

***Bank Of Georgia Signs An Exclusive Banking Services Agreement  
With The Tbilisi Municipality***

Bank of Georgia (GSE; GEB), a leading Georgian universal bank, announced today that it has been selected as the sole servicing bank by the Tbilisi Municipality as a result of competitive tender with all leading banks participating. The account was previously serviced by the National Bank of Georgia.

“We are very pleased that Bank of Georgia has been entrusted with the largest account in the country. We believe that Bank of Georgia’s highly competitive terms, proven track record of providing high quality banking services to our high-end corporate clients, such as the BTC Pipeline consortium, Millennium Challenge Georgia, TAV-Urban consortium and others, and the dedication and professionalism of our staff make us uniquely qualified to serve this prestigious account. I look forward to our future cooperation with the Tbilisi Municipality, which we believe will entail capital market transactions and retail banking innovations in the near future,” commented **Lado Gurgenidze**, Chairman of the Supervisory Board.

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**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 April 30, 2006, the bank had GEL 624.7 million in assets and GEL 100.7 million in equity. In 2005, the bank earned net income of GEL 13.6 million. The bank has a B-/Stable outlook from FitchRatings and B3/NP and Baa3/P-3 local currency ratings from Moody’s with Stable outlook.

**About the City of Tbilisi**

Tbilisi is the capital of Georgia with the population of approximately 1.5 mln. The 2006 municipal budget amounts to approximately GEL 321.5 mln.

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