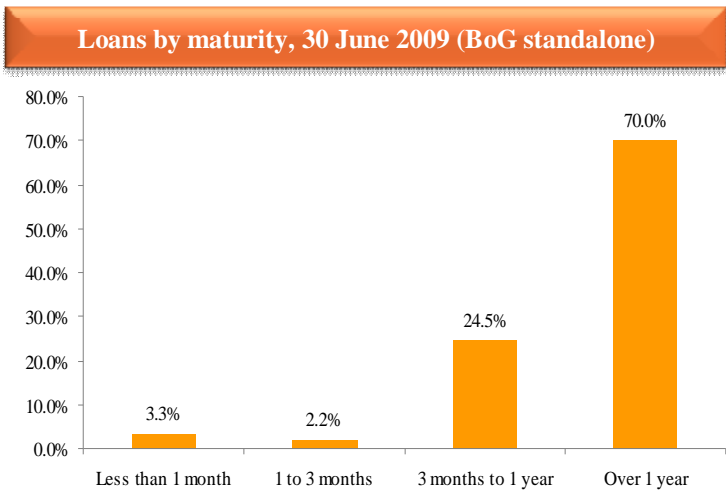
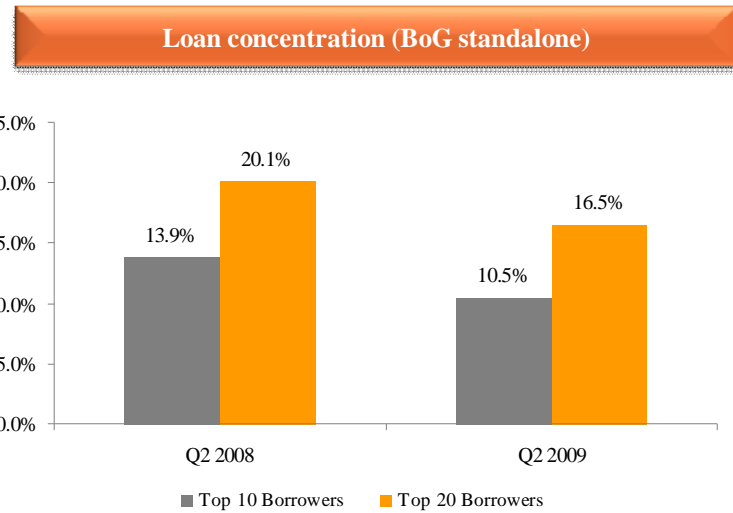
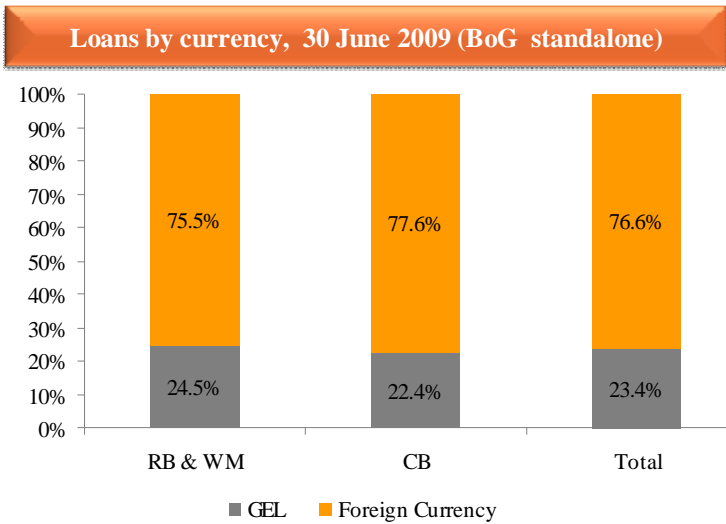


Note: does not include the loans allocated to corporate center



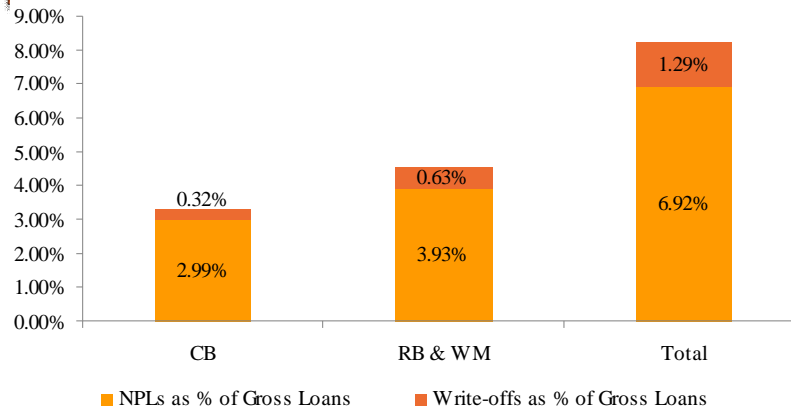
* Other loans include car, POS and legacy retail loans

Analysis of the loan book

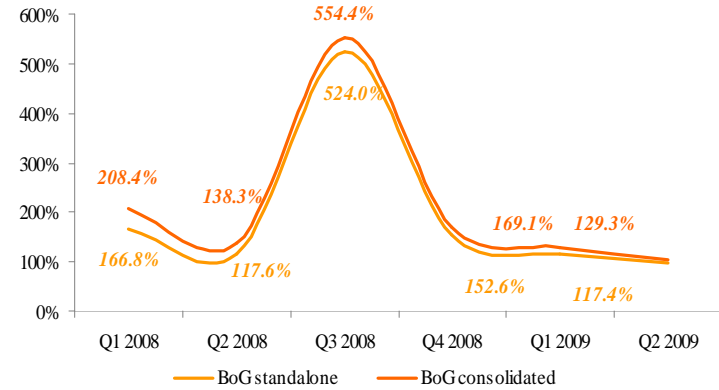


Provisioning policy

NPLs & write-offs, 30 June 2009 (BoG standalone)

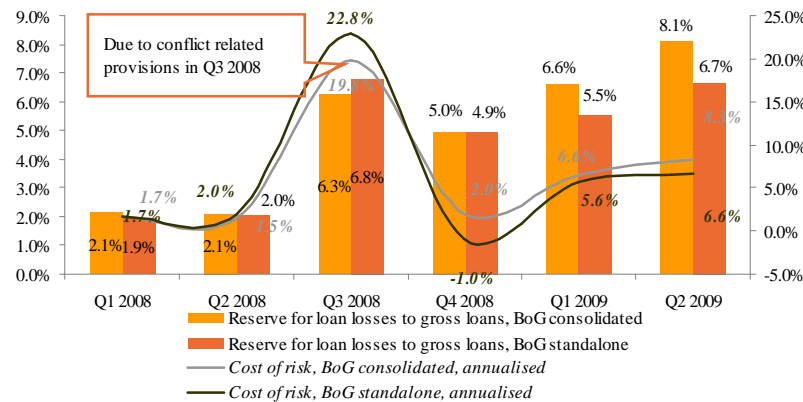


NPL coverage ratio, BoG standalone

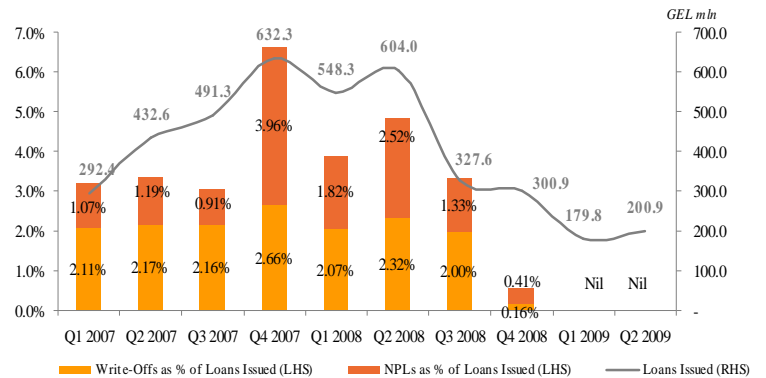


Note: NPLs include 90 days overdue loans including principal and/or interest payments

Reserve for loan losses to gross loans

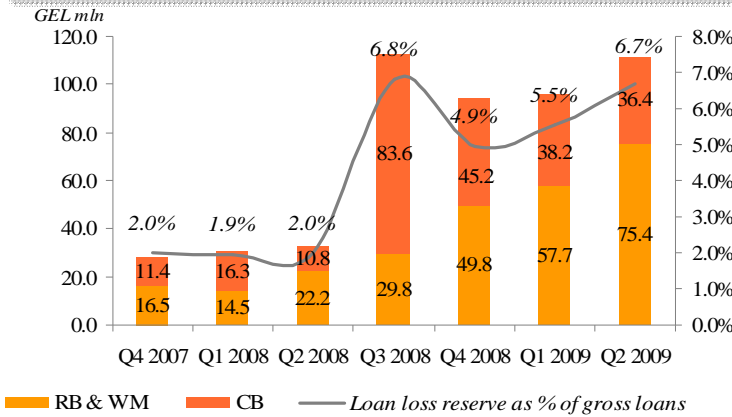


Impairment seasoning, Q2 2009

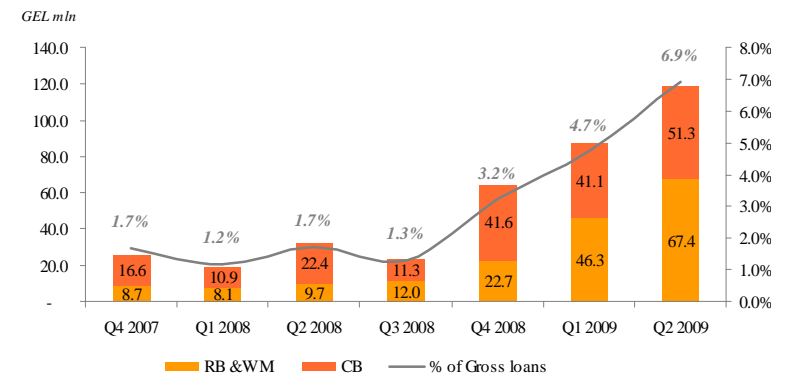


Provisioning policy cont'd – BoG standalone

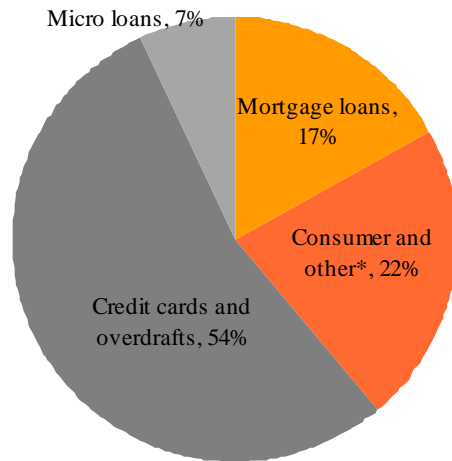
Loan loss reserve, 30 June 2009



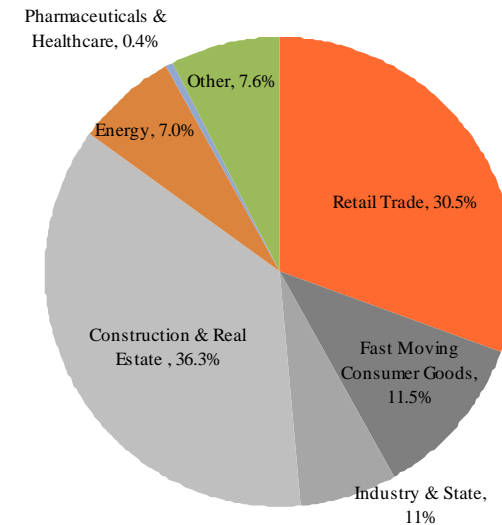
NPLs, 30 June 2009



RB & WM loan loss reserve breakdown by loan type, 30 June 2009



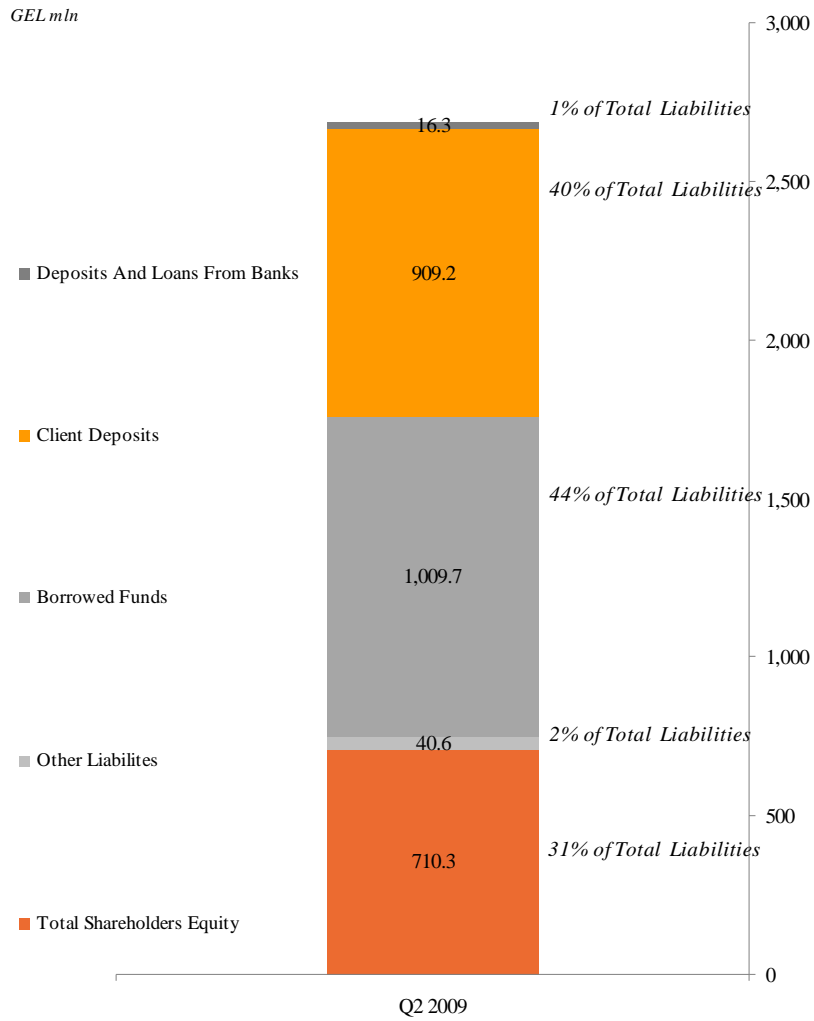
CB loan loss reserve breakdown by loan type, 30 June 2009



