

London, 12 March 2013

Bank of Georgia Holdings PLC announces the sale of holdings by East Capital Financials Fund

The Board of Bank of Georgia Holdings plc (**BGH**) announces the sale of 10.17% equity interest in BGH by the East Capital Financials Fund.

The East Capital Financials Fund, a private equity fund, is currently seeking to ensure the orderly completion of divestments to enable the already announced closure of the fund over the next year or so. Bank of Georgia is delighted that East Capital continues to maintain a strong investment in the Bank in a number of its other funds. Following the sale today, other equity funds managed by East Capital retain 5.6% equity interest in BGH.

“With the forthcoming closure of the East Capital Financials Fund, I am pleased that we have been able to further diversify our institutional investor base with the addition of a number of new, high quality, long-term institutional investors. We welcome these new shareholders. This share disposal will also lead to an increase in the ‘free float’ of Bank of Georgia shares on the London Stock Exchange, and support the Bank’s desire to increase stock liquidity,” noted **Irakli Gilauri**, Chief Executive of BGH.

“We are very pleased with the strong development of Bank of Georgia and the return it has contributed to the fund’s portfolio. However, as East Capital Financials Fund has entered its divestment phase, the time has come for the fund to exit this holding. We still believe strongly in the company and its management. The buyer interest demonstrated during the sale of our position confirms this view,” commented **Kestutis Sasnauskas**, CEO of East Capital Private Equity

About Bank of Georgia Holdings plc

Bank of Georgia Holdings plc is a UK-incorporated holding company of Bank of Georgia. Bank of Georgia is the leading Georgian bank, based on total assets (with a 36.7% market share), total loans (with a 35.4% market share) and total deposits (with a 31.8% market share) as of 31 December 2012, all data based on standalone financial information filed by banks in Georgia with the National Bank of Georgia. The Bank offers a broad range of corporate banking, retail banking, wealth management, brokerage and insurance services to its clients.

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

Standard & Poor’s	‘BB-/B’
FitchRatings	‘BB-/B’
Moody’s	‘B1/NP’ (FC) & ‘Ba3/NP’ (LC)

For further information, please visit www.bogh.co.uk, www.bog.ge/ir or contact:

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