

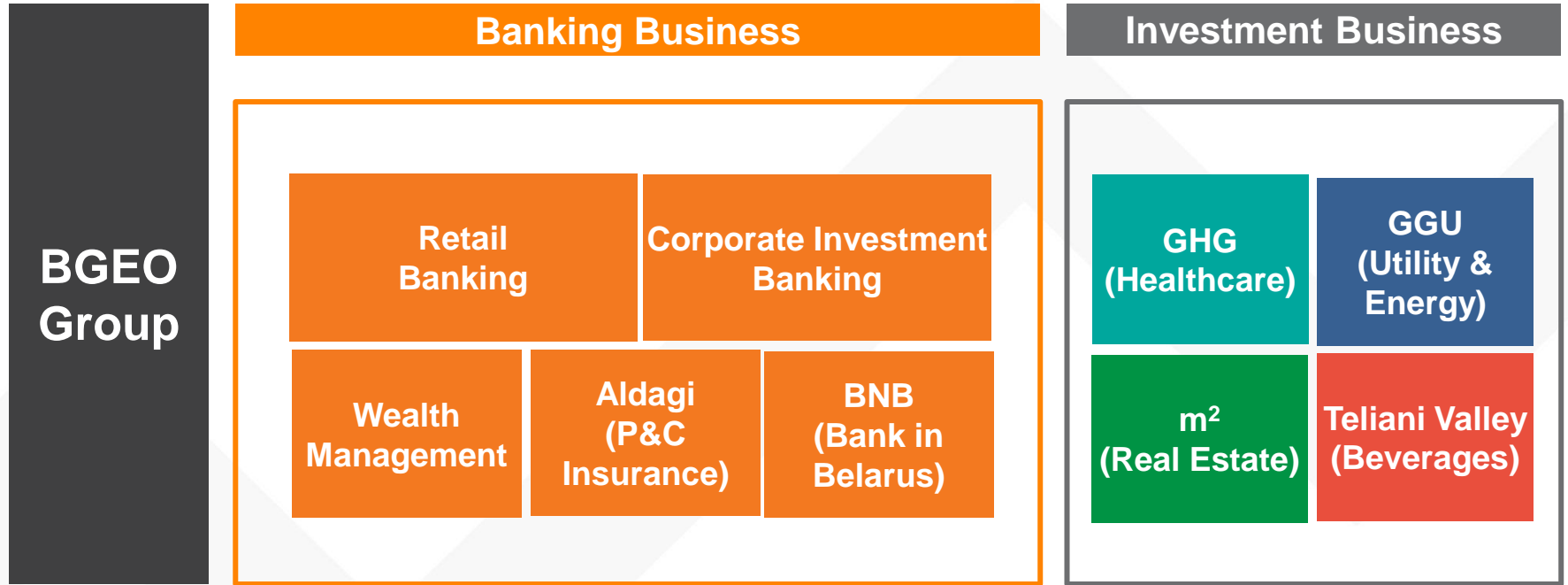
CAPTURING GROWTH OPPORTUNITIES

Investor Presentation: 1Q17 results

Disclaimer

This presentation contains forward-looking statements, including, but not limited to, statements concerning expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position and future operations and development. Although BGEO Group PLC believes that the expectations and opinions reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations and opinions will prove to have been correct. By their nature, these forward-looking statements are subject to a number of known and unknown risks, uncertainties and contingencies, and actual results and events could differ materially from those currently being anticipated as reflected in such statements. Important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, certain of which are beyond our control, include, among other things: currency fluctuations, including depreciation of the Georgian Lari, and macroeconomic risk; corporate loan portfolio exposure risk; regional tensions; regulatory risk; cyber security, information systems and financial crime risk; investment business strategy risk; and 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 the 'Principal Risks and Uncertainties' included in BGEO Group PLC's Annual Report and Accounts 2016. No part of this presentation constitutes, or shall be taken to constitute, an invitation or inducement to invest in BGEO Group PLC or any other entity, and must not be relied upon in any way in connection with any investment decision. BGEO Group PLC undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this presentation should be construed as a profit forecast.

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BGEO Capital allocation



Data as of 31 March 2017
unless otherwise stated

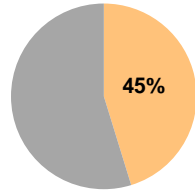
GEL 3,166.8mln¹

At a glance

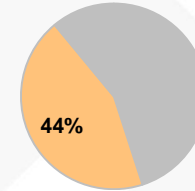
Banking Business

Investment Business

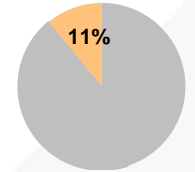
Cash buffer



GEL 1,426.6mln



GEL 1,405.0mln

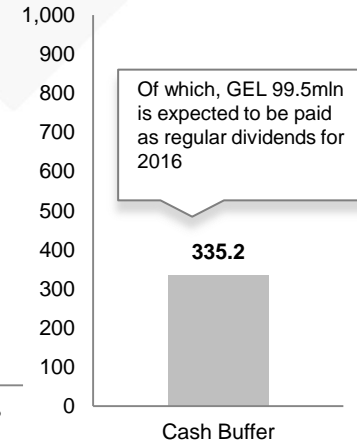
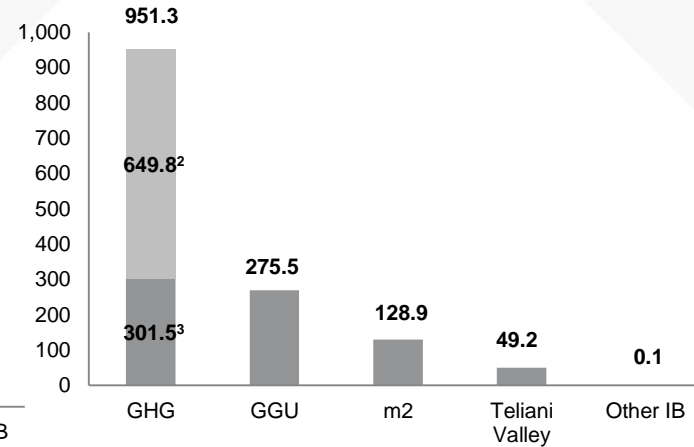
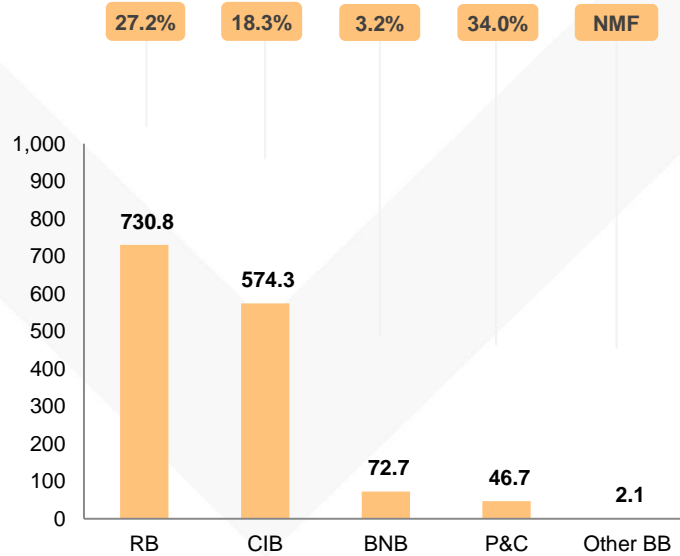