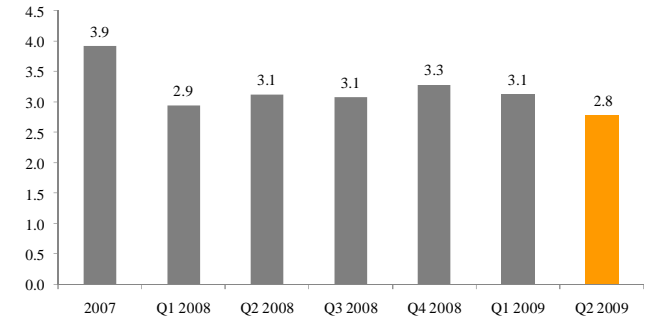
*Other loans include car, POS and legacy retail loans



BoG standalone liabilities

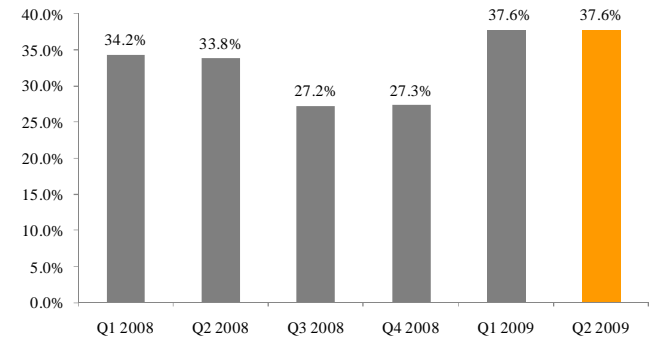


Leverage ratio, BoG standalone



Leverage (Times) equals Total Liabilities as of the period end divided by Total Equity as of the same date

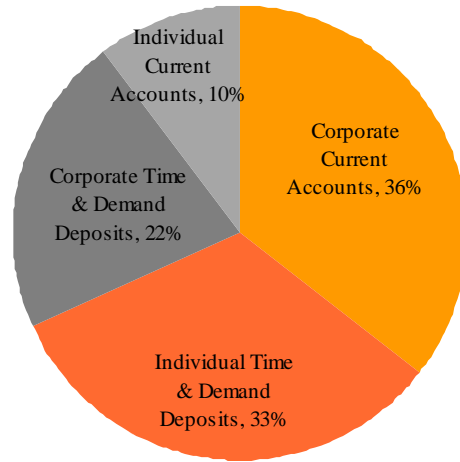
Liquidity ratio, BoG standalone



Liquidity ratio is calculated by dividing liquid assets by total interest bearing liabilities

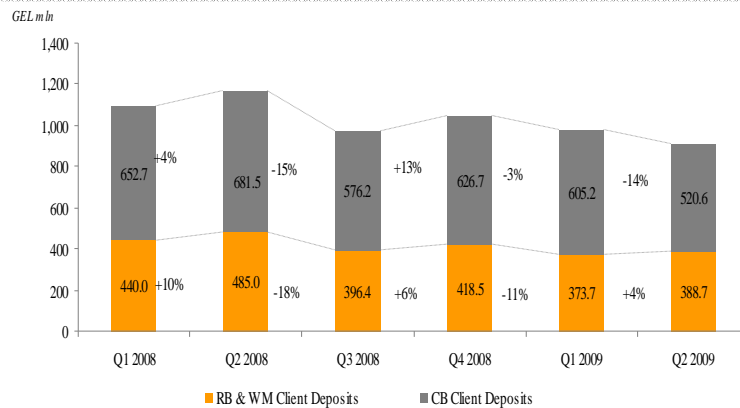
Analysis of deposits

Client deposit breakdown, 30 June 2009

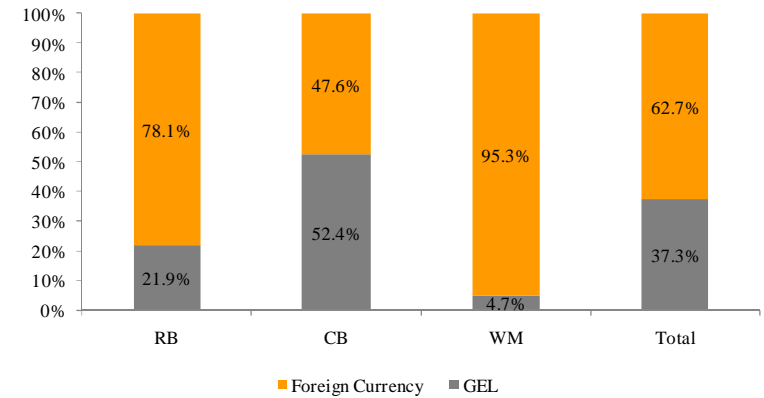


Total Deposits: GEL 909 million (-22% y-o-y)

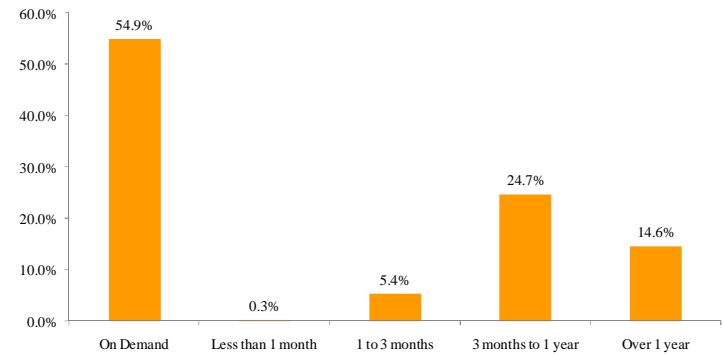
CB, RB & WM deposits, BoG standalone



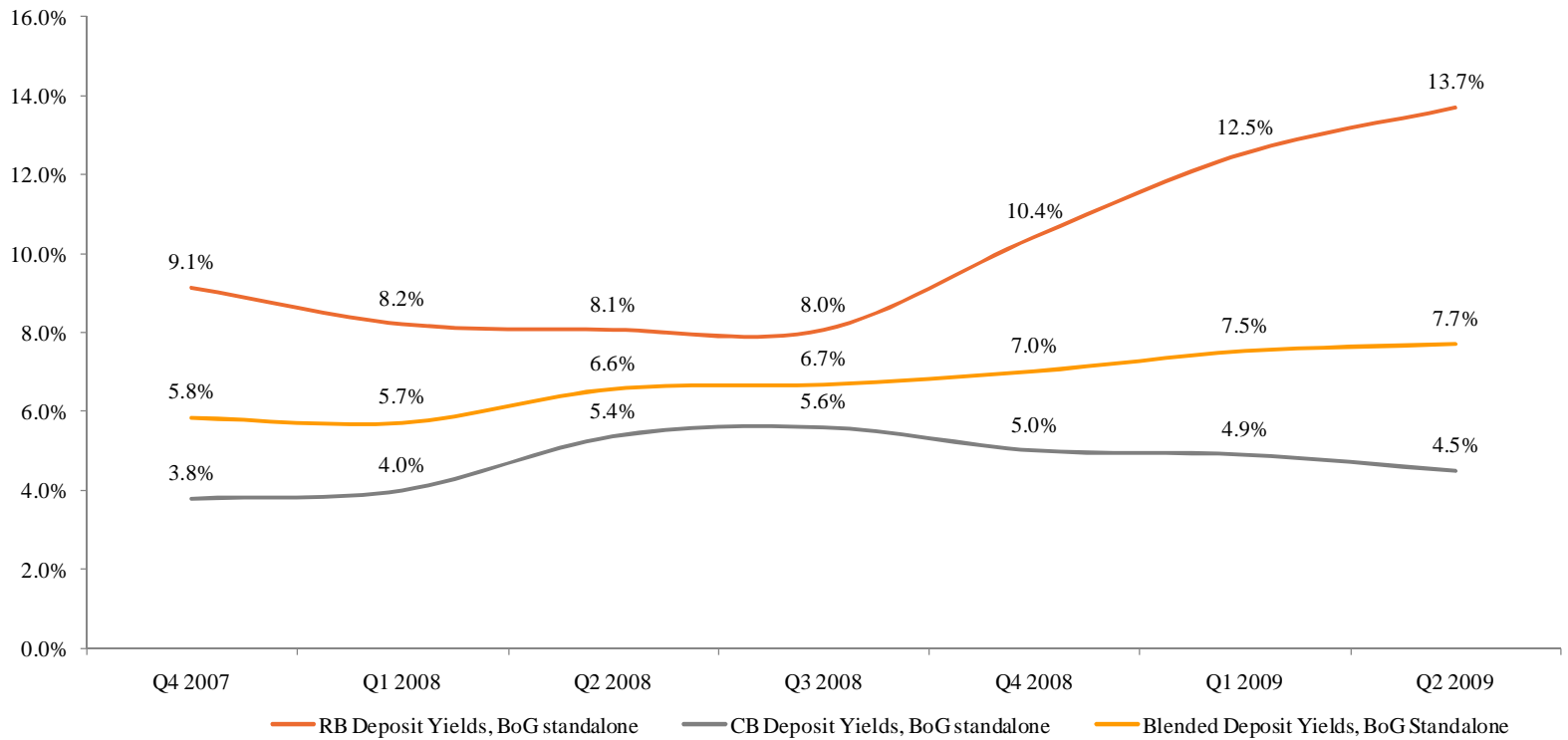
Client deposits by currency, 30 June 2009, BoG standalone



Deposits by maturity, 30 June 2009, BoG standalone

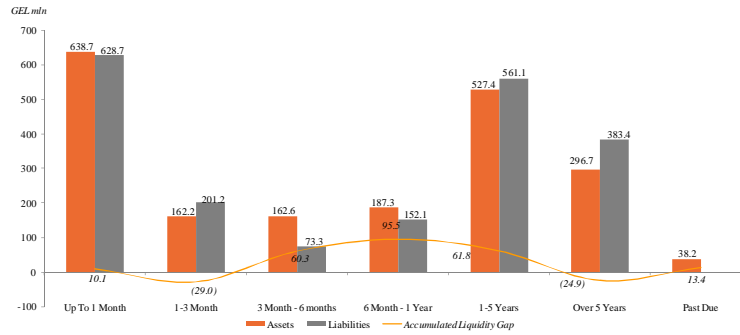


Deposit yields

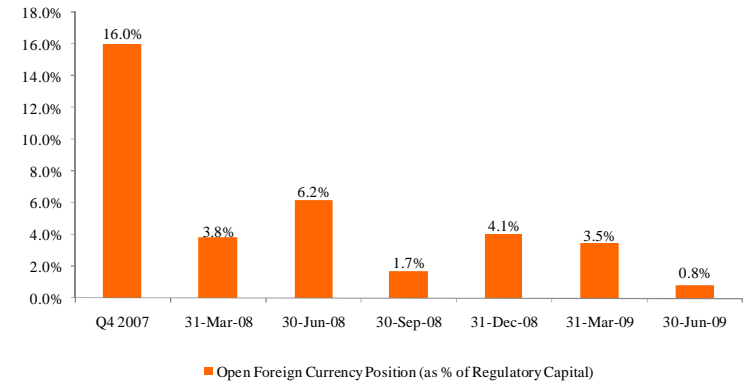


Risk management

Liquidity risk management, Q2 2009



Currency risk management, Q2 2009



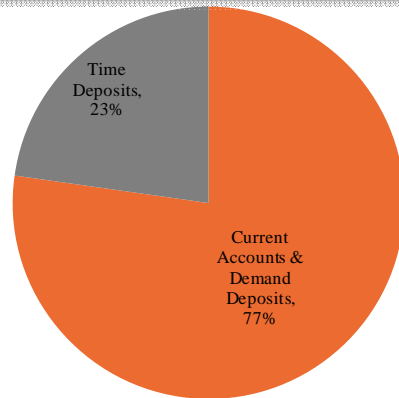
Notes: Liquidity & Currency Risk Management calculations are based on the National Bank of Georgia requirements

Corporate banking

Overview

- ☑ No.1 corporate bank in Georgia
- ☑ Circa 38% market share based on customer deposits⁽¹⁾
- ☑ Circa 27% market share based on corporate loans⁽²⁾
- ☑ Integrated client coverage in key sectors
- ☑ 80,000+ clients of which 8,823 served by dedicated relationship bankers
- ☑ Circa 45% market share in trade finance and documentary operations⁽²⁾
- ☑ Second largest leasing company in Georgia⁽²⁾ – Georgian Leasing Company (GLC)
- ☑ Increased the number of corporate clients using the Bank’s payroll services from approximately 1,132 at 31 December 2008 to 1,186 in Q2 2009
- ☑ Approximately 1,790 legal entities opened accounts at the bank in Q2 2009, bringing the total number of current accounts to approximately 146,000

Corporate client deposits (30 June 2009)



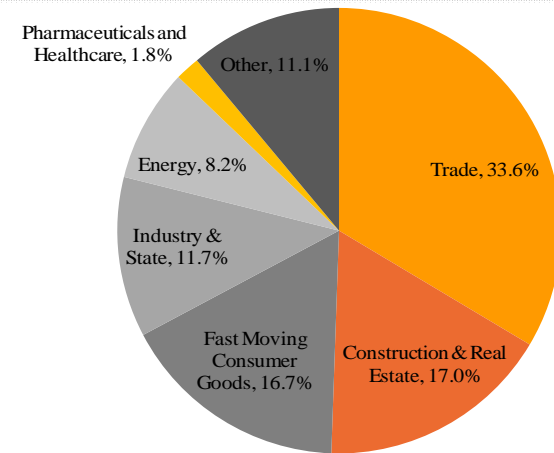
Total corporate deposits: GEL 492 mln

Notes:

- (1) As of December 2008, source: National Bank of Georgia, does not include interbank deposits
- (2) Management estimates (based on the NBG data)

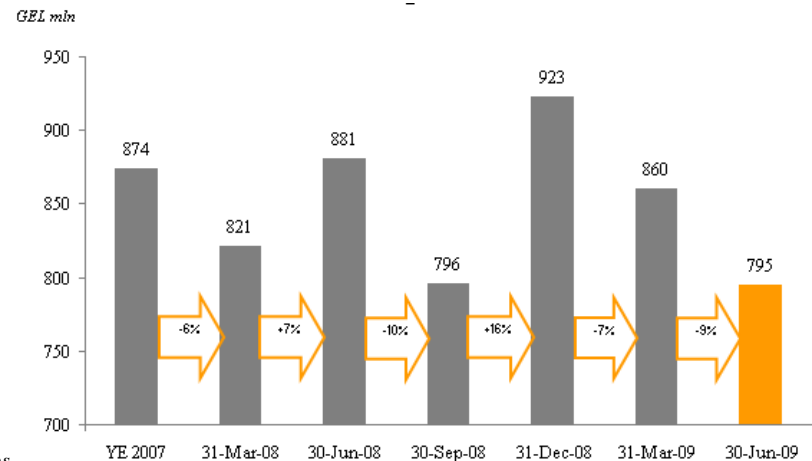


Corporate loan portfolio (30 June 2009)



