

London, 10 March 2017

*BGEO Commences Share Buyback and Cancellation Programme*

BGEO Group PLC (**BGEO** or the **Group**) announces that, as outlined in its announcement on 21 November 2016, it will commence a purchase for cancellation programme of BGEO ordinary shares of £0.01 each (the **Shares**) up to a maximum consideration of US\$50 million over a two-year period (the **Buyback**).

As a result of the Group's very strong capital position, excess levels of liquidity and high level of internal capital generation, the Board approved the Buyback pursuant to which the Shares purchased will be cancelled, thereby reducing BGEO's share capital, forming part of Group's already published capital return policy.

BGEO entered into an agreement with Numis Securities Limited (**Numis**) on 7 March 2017 to enable Numis to use the maximum consideration of US\$50 million over a two-year period expiring 6 March 2019 to purchase Shares in accordance with the terms of the general authority to make market purchases of up to 3,950,032 of its Shares granted to BGEO by its shareholders at the 2016 Annual General Meeting (**AGM**) held on 26 May 2016 and subject to its shareholders' approval of a similar buyback resolution at BGEO's 2017 AGM in respect of any purchases to be made after the date of that meeting. Any shares repurchased will be immediately cancelled.

Any purchase of Shares pursuant to the agreement with Numis will be carried out on the London Stock Exchange and executed in accordance with Article 5(1) of Regulation (EU) No 596/2014, Chapter 12 of the Financial Conduct Authority's Listing Rules and the rules of the London Stock Exchange.

Name of authorised official of issuer responsible for making notification:

Kate Bennett Rea, Company Secretary

**About BGEO Group PLC**

**The Group:** BGEO Group PLC ("BGEO" or the "Group" – LSE: BGEO LN) is a UK incorporated holding company of a Georgia-focused investment platform. BGEO invests in the banking and non-banking sectors in Georgia (BGEO and its subsidiaries, the "Group"). BGEO aims to deliver on a 4x20 strategy: at least 20% ROAE and at least 20% growth of retail loan book in Banking Business, and at least 20% IRR and up to 20% of the Group's profit from Investment Business.

**Banking Business:** Our Banking Business comprises at least 80% of the Group's profit and consists of Retail Banking, Corporate Banking and Investment Management businesses at its core and other banking businesses such as P&C Insurance, Leasing, Payment Services and Banking operations in Belarus ("BNB"). The Group strives to benefit from the underpenetrated banking sector in Georgia especially through its Retail Banking services. JSC Bank of Georgia ("BOG" or the "Bank") is the main entity in the Group's Banking Business.

**Investment Business:** Our Investment Business comprises up to 20% of the Group's profit and consists of Georgia Healthcare Group (Healthcare Business) – an LSE (London Stock Exchange PLC) premium listed company, m2 Real Estate (Real Estate Business), Georgia Global Utilities (Utility Business or GGU) and Teliani Valley (Beverage Business). Georgia's fast-growing economy provides opportunities in a number of underdeveloped markets and the Group is well positioned to capture growth opportunities in the Georgian corporate sector.

JSC BGEO Group has, as of the date hereof, the following credit ratings:

Fitch Ratings  
Moody's

'BB-/B'  
B1/NP (FC) & B1/NP (LC)

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

Fitch Ratings  
Moody's

'BB-/B'  
'B1/NP' (FC) & 'Ba3/NP' (LC)

For further information, please visit [www.bggeo.com](http://www.bggeo.com) or contact:

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