GEL 335.2mln

Capital allocation

1Q17 ROAE

Amount (GEL millions)



1. Comprises the sum of the following items: a book value of equity attributable to shareholders of BGEO of GEL 2,208.9mln, GEL 649.8mln market value adjustment to GHG's equity book value and long term borrowing of GEL 308.1mln
 2. Market value of BGEO's equity interests in GHG as of 5 May 2017
 3. Book value of GHG's Equity attributable to shareholders of the BGEO Group



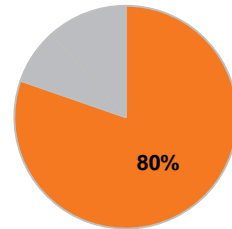
Data for 1Q17
unless otherwise stated

At a glance

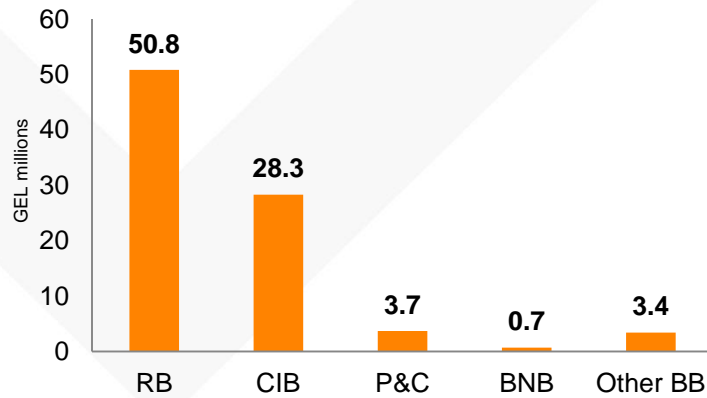
By
businesses

GEL 108.2mln

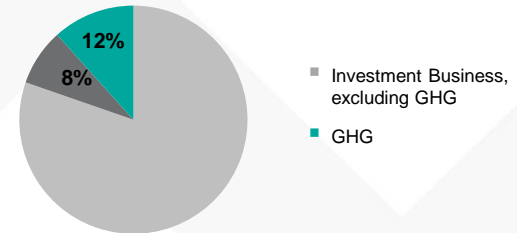
Banking Business



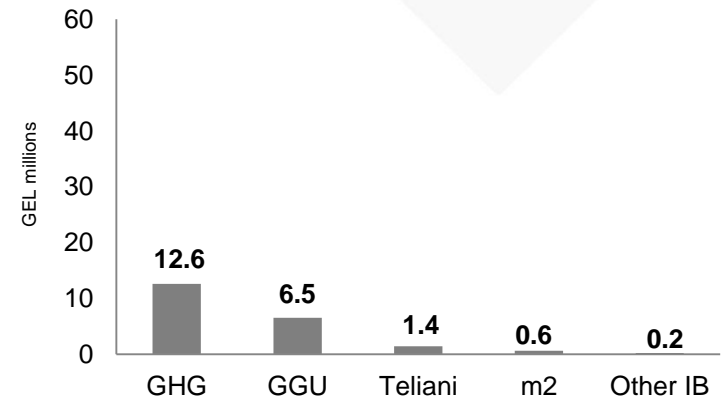
GEL 86.9mln



Investment Business

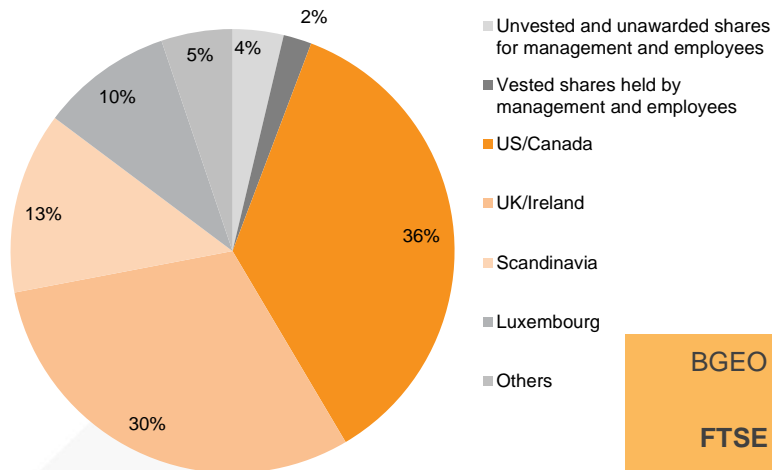


GEL 21.3mln



BGEO shareholder structure

As of 31 March 2017



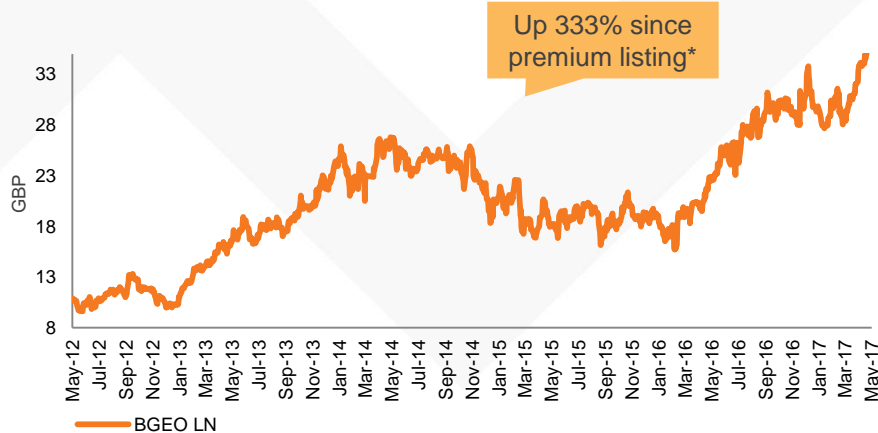
BGEO has been included in the FTSE 250 and FTSE All-share Index Funds since 18 June 2012