Total corporate loans: GEL 806 mln

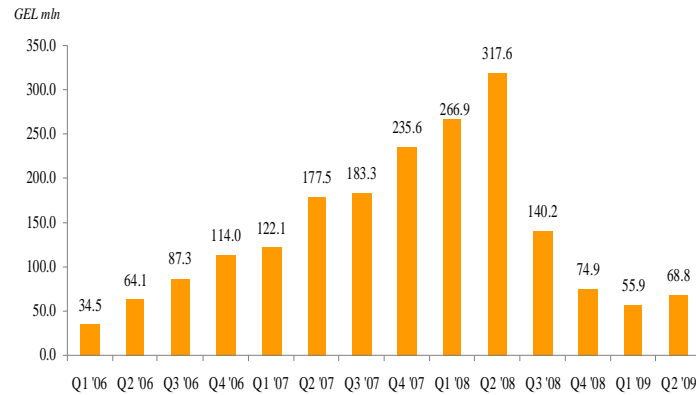
Corporate gross loan portfolio growth



Retail Banking – No. 1 retail bank in Georgia

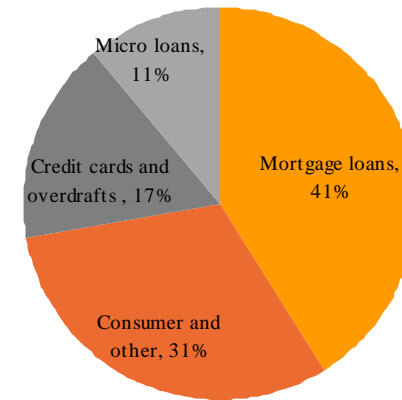


Retail loans originated



(1) Monthly average

RB loan portfolio (30 June 2009)



Total retail loans: GEL 895 mln

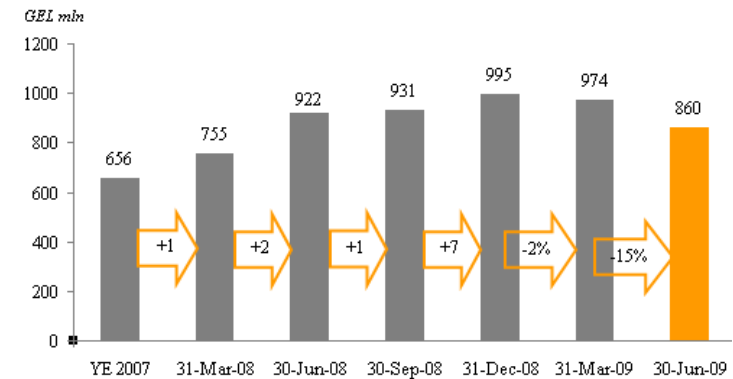
Note: does not include Ukraine & Belarus

Leadership in consumer lending

	YE 2007	YE 2008	1H 2009
Number of Consumer Loans Outstanding*	50,120	67,252	56,462
Volume of Consumer Loans Outstanding (GEL mln)*	119.6	178.9	130.1
Credit Cards Outstanding	108,616	164,938	123,137

* data does not include WM Consumer Loans

Retail gross loan portfolio growth

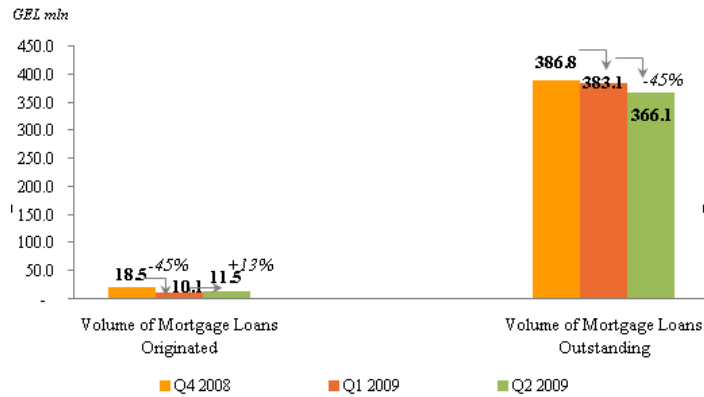


Note: does not include Ukraine & Belarus



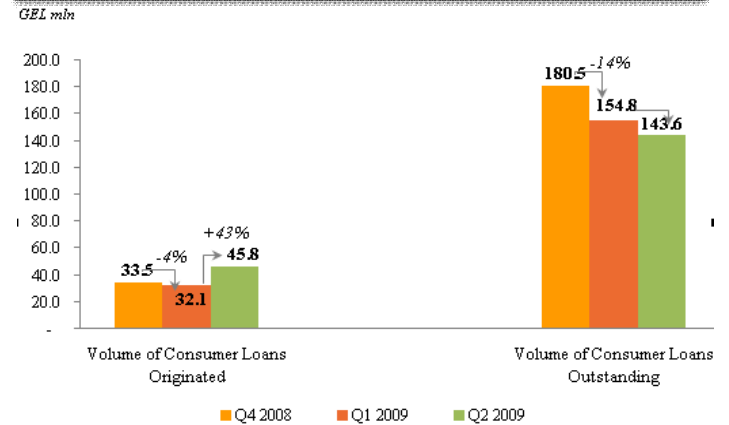
Retail loan portfolio

Mortgage loans



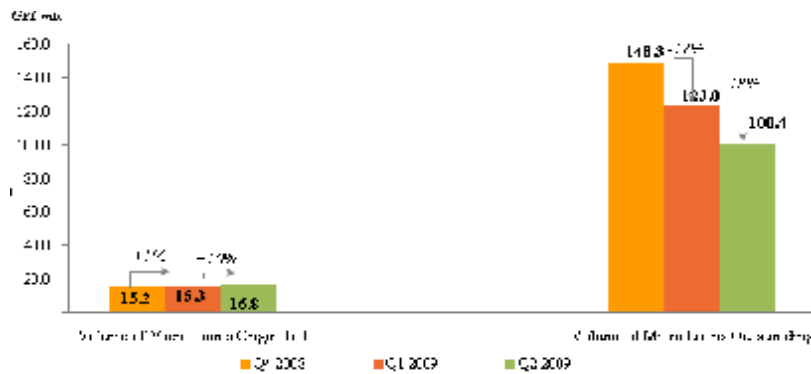
Note: does not include Ukraine & Belarus

Consumer loans



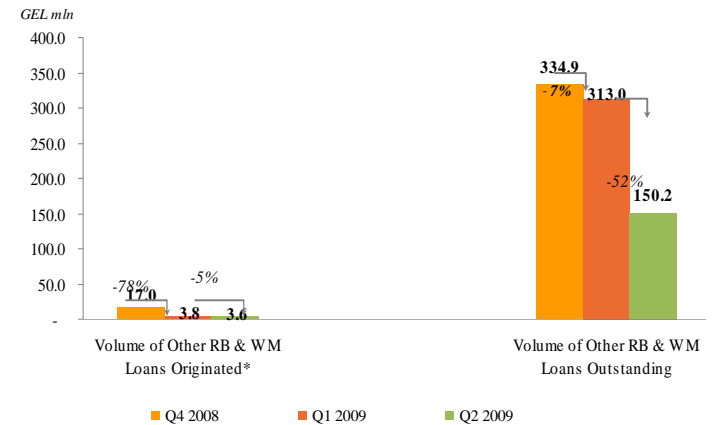
Note: does not include Ukraine & Belarus

Micro loans



Note: does not include Ukraine & Belarus

Other RB & WM loans

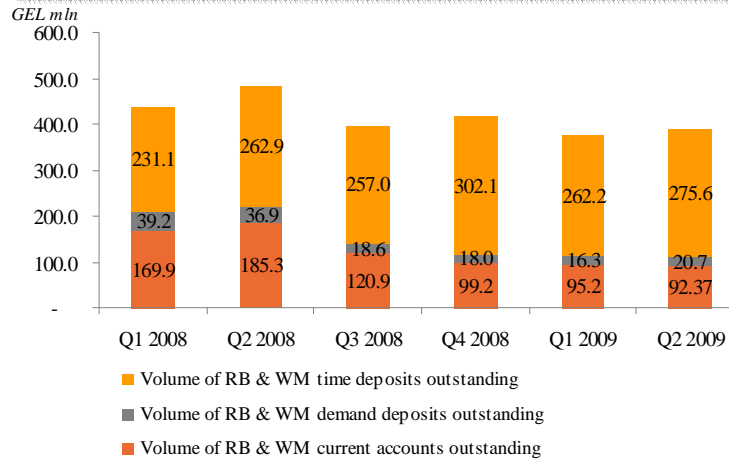


* Other RB & WM Retail Loans Originated include POS and car loans originated

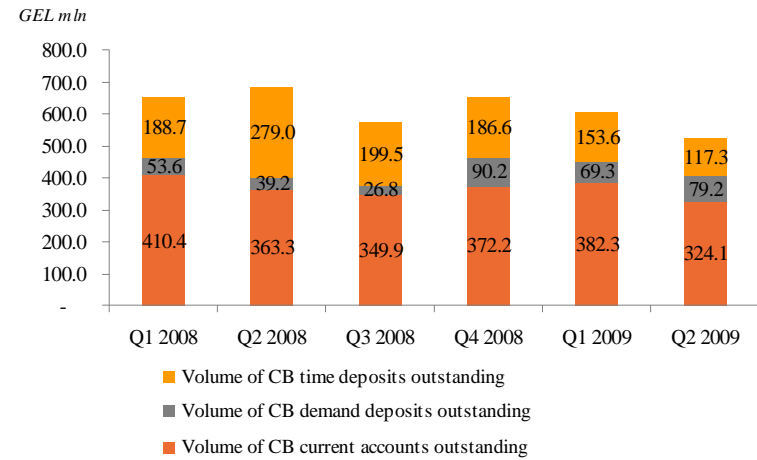
Note: does not include Ukraine & Belarus

Deposit portfolio

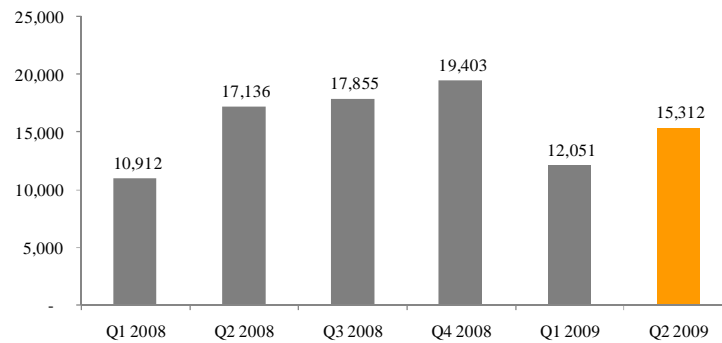
Volume of deposits outstanding (RB & WM)



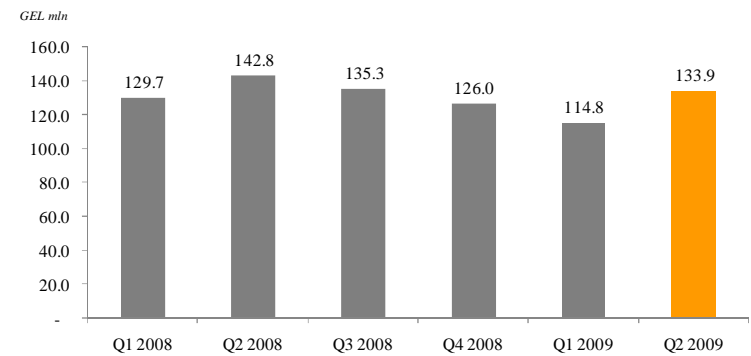
Volume of deposits outstanding (CB)



Number of RB & WM time deposits issued

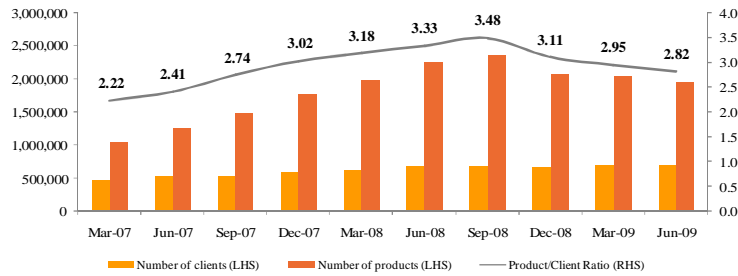


Volume of RB & WM time deposits issued

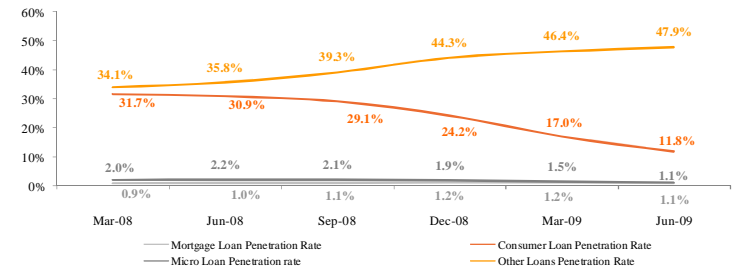


RB cross-selling

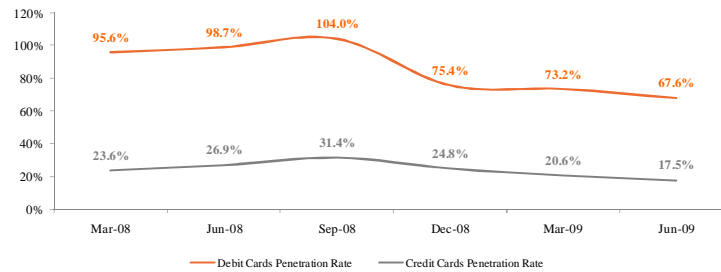
Product/client ratio



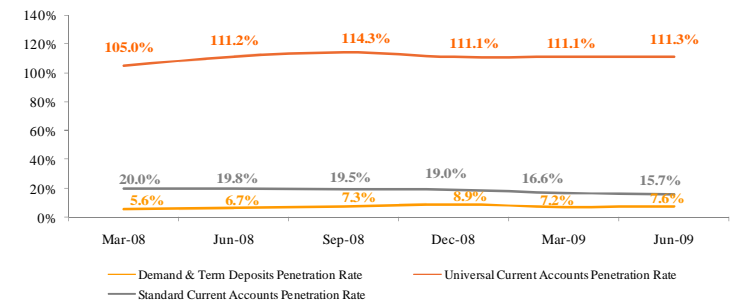
RB loans penetration rate*



Cards penetration rate*



Current accounts & deposits penetration rate*



* Calculated as percentage of Bank of Georgia clients for the period



Card processing

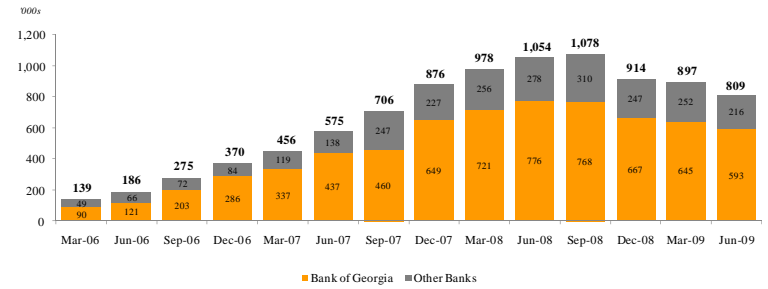


- 56% ownership of Georgian Card
- Migration to TietoEnator Transmaster in 2005
- Enhanced functionality and new product support

