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Bank of Georgia, BCI & Aversi-Pharma Announce The Establishment Of A Strategic Alliance

Bank of Georgia (GSE: GEB), a leading Georgian universal bank, BCI, its wholly-owned insurance subsidiary and Aversi-Pharma, the largest Georgian pharmacy chain with approximately 80 pharmacies, announced today the establishment of a strategic alliance. Bank of Georgia will automatically open Universal Banking Accounts for all clients of *Chemebi*, the umbrella consumer insurance brand of BCI. The *Chemebi* clients will automatically receive co-branded Chemebi VISA Electron debit card. The bank and Aversi-Pharma will operate a loyalty program for the *Chemebi* cardholders, whereby they would receive discounts of up to 10% on all purchases made at any of the Aversi-Pharma pharmacies. In addition, Aversi-Pharma will operate Bank of Georgia/Georgian Card POS terminals exclusively throughout its chain, Bank of Georgia will be able to install ATMs at selected Aversi-Pharma pharmacies, and the Aversi-Pharma staff will be trained by BCI to distribute the *Chemebi* insurance products. The existing approximately 22,000 BCI health insurance clients will receive the *Chemebi* co-branded cards and be eligible for the discounts beginning in April. The strategic partners will also consider extending the Aversi-Pharma loyalty program to all Bank of Georgia cardholders. In a separate development, BCI announced today the opening of its first HMO clinic.

“The alliance with Aversi-Pharma is yet another milestone in our strategy of bringing value to our retail clients and extending our retail banking footprint by establishing exclusive relationships with leading retailers and consumer services companies. We anticipate to gain up to 50,000 current account relationships through the issuance of the co-branded *Chemebi* cards with the Aversi-Pharma loyalty program features”, commented Chief Executive Officer of JSC Bank of Georgia, **Lado Gurgenidze**.

“BCI, already a leader in the rapidly growing health insurance market in Georgia, expects to consolidate its market position through the launch of the *Chemebi* health insurance products in tight cooperation with Bank of Georgia and Aversi-Pharma”, stated Deputy Chief Executive Officer of JSC Bank of Georgia, **Ramaz Kukuladze**.



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 services to corporate clients. Additionally, BCI, the wholly-owned insurance subsidiary of the bank, offers a wide range of corporate and retail insurance products (through its newly launched *Chemebi* retail brand). As at February 28, 2006, the bank had GEL 548.4 million in assets and GEL 97.2 million in equity. In 2005, the bank earned net income of GEL 12.8 million.

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