BGEO top shareholders

As of 31 March 2017

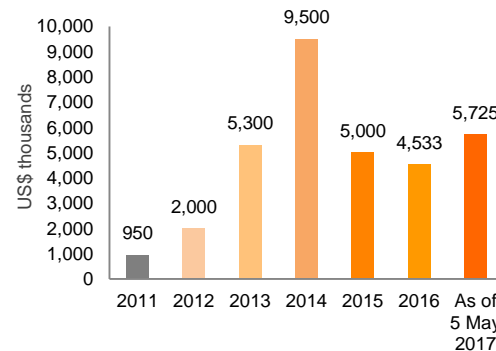
Rank	Shareholder name	Ownership %
1	Harding Loevner Management LP	8.13
2	Schroders Investment Management	4.45
3	Artemis Investment Management	3.63
4	Westwood International Advisors	3.36
5	JP Morgan Asset Management	3.31
6	LGM Investments Ltd	3.22

BGEO share price performance

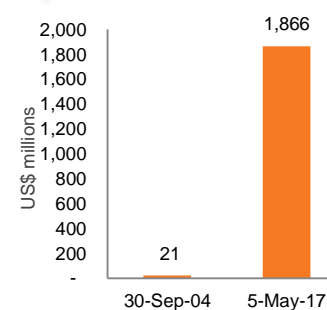


X154 growth in market capitalisation

Average daily trading volume



Market capitalisation**



Note*: Share price change calculated from the last price of BGEO LI on 27 February 2012 to the price of BGEO LN on 5 May 2017

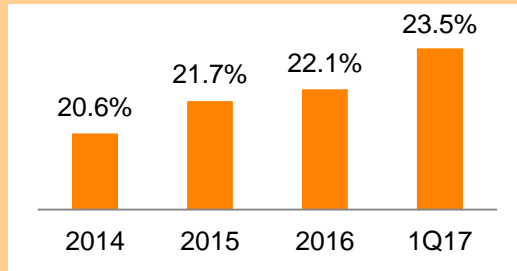
Note**: Source: Bloomberg

We are a Georgia Focused INVESTMENT PLATFORM

Banking Business

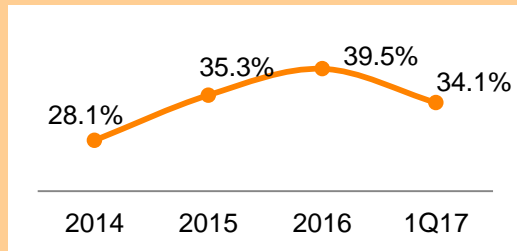
1

**ROAE
20%+**



2

**Retail loan
book growth
20%+**



Investment Business

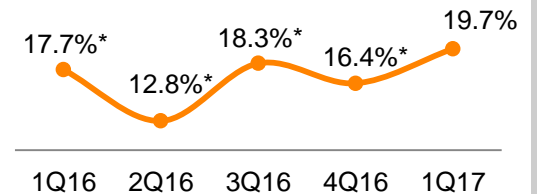
3

**Min. IRR
of 20%**

**121% IRR from GHG IPO
77% IRR from m² Real Estate
projects**

4

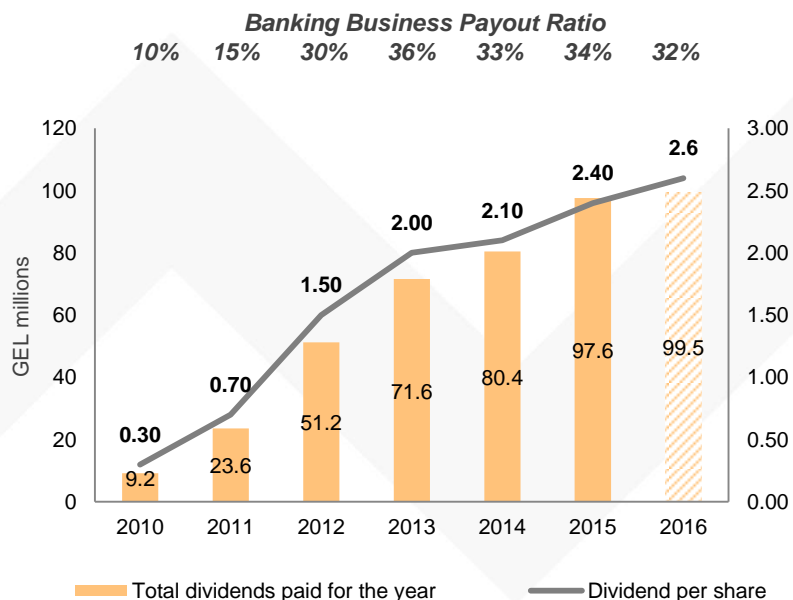
**Profit
up to 20%**



Solid regular dividend and capital return track record

Regular dividends

Regular dividends: GEL 333.7mln cash dividend paid since 2010 DPS CAGR'10-16: 43.3%



Capital return

Capital return: GEL 113.0mln share buy-backs since 2015

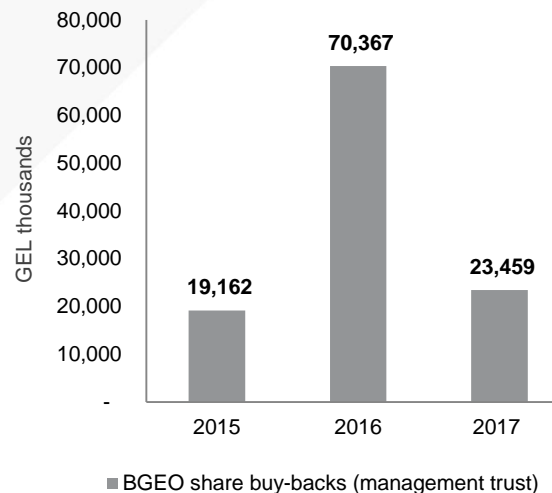
- US\$20mln buy-back announced in November 2016 complete
- US\$6mln invested in March 2017 and buy-back complete as of the date of this presentation