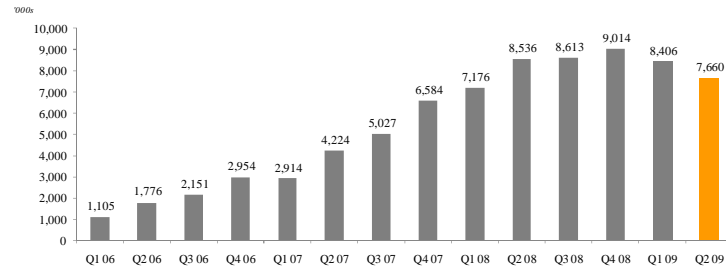
Client banks



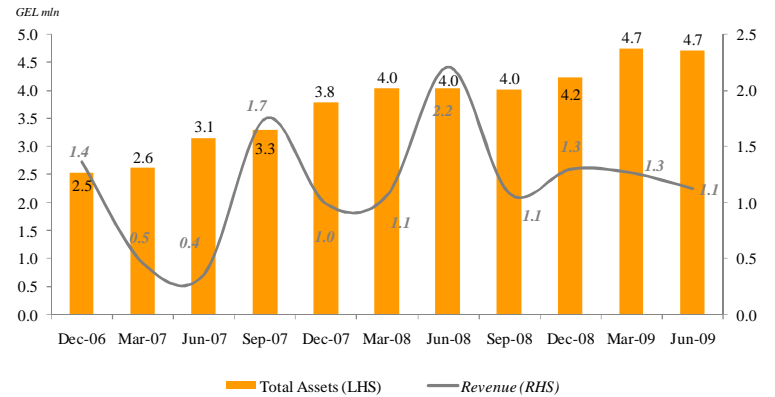
Number of cards serviced by Georgian Card



Transaction authorisations by Georgian Card

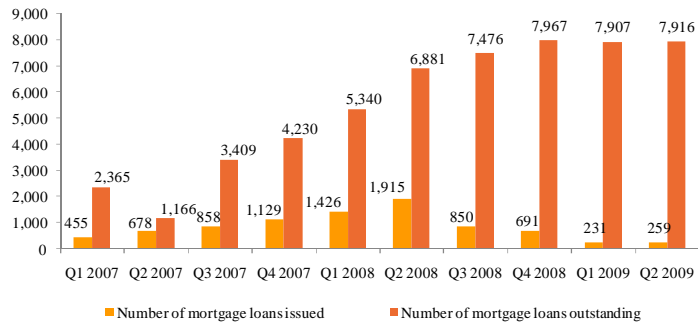


Georgian Card's revenue & assets

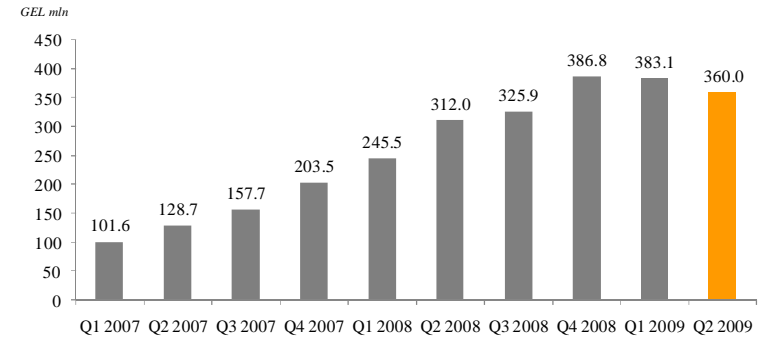


Analysis of mortgage portfolio





Number of mortgage loans issued & outstanding



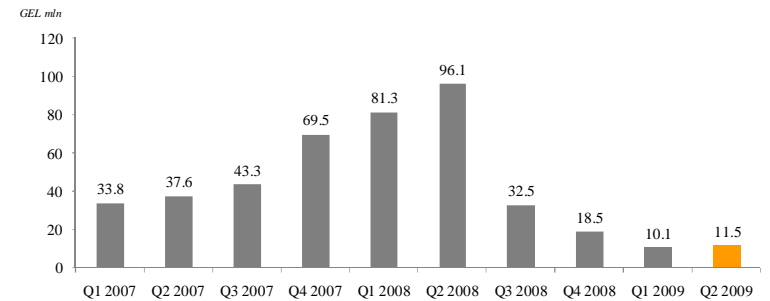
Volume of mortgage loans outstanding



Typical mortgage terms

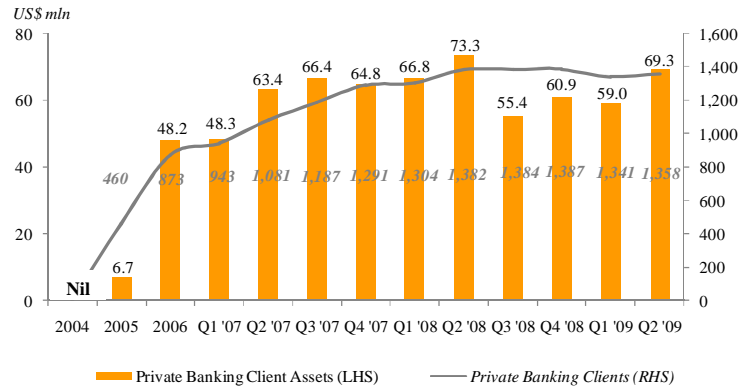
-  Rate: 16% - 18%
-  Tenor: 10-25 years
-  Currency: US\$
-  LTV: Normally 50%

Volume of mortgage loans issued



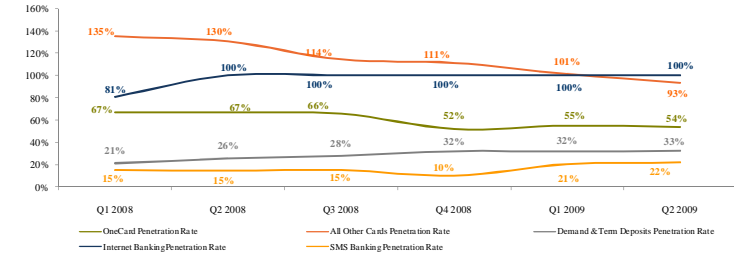
Wealth Management (WM) performance review

WM clients and client assets

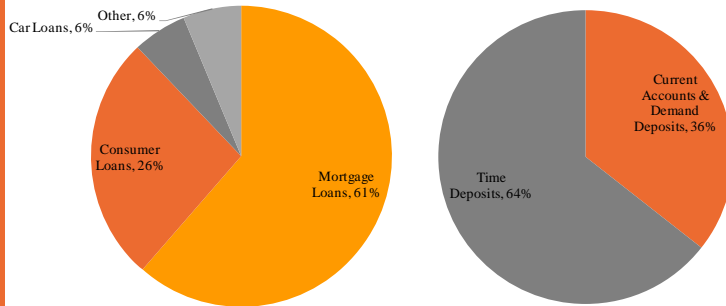


Notes: (1) Converted at exchange rates of GEL/US\$, 1.793(2005),1.714(2006), 1.70(Q1 2007), 1.67(Q2 2007), 1.66(Q3 2007), 1.59(Q4 2007), 1.48(Q1 2008), 1.42(Q2 2008), 1.41(Q3 2008), 1.67(Q4 2008), 1.67(Q1 2009) and 1.67(Q2 2009)
 (2) PB Client Assets include: Balances on OneCard Accounts, Credit Balances on Other Cards, Credit Balances on Regular Current Accounts, Demand & Time Deposits, Brokerage & Asset Management Accounts, Pensions

WM products penetration



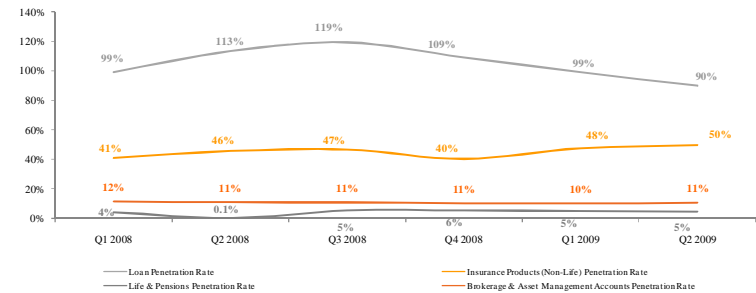
WM loans and deposits (30 June 2009)



Total PB loans: GEL 50 mln

Total PB deposits: GEL 104 mln

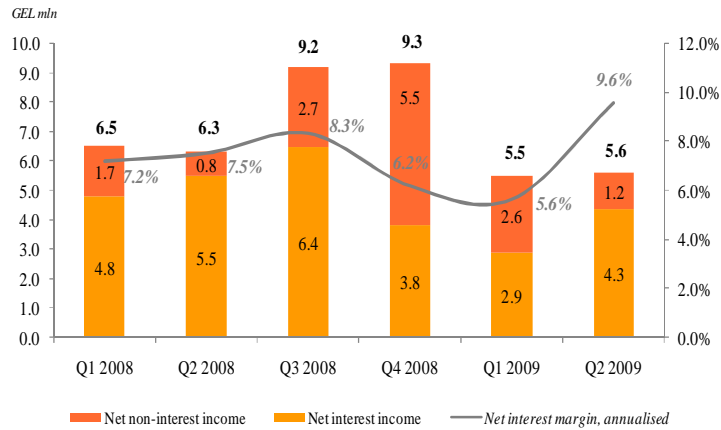
WM products penetration cont'd



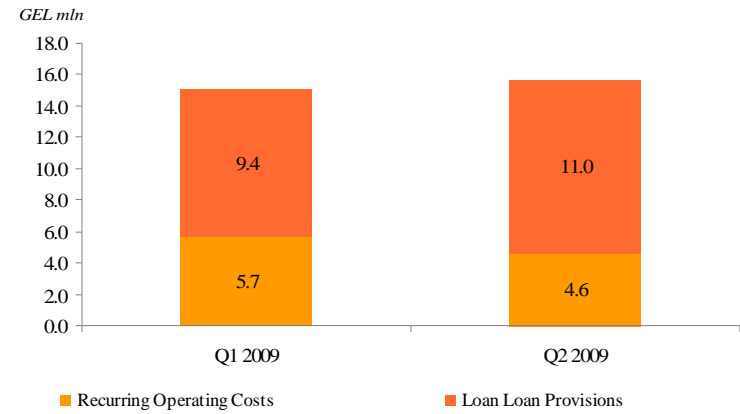
BG Bank (Ukraine) standalone results overview

BG Bank performance

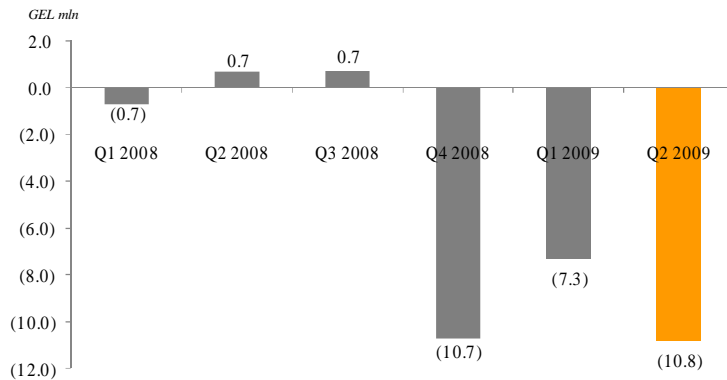
Revenue growth



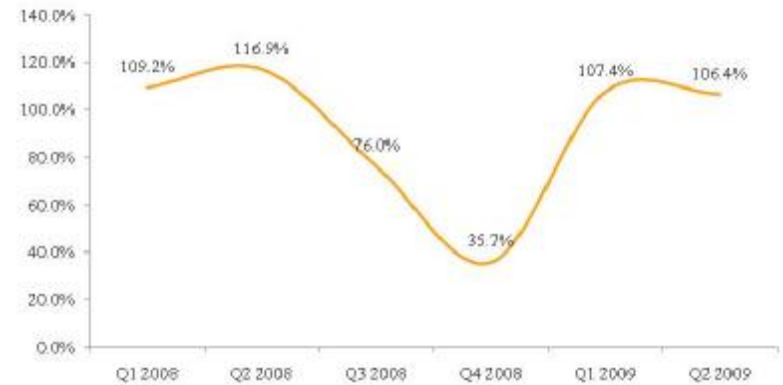
Recurring operating cost structure, Q2 2009



Net income



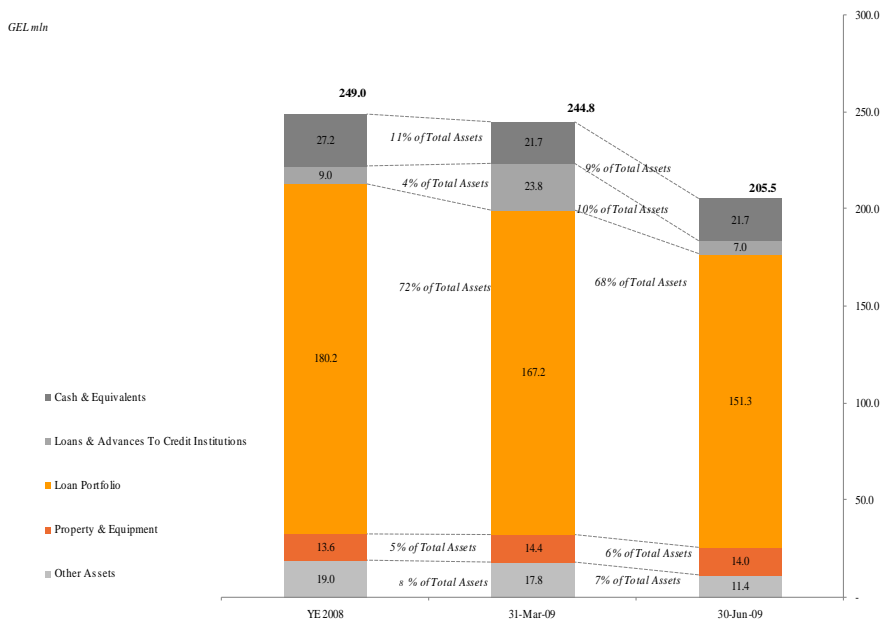
Cost/income ratio



BG Bank assets as at 30 June 2009

Low leverage (at 3.2x)