Crystallised value: BGEO holds GEL 951.3mln worth of GHG shares**

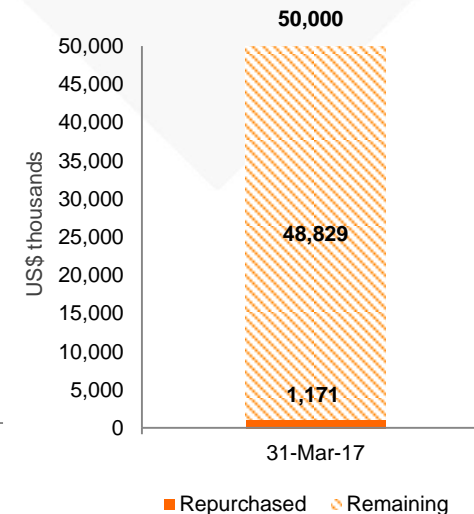
Share buyback and cancellation:

- A purchase and cancellation programme of ordinary shares
- Up to US\$ 50mln
- Over a two-year period
- In 1Q17 we repurchased US\$1.2mln

Management trust buy-back



Buy-back and cancellation

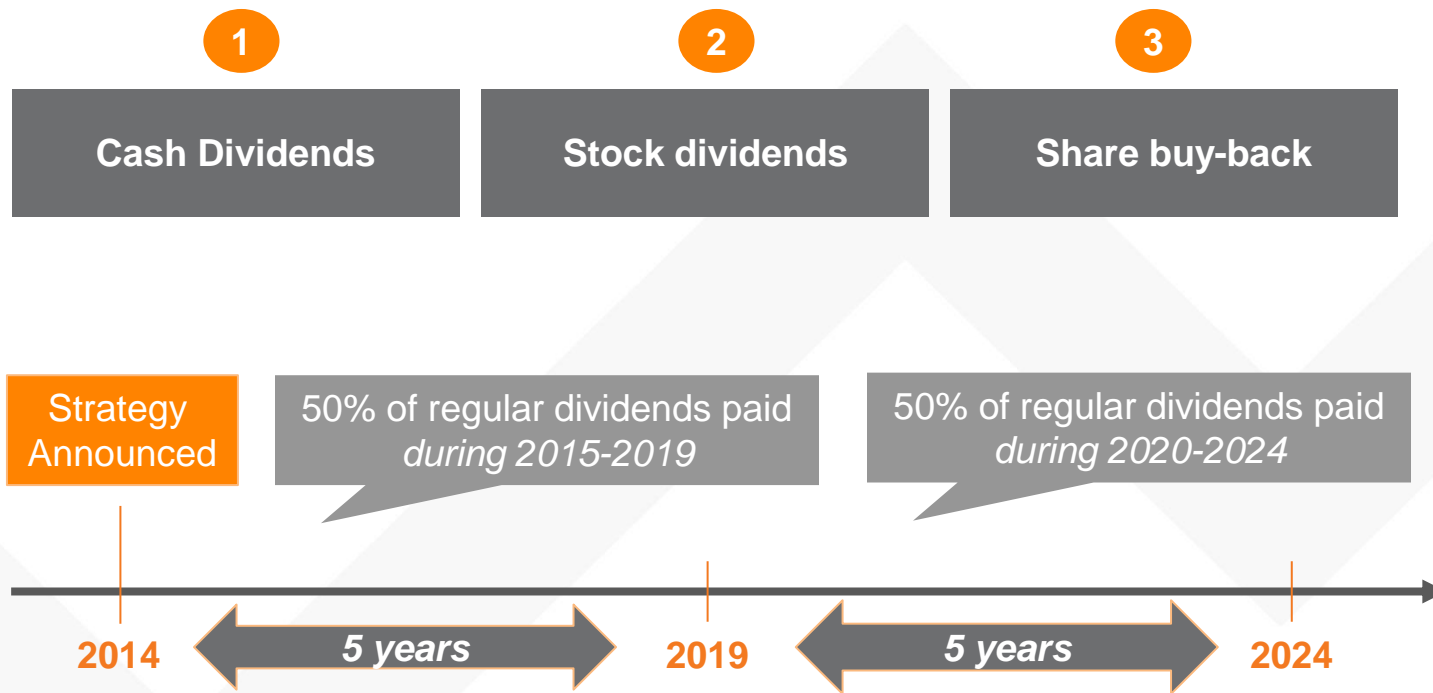


Note*: At the 2017 Annual General Meeting the Board intends to recommend an annual regular dividend for 2016 of GEL 2.6 per share payable in British Pounds Sterling at the prevailing rate. This represents an 8.3% increase over the 2015 dividend

Note**: Calculation based on GHG stock market price as of 5 May 2017 and BGEO ownership of GHG of 64.3%

**3-forms
of
capital
return**

**5-year
cycle for
capital
return**



Board of Directors of BGEO Group PLC

6 non-executive Board of Director members; 6 Independent members, including the Chairman and Vice Chairman



Neil Janin, Chairman of the Board; Chairman of the Nomination Committee, Independent Director
experience: formerly Director at McKinsey & Company in Paris; formerly co-chairman of the commission of the French Institute of Directors (IFA); formerly Chase Manhattan Bank (now JP Morgan Chase) in New York and Paris; Procter & Gamble in Toronto



Kim Bradley, Chairman of the Risk Committee, Independent Director
experience: Goldman Sachs AM, Senior Executive at GE Capital, President of Societa Gestione Crediti, Board Chairman at Archon Capital Deutschland



Irakli Gilauri, Group CEO
experience: formerly EBRD banker; MS in banking from CASS Business School, London; BBS from University of Limerick, Ireland



Hanna Loikkanen, Independent Director
experience: currently advisor to East Capital Private Equity AB; previously: Senior executive at East Capital, FIM Group Russia, Nordea Finance, SEB



David Morrison, Chairman of the Audit Committee, Senior Independent Director
experience: Senior partner at Sullivan & Cromwell LLP prior to retirement



Tamaz Georgadze, Independent Director
experience: Partner at McKinsey & Company in Berlin, Founded SavingGlobal GmbH, aide to President of Georgia



Al Breach, Chairman of the Remuneration Committee, Independent Director
experience: Head of Research, Strategist & Economist at UBS; Russia and CIS economist at Goldman Sachs



Jonathan Muir, Board Advisor; member of the Audit Committee
experience: Executive Director (CEO) of LetterOne Holdings SA and a CEO of LetterOne Investment Holdings; previously: CFO and Vice President of Finance and Control of TNK-BP

BGEO Robust corporate governance compliant with UK Corporate Governance Code

Senior Executive Compensation Policy applies to top executives and envisages long-term deferred and discretionary awards of securities and no cash bonuses to be paid to such executives

BGEO Group PLC



Irakli Gilauri, Group CEO
formerly EBRD banker; MS in banking from CASS Business School, London; BBS from University of Limerick, Ireland