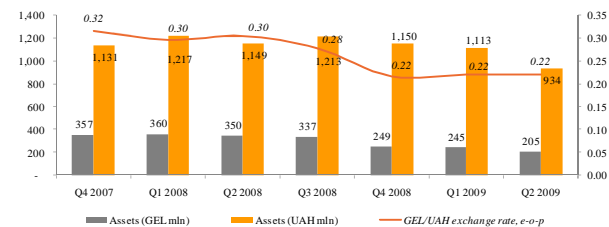
No international loan
refinancing in 2009



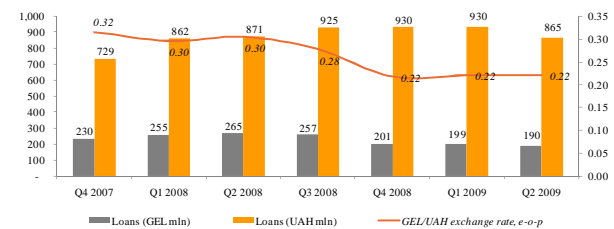
Other assets

GEL million	YE 2008	31-Mar-09	30-Jun-09
Available-For-Sale Securities	13.4	13.6	5.9
Intangible Assets Owned, Net	0.6	0.5	0.6
Tax Assets, Current And Deferred	0.9	2.3	2.8
Prepayments And Other Assets	4.0	1.4	2.1
Other assets	19.0	17.8	11.4

Asset

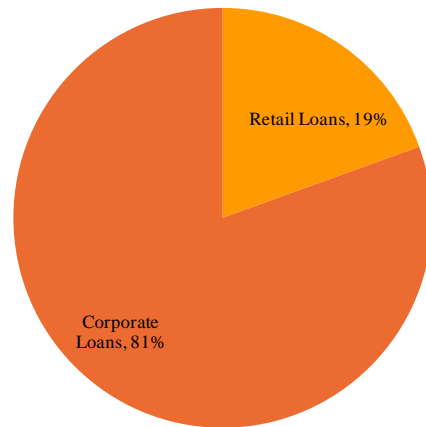


Gross loan book



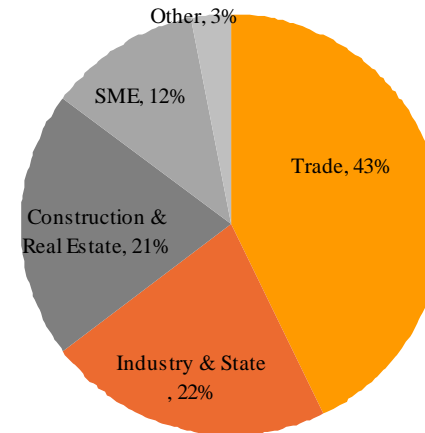
BG Bank loan portfolio

Loan portfolio breakdown, 30 June 2009



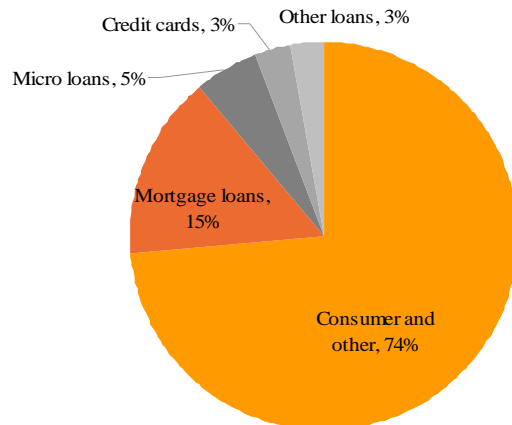
Gross loans: GEL 190 million

Corporate loan portfolio breakdown,
30 June 2009



Gross corporate loans: GEL 153 million

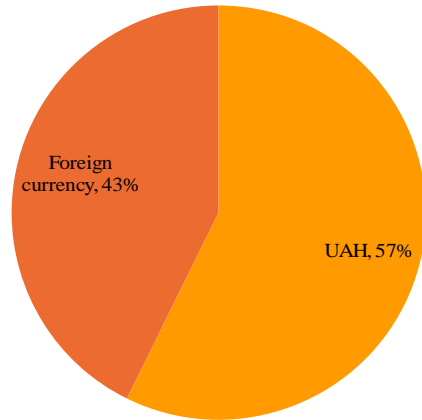
Retail loan portfolio breakdown, 30 June 2009



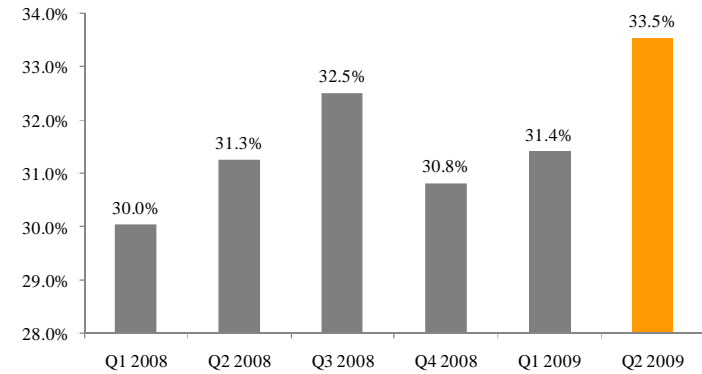
Gross retail loans: GEL 37 mln

BG Bank analysis of the loan book

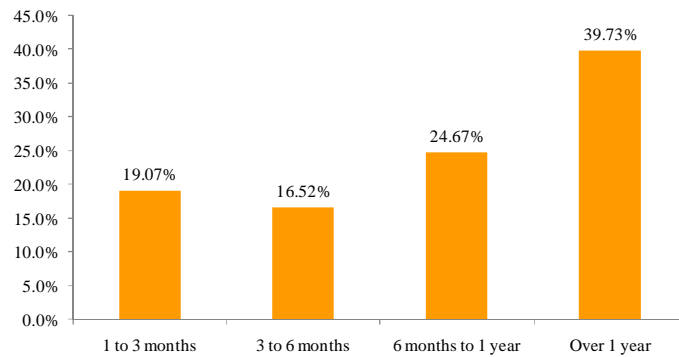
Loans by currency, 30 June 2009



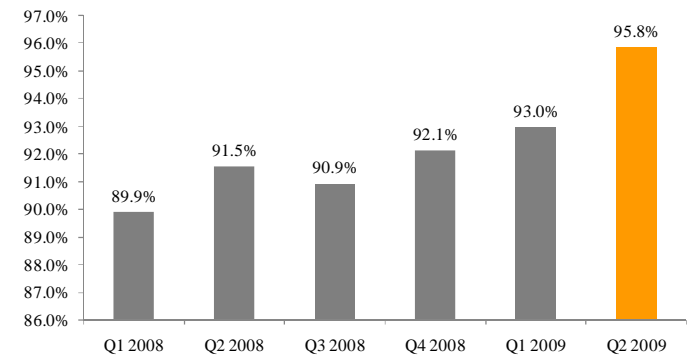
Top ten borrower concentration



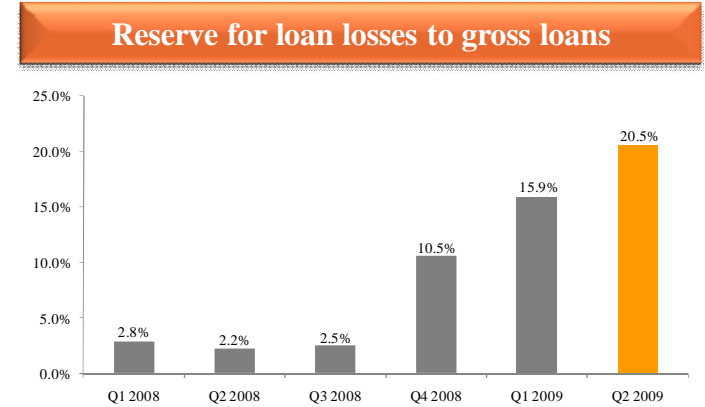
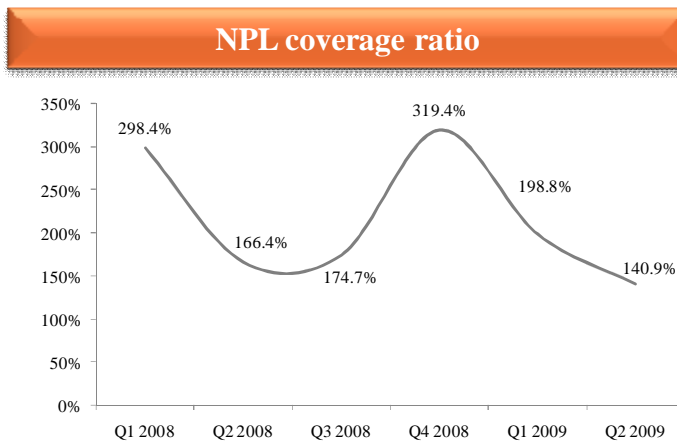
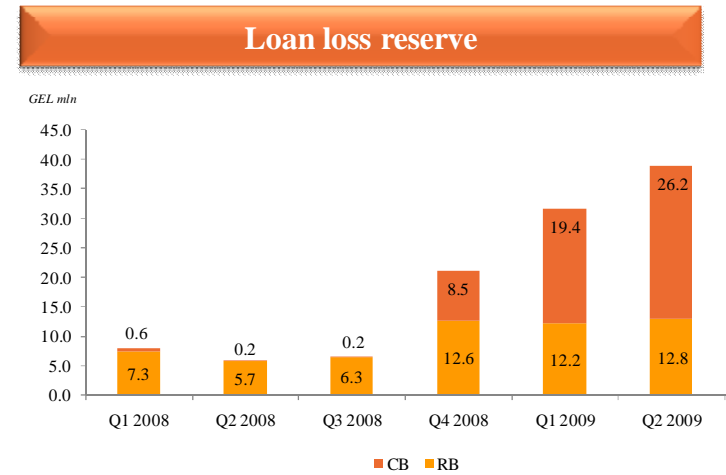
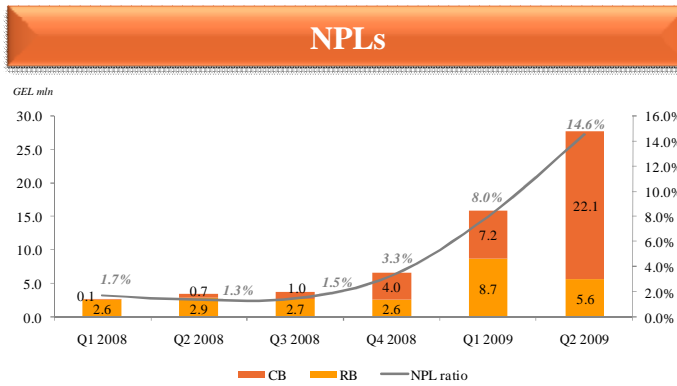
Loans by maturity, 30 June 2009