Avto Namicheishvili, Group Legal Counsel
Previously partner at Begiashvili & Co, law firm in Georgia; LLM from CEU, Hungary



Levan Kulijanishvili, Group CFO and CFO at BOG
With the Group since 1997. Formerly Head of Security and Internal Audit at Bank of Georgia; MBA from Grenoble School of Business, in Grenoble, France



Ekaterina Shavgulidze, Head of Business Development
Previously Head of Investor Relations and Funding at BGEO; Supervisory Board Member and Chief Executive Officer of healthcare services business; Associate Finance Director at AstraZeneca, UK; MBA from Wharton Business School

JSC Bank of Georgia



Kaha kiknavelidze, CEO of Bank of Georgia
Previously managing partner of Rioni Capital, London based fund; prior to this, Kaha was Executive Director of Oil and Gas research team for UBS; Over 15 years experience in the equity markets



Nikoloz Gamkrelidze, CEO, Georgia Healthcare Group
Previously Group CFO, CEO of Aldagi BCI and JSC My Family Clinic; World Bank Health Development Project; Masters degree in International Health Management from Imperial College London, Tanaka Business School



Archil Gachechiladze, CEO, Georgia Global Utilities
With the Group since 2009. Previously Deputy CEO of the Bank, BGEO Group CFO, Deputy CEO of TBC Bank; Lehman Brothers Private Equity, London; MBA from Cornell University



Irakli Burdiladze, CEO, m2 Real Estate
Previously CFO at GMT Group, Georgian real estate developer; Masters degree from John Hopkins University



Shota Kobelia, CEO of Teliani Valley
With the Group since 2009. Previously Chief Commercial Officer in Pernod Ricard Georgia; Masters degree in international sales marketing from Bordeaux Business School, France

Georgia Healthcare Group

Georgia Global Utilities

m2 Real Estate

Teliani Valley

JSC Bank of Georgia



Kaha kiknavelidze, CEO of Bank of Georgia
Previously managing partner of Rioni Capital, London based fund; prior to this, Kaha was Executive Director of Oil and Gas research team for UBS; Over 15 years experience in the equity markets



Levan Kulijanishvili, Deputy CEO, CFO
With the Group since 1997. 15 years of experience at BOG. Formerly Head of Security and Internal Audit at Bank of Georgia; Holds MBA from Grenoble School of Business, in Grenoble, France



Mikheil Gomarteli, Deputy CEO, Emerging and Mass Retail Banking.
With the Group since 1997. 15 years work experience at BOG, including co-head of retail banking, head of business development and head of strategy and planning; Undergraduate degree in economics from Tbilisi State University



David Tsiklauri, Deputy CEO, Corporate Investment Banking
Previously Deputy CEO in charge of Corporate Banking at TBC Bank, Vice President of the Capital Markets and Treasury Solutions team at Deutsche Bank; MBA degree from London Business School



Ramaz Kukuladze, Deputy CEO, SOLO and MSME Banking
Previously Deputy CEO of Bank Republic Société Générale, Deputy CEO of Silknet (telecommunications company), Deputy CEO of the Bank, CEO of BCI, insurance company; Executive MBA degree from IE Business School



George Chiladze, Deputy CEO, Chief Risk Officer
With the Group since 2008. Formerly Deputy CEO in Finance, Deputy CEO at Partnership Fund, Programme trading desk at Bear Stearns NY; Ph.D. in physics from John Hopkins University in Baltimore



Tornike Gogichaishvili, Deputy CEO, Chief Operating Officer
With the Group since 2006. Previously CEO of Aldagi and CFO of BG Bank, Ukraine; Prior to joining the bank, CFO of UEDC PA consulting; Executive Diploma from Said Business School, Oxford



Alexander Katsman, Deputy CEO, HRM and Branding
With the Group since 2010. Previously Head of Branding Department at the Bank. Before joining the bank he was a partner at Sarke, the largest communications' group in Georgia; EMBA from the Berlin School of Creative Leadership

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Quarterly P&L

	BGEO Consolidated					Banking Business					Investment Business				
	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q
<i>GEL thousands unless otherwise noted</i>															
Net banking interest income	160,666	128,852	24.7%	155,403	3.4%	161,647	130,219	24.1%	158,371	2.1%	-	-	-	-	-
Net fee and commission income	29,885	27,814	7.4%	35,325	-15.4%	30,135	28,015	7.6%	36,645	-17.8%	-	-	-	-	-
Net banking foreign currency gain	19,274	17,390	10.8%	28,516	-32.4%	19,274	17,390	10.8%	28,516	-32.4%	-	-	-	-	-
Net other banking income	3,006	2,867	4.8%	2,199	36.7%	3,095	3,168	-2.3%	2,506	23.5%	-	-	-	-	-
Gross insurance profit	10,223	6,416	59.3%	9,171	11.5%	7,210	5,343	34.9%	6,445	11.9%	3,937	1,723	128.5%	3,557	10.7%
Gross healthcare and pharmacy profit	52,342	26,291	99.1%	42,221	24.0%	-	-	-	-	-	52,342	26,291	99.1%	42,221	24.0%
Gross utility and energy profit	17,444	-	-	21,600	-19.2%	-	-	-	-	-	17,527	-	-	21,671	-19.1%
Gross real estate profit	2,701	5,978	-54.8%	1,339	101.7%	-	-	-	-	-	3,010	5,978	-49.6%	2,033	48.1%
Gross other investment profit	3,993	3,606	10.7%	9,697	-58.8%	-	-	-	-	-	3,981	3,675	8.3%	9,391	-57.6%
Revenue	299,534	219,214	36.6%	305,471	-1.9%	221,361	184,135	20.2%	232,483	-4.8%	80,797	37,667	114.5%	78,873	2.4%
Operating expenses	(120,974)	(83,242)	45.3%	(117,358)	3.1%	(79,996)	(69,863)	14.5%	(87,069)	-8.1%	(42,392)	(14,410)	194.2%	(32,163)	31.8%
Operating income before cost of credit risk / EBITDA	178,560	135,972	31.3%	188,113	-5.1%	141,365	114,272	24.2%	145,414	-2.4%	38,405	23,257	65.1%	46,710	-17.8%
Profit from associates	514	1,866	-72.5%	254	102.4%	514	-	NMF	-	NMF	-	1,866	-100.0%	254	-100.0%
Depreciation and amortization of investment business	(11,236)	(4,910)	128.8%	(9,615)	16.9%	-	-	-	-	-	(11,236)	(4,910)	128.8%	(9,615)	16.9%
Net foreign currency loss from investment business	6,955	(766)	NMF	(6,065)	NMF	-	-	-	-	-	6,955	(766)	NMF	(6,065)	NMF
Interest income from investment business	1,420	956	48.5%	1,551	-8.4%	-	-	-	-	-	2,298	964	138.4%	540	NMF
Interest expense from investment business	(10,309)	(1,382)	NMF	(8,673)	18.9%	-	-	-	-	-	(12,397)	(2,947)	NMF	(11,673)	6.2%
Operating income before cost of credit risk	165,904	131,736	25.9%	165,565	0.2%	141,879	114,272	24.2%	145,414	-2.4%	24,025	17,464	37.6%	20,151	19.2%
Cost of credit risk	(49,245)	(36,143)	36.3%	(69,967)	-29.6%	(48,262)	(35,012)	37.8%	(70,873)	-31.9%	(983)	(1,131)	-13.1%	906	NMF
Net non-recurring items	(3,371)	1,366	NMF	698	NMF	(1,695)	(1,419)	19.5%	(1,056)	60.5%	(1,676)	2,785	NMF	1,754	NMF
Profit before income tax expense	113,288	96,959	16.8%	96,296	17.6%	91,922	77,841	18.1%	73,485	25.1%	21,366	19,118	11.8%	22,811	-6.3%
Income tax (expense) benefit	(5,115)	(9,912)	-48.4%	(7,553)	-32.3%	(5,045)	(8,178)	-38.3%	1,830	NMF	(70)	(1,734)	-96.0%	(9,383)	-99.3%
Profit	108,173	87,047	24.3%	88,743	21.9%	86,877	69,663	24.7%	75,315	15.4%	21,296	17,384	22.5%	13,428	58.6%
Earnings per share (basic)	2.64	2.10	25.7%	2.29	15.3%	2.27	1.78	27.4%	1.99	13.9%	0.37	0.32	16.3%	0.30	24.7%
Earnings per share (diluted)	2.55	2.10	21.4%	2.21	15.4%	2.19	1.78	23.0%	1.92	14.0%	0.36	0.32	12.3%	0.29	24.8%