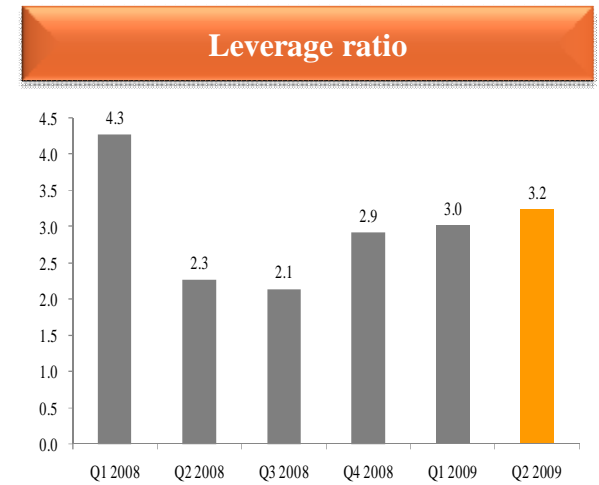
Loan book collateralization



BG Bank provisioning policy



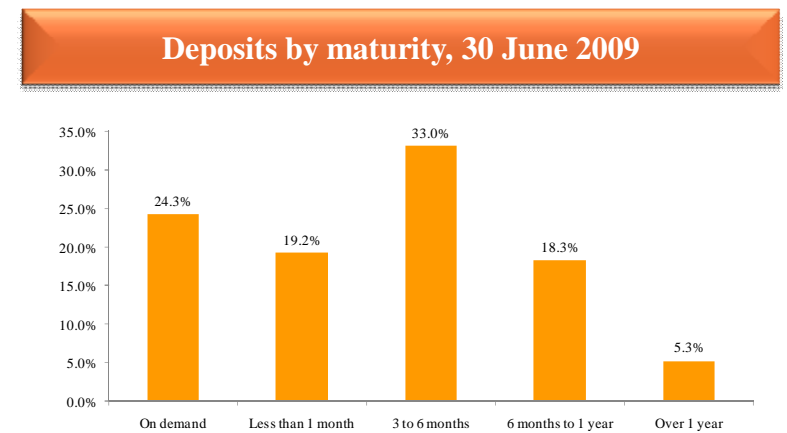
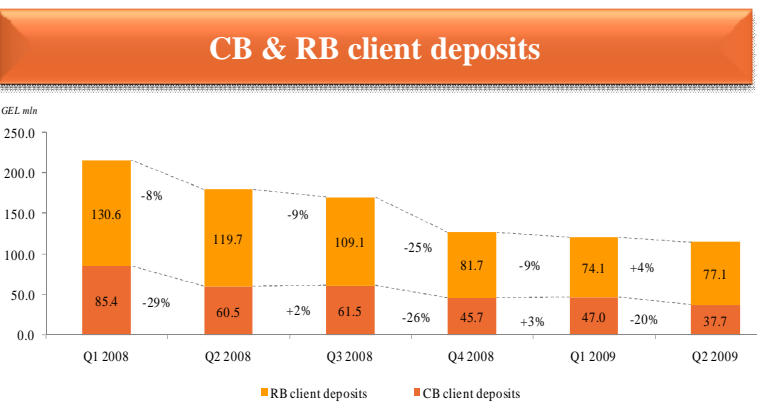
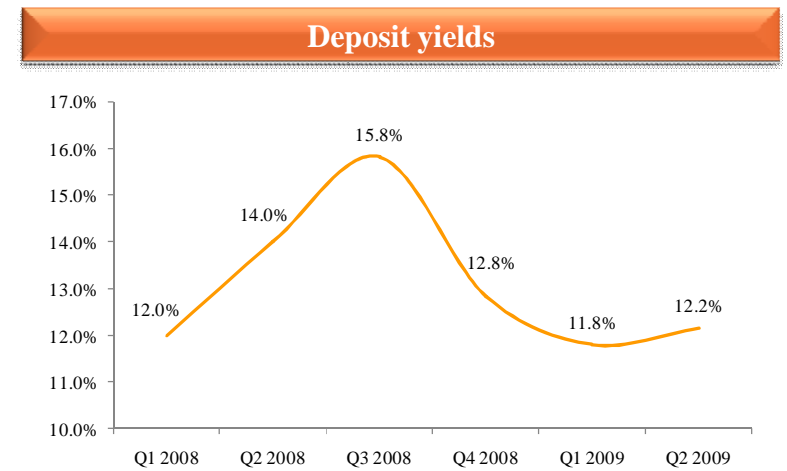
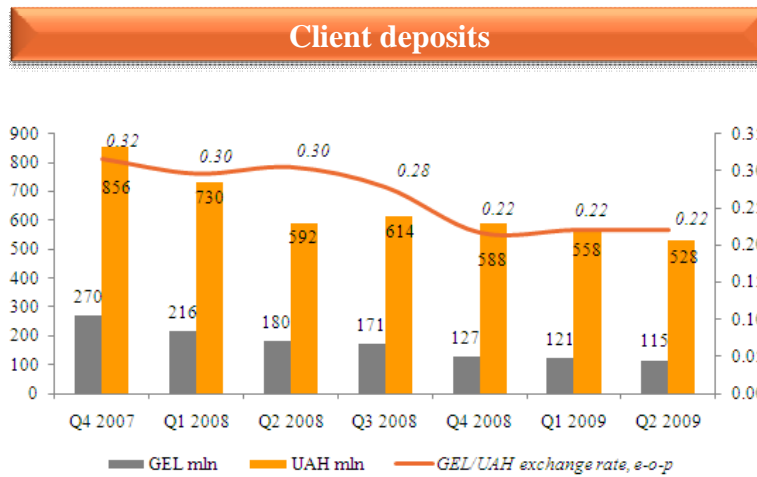
BG Bank standalone liabilities breakdown



Other liabilities

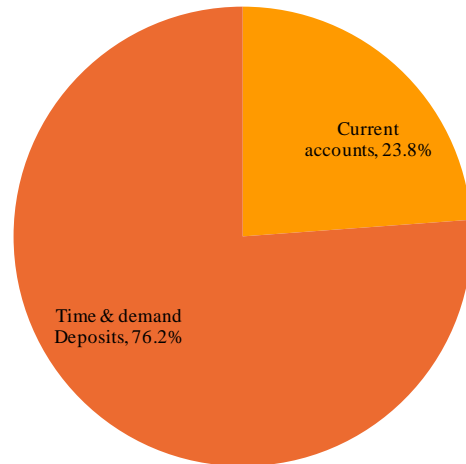
	Q4 2008	Q1 2009	Q2 2009
Issued Fixed Income Securities	-	0.1	0.2
Tax Liabilities, Current And Deferred	0.2	-	-
Accruals And Other Liabilities	5.3	1.6	2.5
Other liabilities	5.4	1.8	2.7

BG Bank client deposits

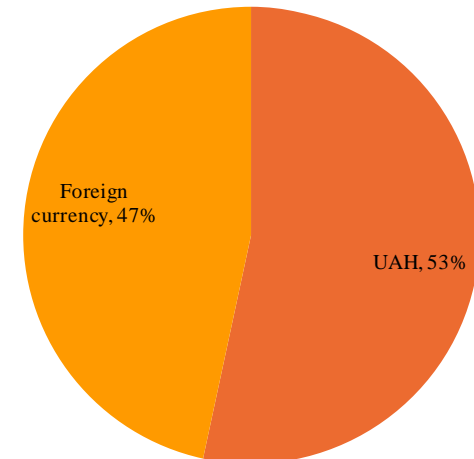


BG Bank analysis of deposits

Client deposits breakdown, 30 June 2009



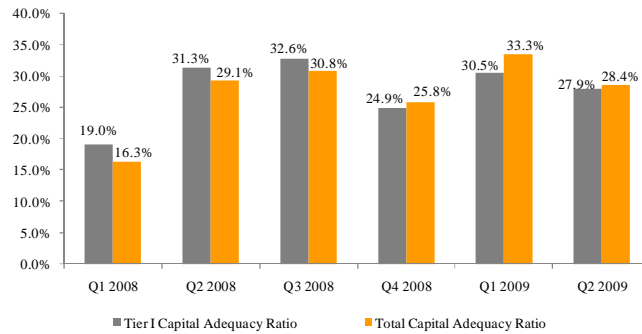
Client deposits by currency, 30 June 2009



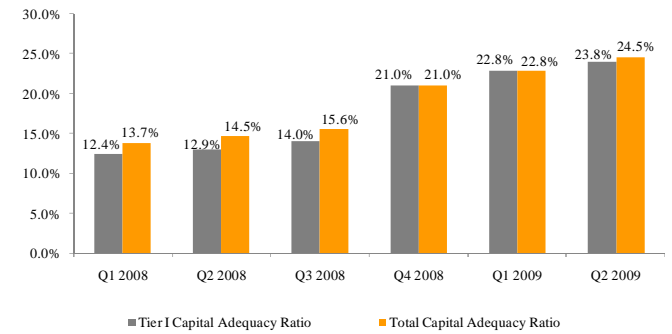
Client deposits: GEL 115 mln

BG Bank capital adequacy

BIS capital adequacy ratios

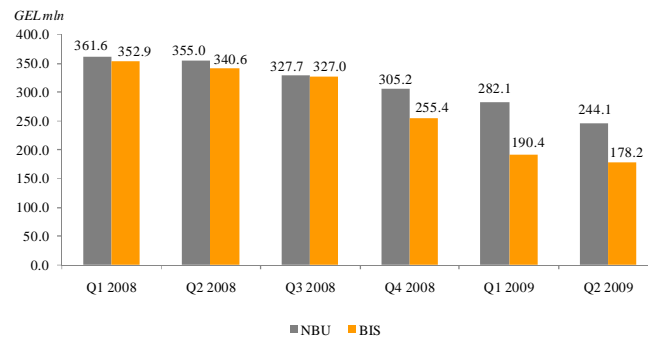


NBU capital adequacy ratios

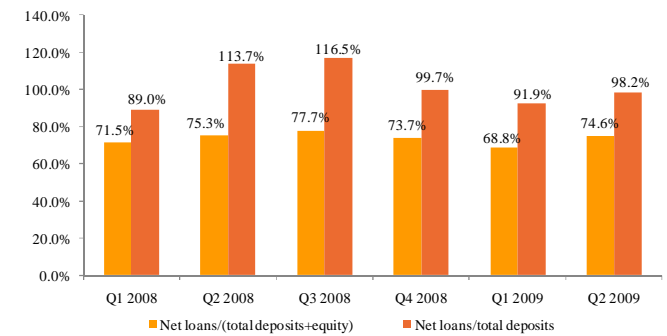


Note: minimum Capital Adequacy Ratio required by NBU is 8%

Risk-weighted assets BIS vs. NBU



Net loans/deposits & Loans/(deposits+equity)



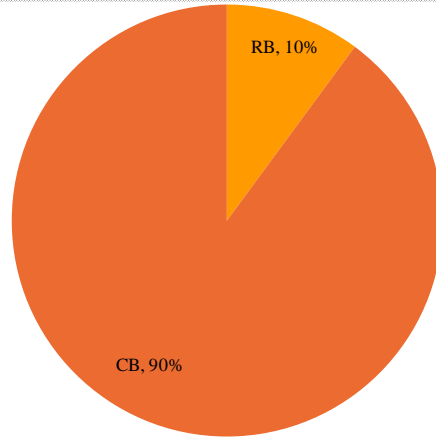
Belarusky Narodny Bank (Belarus)

BNB Q2 2009 P&L

	Q2 2009		Q1 2009	
	GEL	US\$	GEL	US\$
<i>Thousands, unless otherwise noted</i>				
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
Interest Income	1,428	862	1,621	971
Interest Expense	478	288	626	375
Net Interest Income	950	573	995	596
Fees & Commission Income	400	241	341	204
Fees & Commission Expense	57	35	50	30
Net Fees & Commission Income	343	207	291	175
Income From Documentary Operations	1	0	3	2
Expense On Documentary Operations	(0)	(0)	1	1
Net Income From Documentary Operations	1	0	2	1
Net Foreign Currency Related Income	284	172	1,175	703
Net Insurance Income (Loss)	-	-	-	-
Brokerage And Investments Banking Income	-	-	-	-
Asset Management Income	-	-	-	-
Net Investment Gains (Loss)	163	98	-	-
Other	(29)	(17)	(32)	(19)
Net Other Non-Interest Income	134	81	(32)	(19)
Net Non-Interest Income	762	459	1,436	860
Total Recurring Income (Revenue)	1,712	1,033	2,431	1,456
Personnel Costs	768	463	760	455
Selling, General & Administrative Expenses	156	94	159	95
Procurement & Operations Support Expenses	235	142	233	139
Depreciation And Amortization	138	83	166	99
Other Operating Expenses	161	97	188	113
Total Recurring Operating Costs	1,457	879	1,506	902
Normalized Net Operating Income (Loss)	254	153	925	554
Net Non-Recurring Income (Costs)	9	6	10	6
Profit Before Provisions	264	159	935	560
Net Provision Expense	(28)	(17)	29	17
Pre-Tax Income	292	176	906	543
Income Tax Expense / (Benefit)	95	57	245	147
Net Income	197	119	661	396

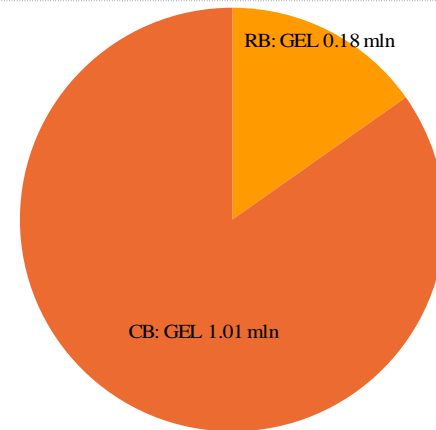
BNB loan portfolio as at 30 June 2009

Total loan portfolio breakdown, 30 June 2009



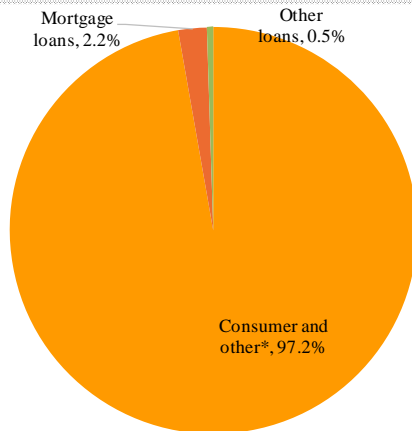
Gross loans: GEL 27 mln

Loan loss reserve, 30 June 2009



Loan loss reserve: GEL 1.2 mln

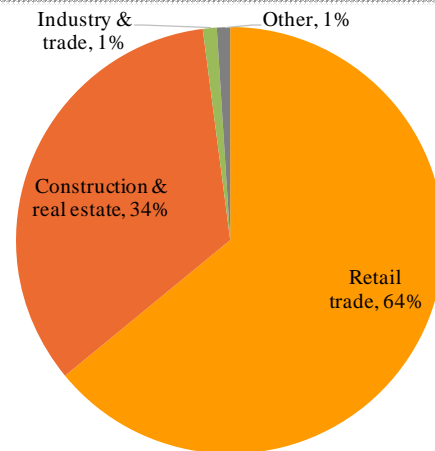
RB loan portfolio breakdown, 30 June 2009



RB loans: GEL 3 mln

* Other loans include car, POS and legacy retail loans

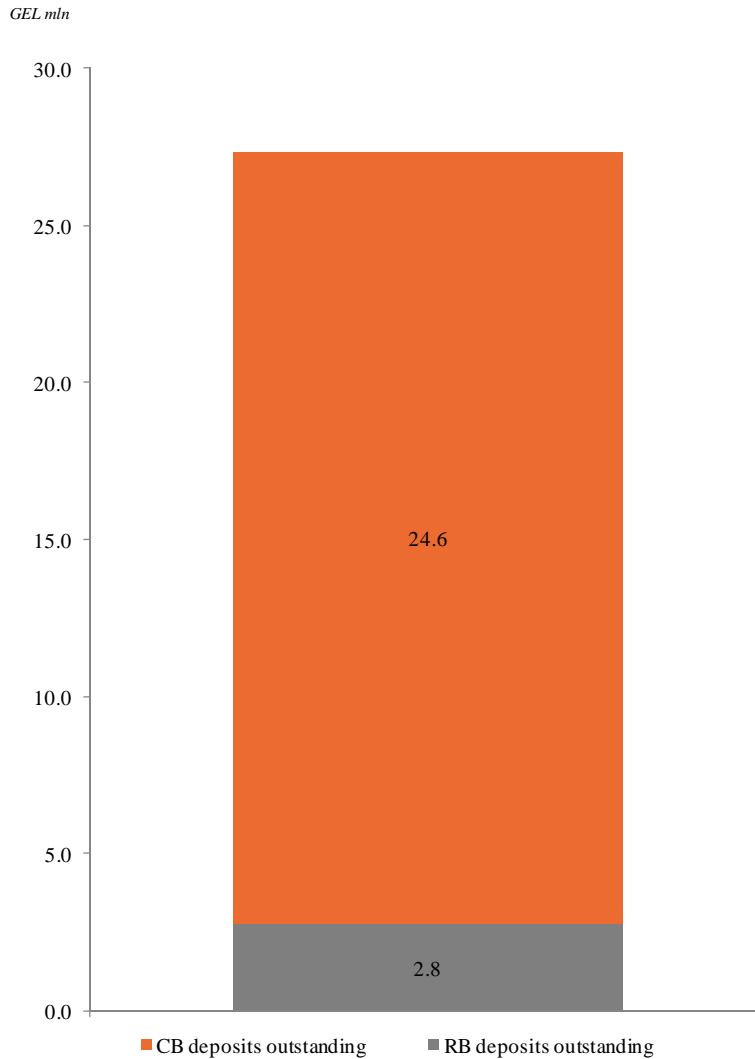
CB loan portfolio breakdown, 30 June 2009