* Note: Banking Business and Investment Business financials do not include interbusiness eliminations. Detailed financials, including interbusiness eliminations are provided in annexes.

Balance Sheet

GEL thousands unless otherwise noted	BGEO Consolidated					Banking Business					Investment Business				
	Mar-17	Mar-16	Change y-o-y	Dec-16	Change q-o-q	Mar-17	Mar-16	Change y-o-y	Dec-16	Change q-o-q	Mar-17	Mar-16	Change y-o-y	Dec-16	Change q-o-q
Liquid assets	3,606,926	2,948,699	22.3%	3,914,596	-7.9%	3,404,237	2,876,357	18.4%	3,712,489	-8.3%	503,589	337,602	49.2%	554,192	-9.1%
Cash and cash equivalents	1,285,483	1,359,219	-5.4%	1,573,610	-18.3%	1,198,457	1,330,094	-9.9%	1,482,106	-19.1%	353,485	288,512	22.5%	397,620	-11.1%
Amounts due from credit institutions	1,090,111	764,435	42.6%	1,054,983	3.3%	973,787	720,442	35.2%	943,091	3.3%	146,798	47,936	206.2%	153,497	-4.4%
Investment securities	1,231,332	825,045	49.2%	1,286,003	-4.3%	1,231,993	825,821	49.2%	1,287,292	-4.3%	3,306	1,154	186.5%	3,075	7.5%
Loans to customers and finance lease receivables	6,408,711	5,359,718	19.6%	6,648,482	-3.6%	6,470,771	5,394,565	19.9%	6,681,672	-3.2%	-	-	-	-	-
Property and equipment	1,388,938	835,651	66.2%	1,323,870	4.9%	342,495	333,243	2.8%	339,442	0.9%	1,046,443	502,408	108.3%	984,428	6.3%
Total assets	12,606,524	10,077,589	25.1%	12,989,453	-2.9%	10,678,758	9,030,055	18.3%	11,248,226	-5.1%	2,297,291	1,353,961	69.7%	2,194,926	4.7%
Client deposits and notes	5,294,462	4,698,558	12.7%	5,382,698	-1.6%	5,591,720	4,962,432	12.7%	5,730,419	-2.4%	-	-	-	-	-
Amounts due to credit institutions	3,133,422	1,719,920	82.2%	3,470,091	-9.7%	2,662,909	1,630,299	63.3%	3,067,651	-13.2%	532,573	124,468	327.9%	435,630	22.3%
Borrowings from DFI	1,376,864	960,575	43.3%	1,403,120	-1.9%	1,143,408	926,210	23.5%	1,281,798	-10.8%	233,456	34,366	579.3%	121,323	92.4%
Short-term loans from NBG	1,005,404	368,000	173.2%	1,085,640	-7.4%	1,005,404	368,000	173.2%	1,085,640	-7.4%	-	-	-	-	-
Loans and deposits from commercial banks	751,154	391,345	91.9%	981,331	-23.5%	514,097	336,089	53.0%	700,213	-26.6%	299,117	90,102	232.0%	314,307	-4.8%
Debt securities issued	1,157,082	1,033,758	11.9%	1,255,643	-7.8%	827,024	957,474	-13.6%	858,037	-3.6%	338,292	81,116	317.0%	407,242	-16.9%
Total liabilities	10,153,771	7,926,740	28.1%	10,566,035	-3.9%	9,243,177	7,751,805	19.2%	9,819,375	-5.9%	1,280,119	481,362	165.9%	1,200,359	6.6%
Total equity	2,452,753	2,150,849	14.0%	2,423,418	1.2%	1,435,581	1,278,250	12.3%	1,428,851	0.5%	1,017,172	872,599	16.6%	994,567	2.3%

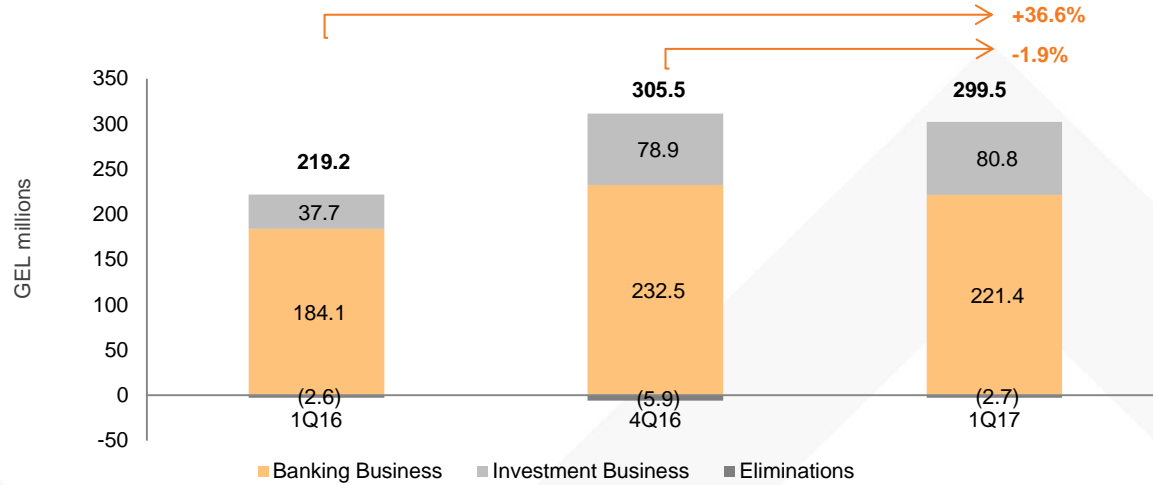
Key Ratios*

Banking Business Ratios	1Q17	1Q16	4Q16
ROAA	3.2%	3.0%	2.9%
ROAE	23.5%	21.2%	20.1%
Net Interest Margin	7.4%	7.5%	7.6%
Loan Yield	14.0%	14.4%	14.4%
Liquid assets yield	3.4%	3.1%	3.3%
Cost of Funds	4.6%	5.0%	4.6%
Cost of Client Deposits and Notes	3.5%	4.3%	3.5%
Cost of Amounts Due to Credit Institutions	6.3%	6.0%	6.4%
Cost of Debt Securities Issued	6.0%	7.2%	6.1%
Cost / Income	36.1%	37.9%	37.5%
NPLs To Gross Loans To Clients	4.6%	4.5%	4.2%
NPL Coverage Ratio	87.1%	86.0%	86.7%
NPL Coverage Ratio, Adjusted for discounted value of collateral	126.9%	122.6%	132.1%
Cost of Risk	2.4%	2.3%	4.2%
Tier I capital adequacy ratio (New NBG, Basel 2/3)**	11.2%	10.1%	10.1%
Total capital adequacy ratio (New NBG, Basel 2/3)**	16.3%	15.8%	15.4%

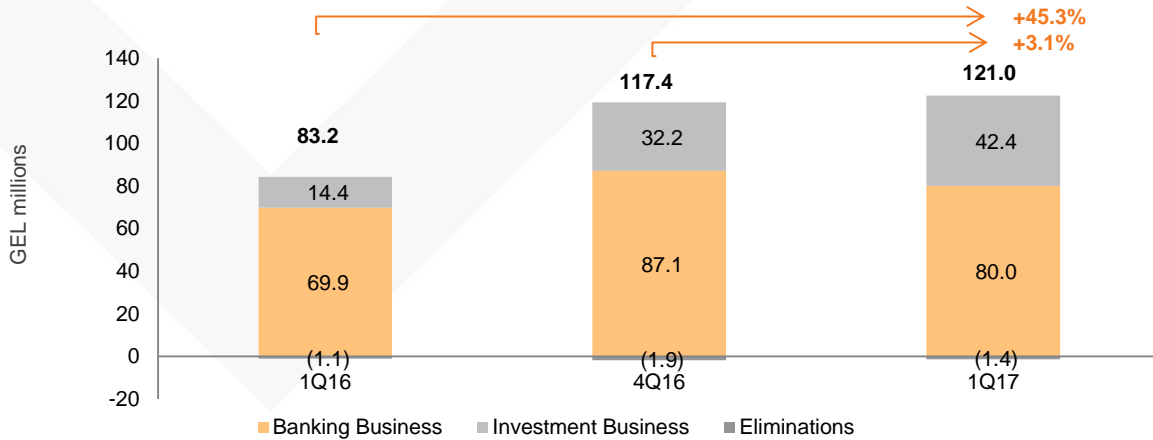
Note*: for the description of Key ratios, refer to slide 107

Note**: Capital adequacy ratios include GEL 99.5mln distributed as dividend from the Bank to the holding level on 29 December 2016. These funds are earmarked for regular dividends in respect of the 2016 financial year and will be paid on 7 July 2017, subject to approval by the shareholders at BGEO's AGM. Excluding this amount, NBG (Basel 2/3) Tier I and Total CAR would be 10.1% and 15.2%, respectively at 31 March 2017 and 9.1% and 14.4%, respectively, at 31 December 2016.

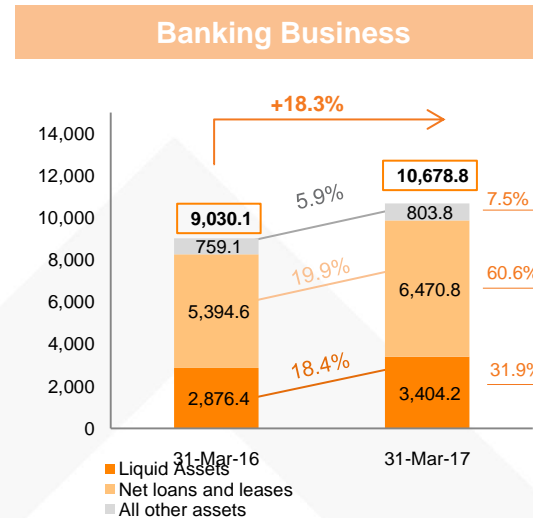
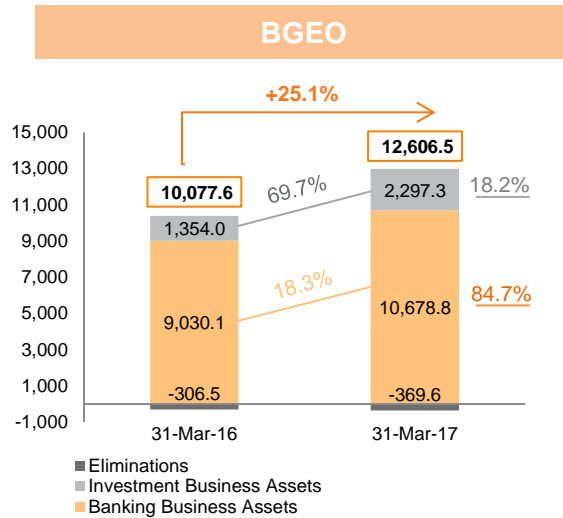
Revenues