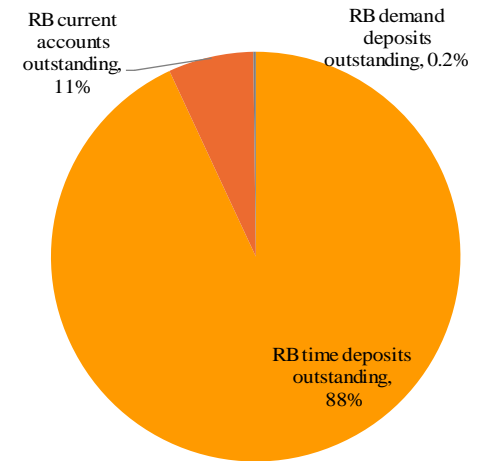
CB loans: GEL 25 mln

BNB client deposits as at 30 June 2009

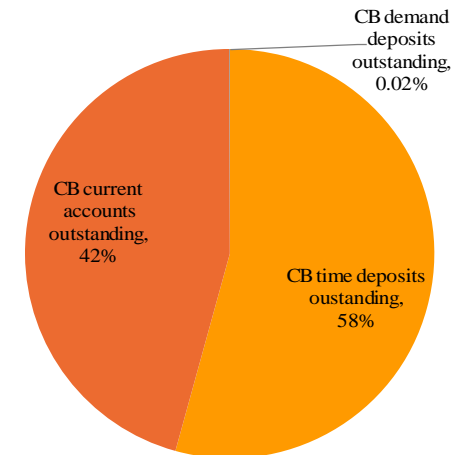
Client deposits breakdown, 30 June 2009



RB client deposits breakdown, 30 June 2009



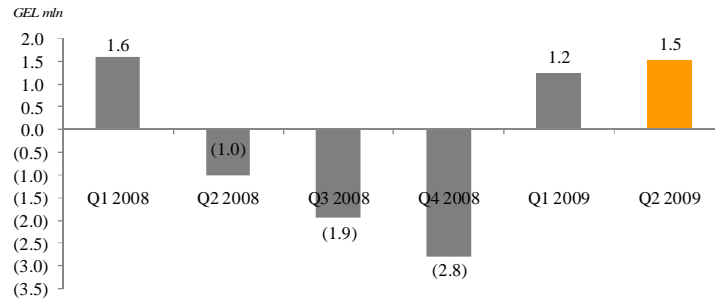
CB client deposits breakdown, 30 June 2009



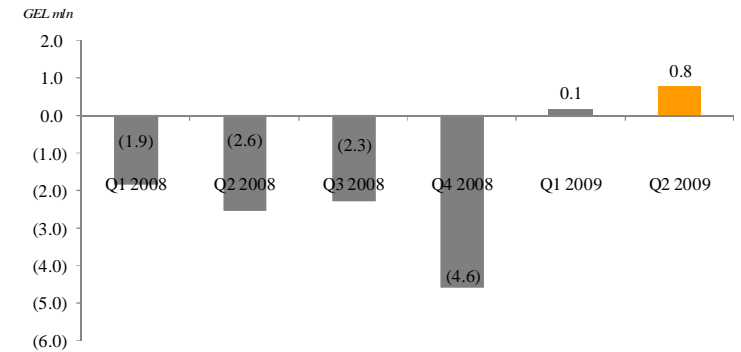
Galt & Taggart Securities

Galt & Taggart Securities

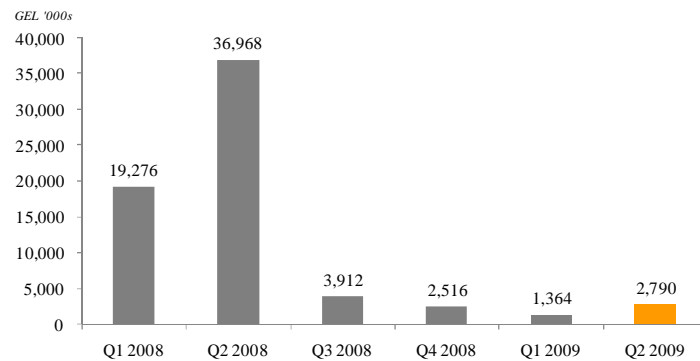
Revenue



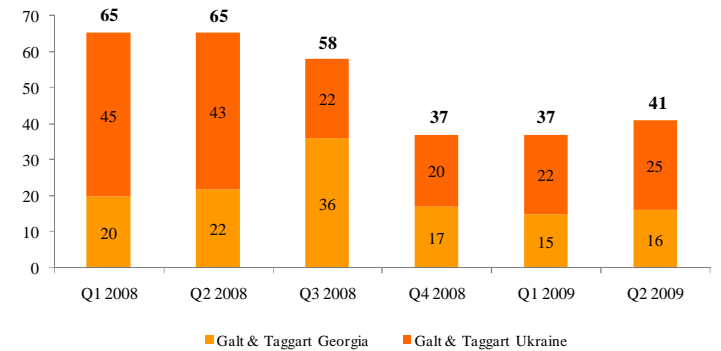
Net income/(loss)



Proprietary book

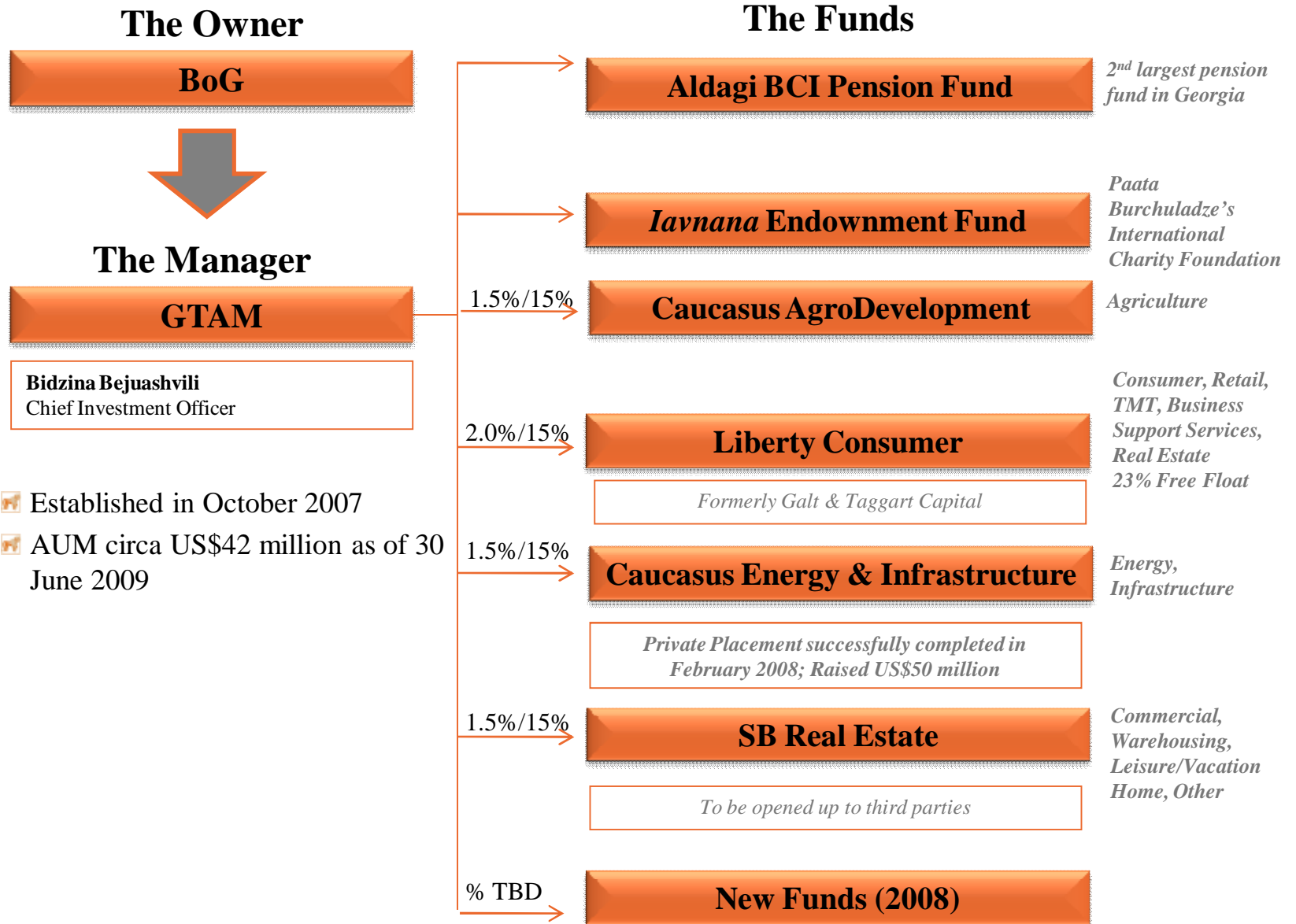


Headcount



Asset management

Asset Management review



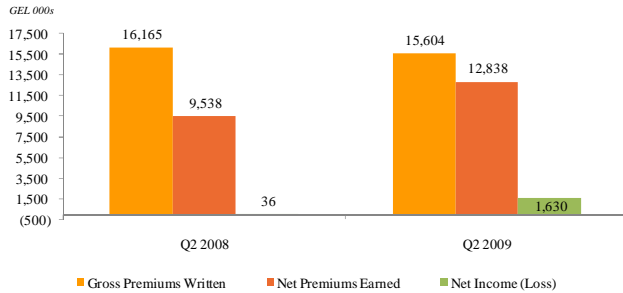
Insurance

Aldagi BCI (Insurance)

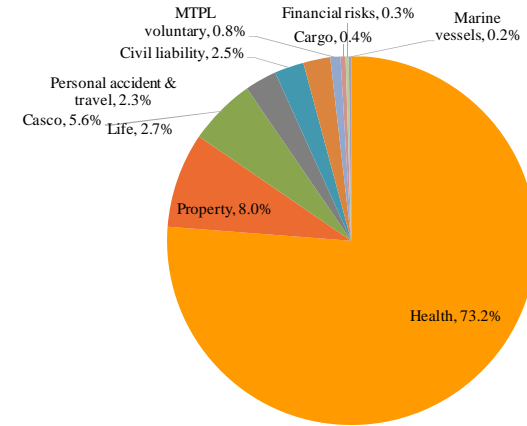
Size of the Georgian Insurance Market

GEL mln	YE'08	YE'07	YE'06
GPW	215	119	70
Claims Reimbursed	69	40	23

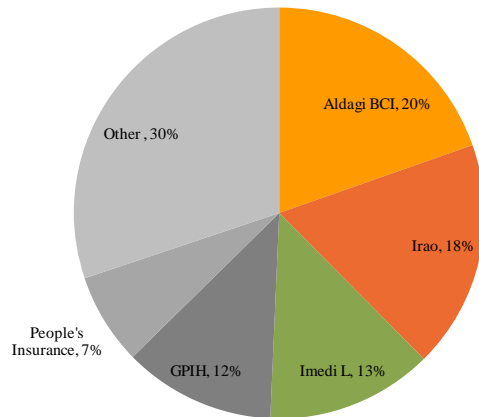
Aldagi BCI GPW, net premiums earned & net income/(loss)



Georgian insurance market product breakdown (Q1 2009)



Aldagi BCI market share by GPW (Q1 2009)



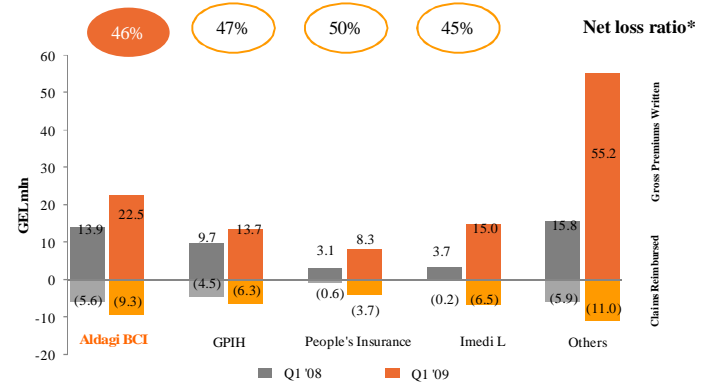
Source: State Insurance Supervision Service of Georgia



www.bog.ge/ir

Source: State Insurance Supervision Service of Georgia

Gross premiums written & total claims reimbursed



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Appendices

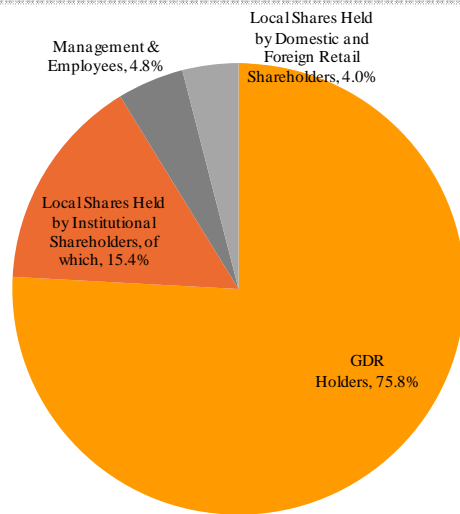
Bank of Georgia shareholder structure and management



Ownership structure & share price performance

Broadly owned by approximately 100 institutional accounts

Ownership structure, June 2009



30-Jun-09	Number	%
GDR Holders*	23,716,895	75.8%
Local Shares Held by Institutional Shareholders, of which	4,807,388	15.4%
Management & Employees**	1,491,683	4.8%
Local Shares Held by Domestic and Foreign Retail Shareholders	1,255,559	4.0%
Total Shares Outstanding	31,271,525	100.0%
Adjusted for Galt & Taggart Securities' Proprietary Book ⁽¹⁾	(670)	
Adjusted Total Shares Outstanding	31,270,855	

⁽¹⁾ Treated as treasury shares as per IFRS

*through BNY Nominees Limited

** includes GDRs held as part of EECF

Note: certain shareholder data is based on management's estimates

Supervisory board

Nicholas Enukidze	Chairman of the supervisory board
Allan Hirst	Vice chairman of the supervisory board, independent member
Ian Hague	Member, Firebird Management LLC
Jyrki Talvitie	Member, East Capital
Kaha Kiknavelidze	Independent member
Irakli Gilauri	Member, Chief Executive Officer
David Morrison	Independent member

Management board

Irakli Gilauri	Chief Executive Officer (CEO)
Sulkhan Gvalia	Deputy CEO, Chief Risk Officer
George Chiladze	Deputy CEO, Finance
Irakli Burdiladze	Deputy CEO, Chief Operating Officer
Mikheil Gomarteli	Deputy CEO, Retail
Avto Namicheishvili	Deputy CEO, Legal
Ramaz Kukuladze	Deputy CEO, Corporate
Murtaz Kikoria	CEO, BGB*

* Subject to NBU approval



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Analyst

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Georgian banking sector – key trends 2006-2009

Georgian banking sector – key trends 2006/2009

GEL/US\$

Period End

YE 2006= 1.71

YE 2007=1.59

YE 2008=1.67

Q1 2009=1.67

Q2 2009=1.66

GEL mln	YE 2007	YE 2008	1H '09	As % of GDP*	Growth			Market Share (YE 2007)		Market Share (YE 2008)		Market Share (1H 2009)	
					2007 Y-O-Y	2008 Y-O-Y	1H '09, YTD	Top 5 Banks	Bank of Georgia	Top 5 Banks	Bank of Georgia	Top 5 Banks	Bank of Georgia
Total Assets	7,208	8,866	7,730	36.74%	70.90%	23.00%	-12.82%	80.00%	35.20%	79.26%	32.89%	79.26%	33.61%
Gross Loans	4,589	5,993	5,367	25.51%	71.50%	30.59%	-10.45%	81.70%	32.70%	81.78%	32.87%	81.94%	31.50%
Deposits	3,511	3,845	3,244	15.42%	50.90%	9.51%	-15.63%	81.40%	31.40%	75.00%	28.76%	78.58%	27.53%
Equity	1,471	1,517	1,534	7.29%	65.50%	3.14%	1.14%	73.30%	33.80%	75.69%	40.03%	79.23%	39.01%
Net Income/(Loss)	109	(216)	(64)	NMF	17.50%	NMF	-70.57%	NMF	41.90%	NMF	NMF	NMF	NMF

- ☞ 19 banks as at 30 June 2009
 - ☞ Minimum capital requirement GEL 12 mln and growing
 - ☞ Since 1 January 2007 local presence established by HSBC, Halyk, Privat, JSC Kor Bank
 - ☞ No state ownership since 1995
 - ☞ Very open to foreign ownership
 - ☞ All leading banks have meaningful foreign capital participation
 - ☞ Significant IT/infrastructure and marketing spend drives increasing retail banking penetration
 - ☞ Increasing adoption of the universal banking business model, following the lead of **Bank of Georgia**
 - ☞ The economy and consumers significantly underlent (all-in consumer debt per capita US\$163 at 31 December 2008)

*1H 2009 banking sector data to 2009F GDP

Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia at www.nbg.gov.ge



Peer group's market share in total assets

GEL/US\$

Period End

YE 2006 = 1.71

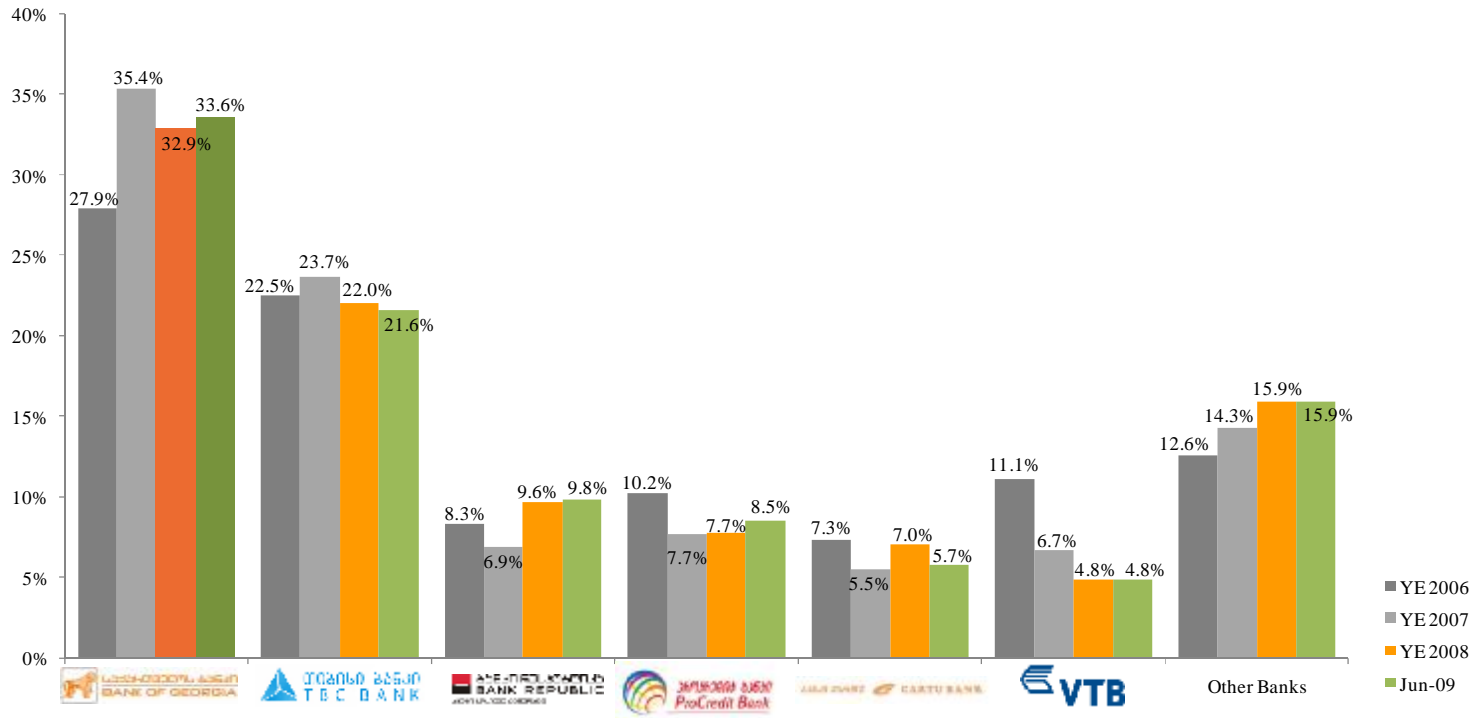
YE 2007=1.59

YE 2008=1.67

Q1 2009= 1.67

Q2 2009=1.66

Peer Group's market shares in total assets, Q2 2009



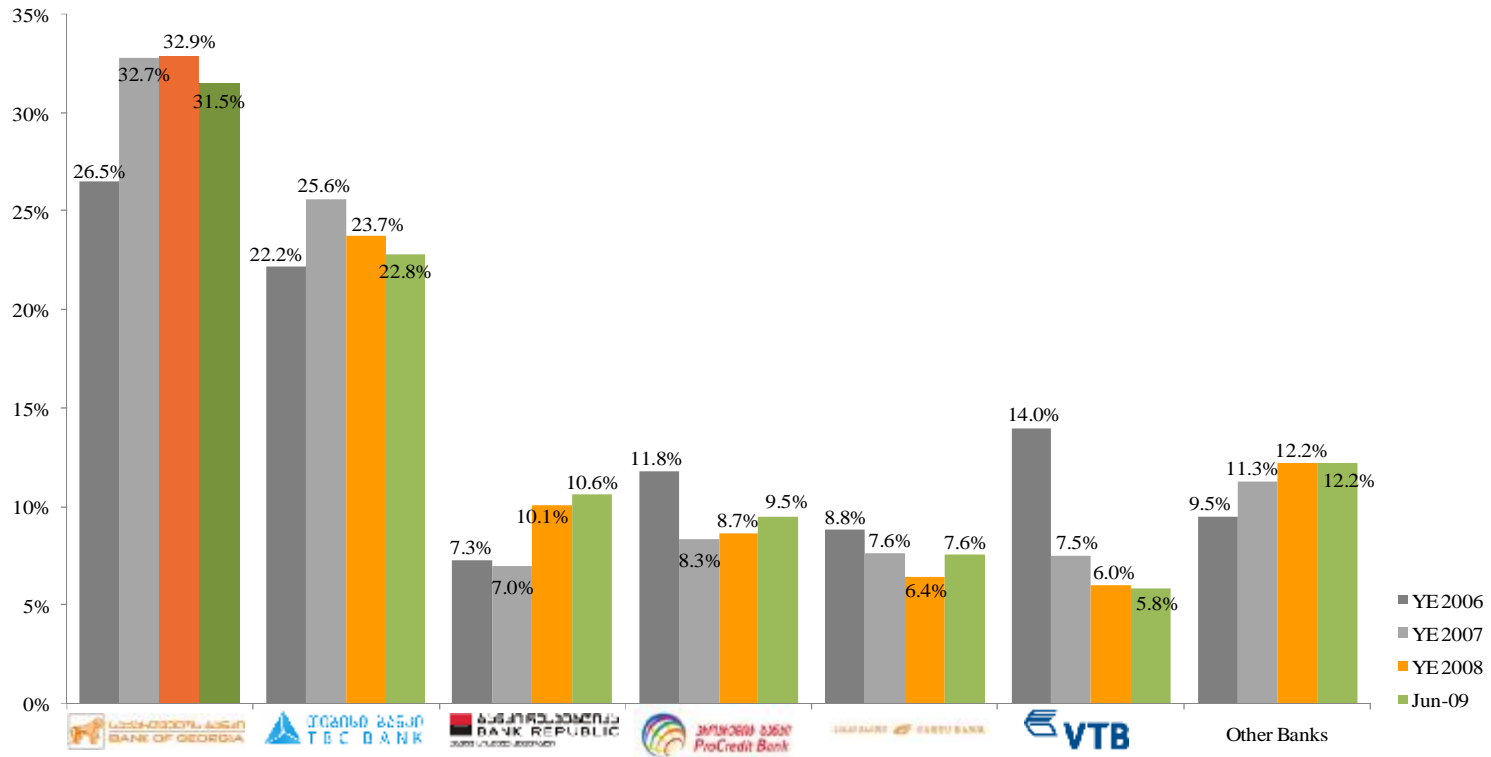
Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

Peer group's market share in gross loans

GEL/US\$

Period End
 YE 2006 = 1.71
 YE 2007 = 1.59
 YE 2008 = 1.67
 Q1 2009 = 1.67
 Q2 2009 = 1.66

Peer Group's market shares in gross loans, Q2 2009



Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge



Peer group's market share in deposits

GEL/US\$

Period End

YE 2006 = 1.71

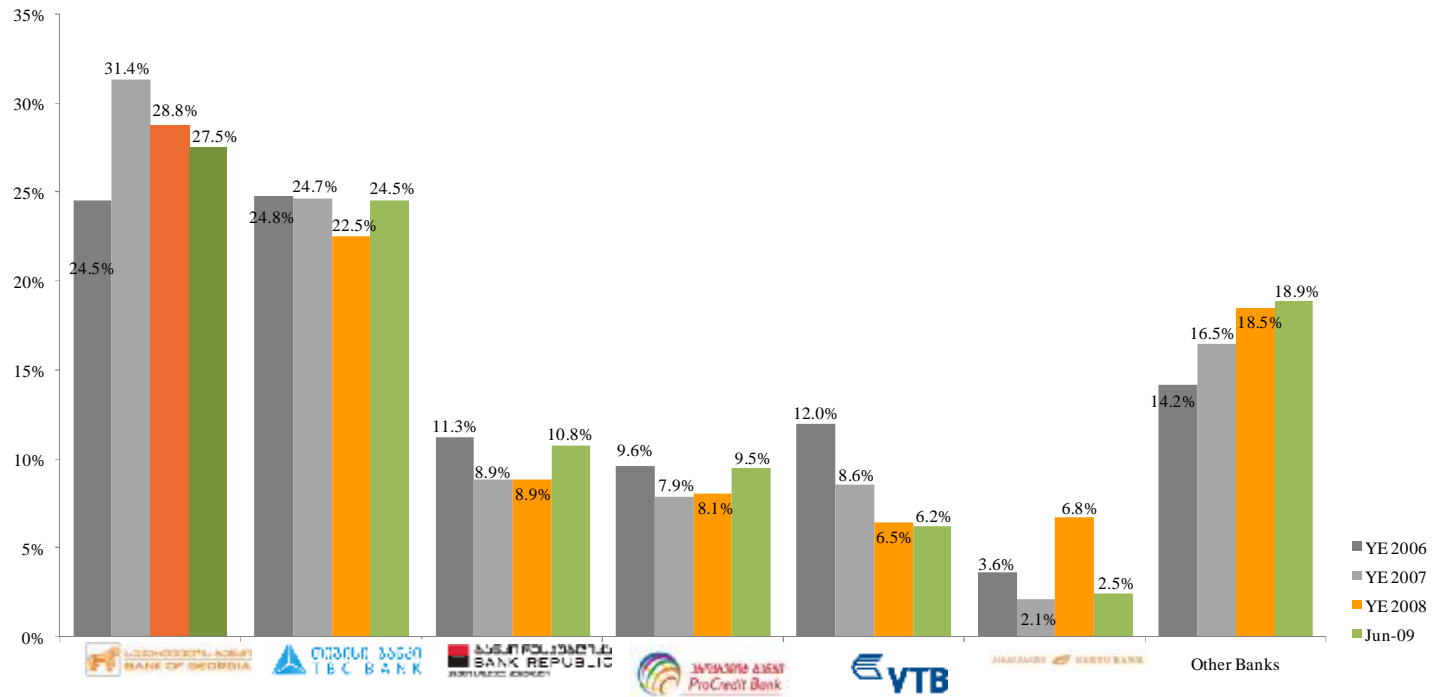
YE 2007=1.59

YE 2008=1.67

Q1 2009= 1.67

Q2 2009=1.66

Peer Group's market shares in deposits, Q2 2009



Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

Caution regarding forward-looking statements

This presentation contains statements that constitute “forward-looking statements”, including, but not limited to, statements relating to the implementation of strategic initiatives and other statements relating to our business development and financial performance.

While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, (1) general market, macroeconomic, governmental, legislative and regulatory trends, (2) movements in local and international currency exchange rates, interest rates and securities markets, (3) competitive pressures, (4) technological developments, (5) changes in the financial position or credit worthiness of our customers, obligors and counterparties and developments in the markets in which they operate, (6) management changes and changes to our group structure and (7) other key factors that we have indicated could adversely affect our business and financial performance, which are contained elsewhere in this presentation and in our past and future filings and reports, including those filed with the NSCG.

We are under no obligation (and expressly disclaim any such obligations) to update or alter our forward-looking statements whether as a result of new information, future events, or otherwise.