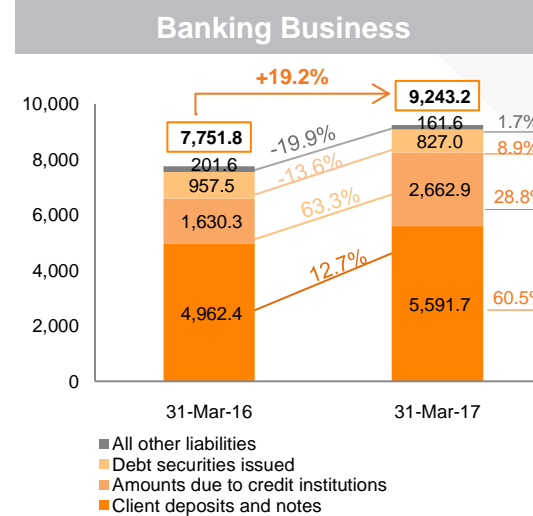
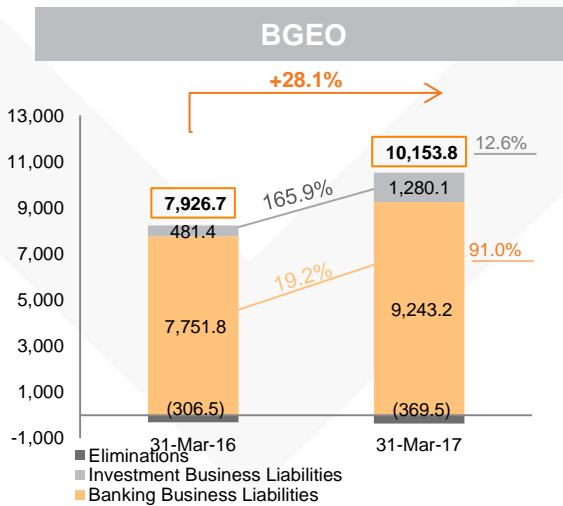
Operating expenses



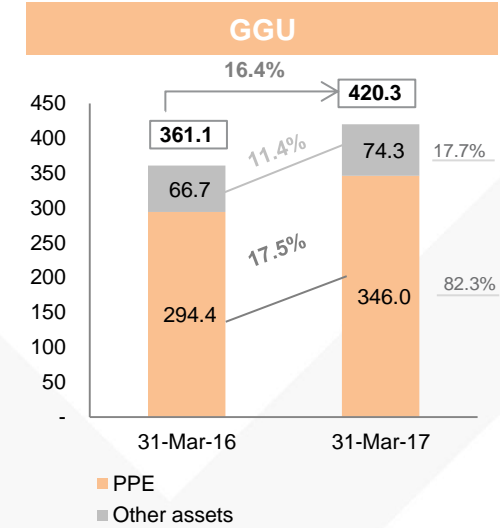
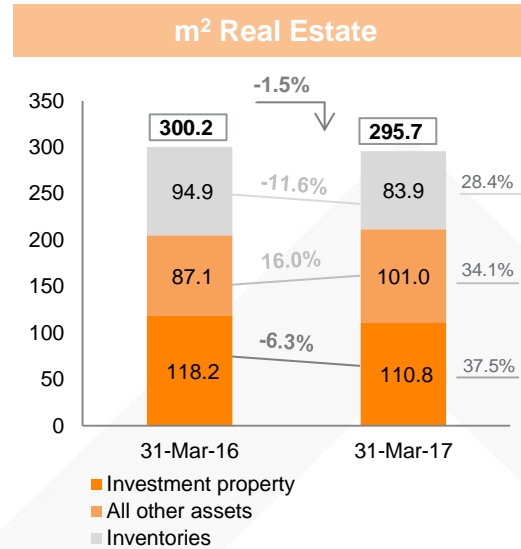
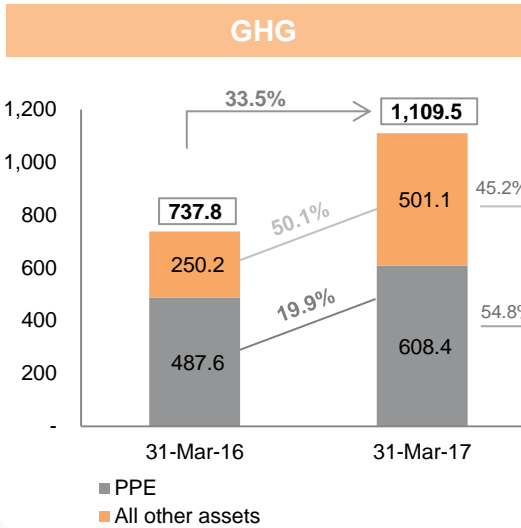
Assets
Gel
Millions



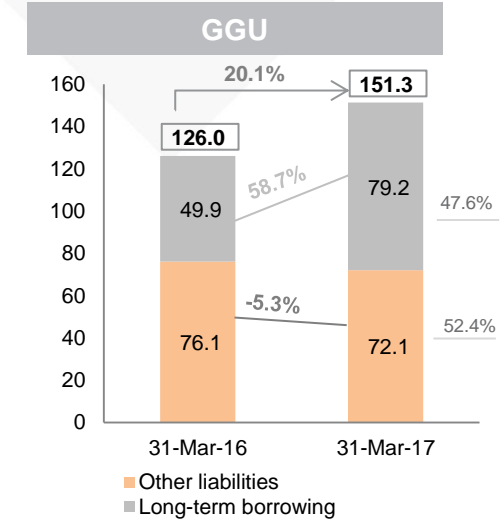
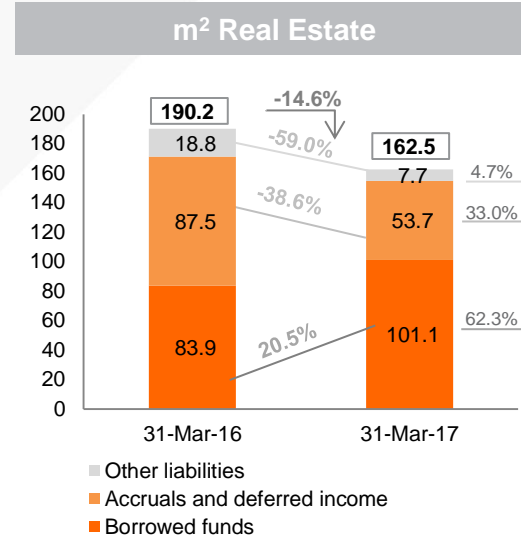
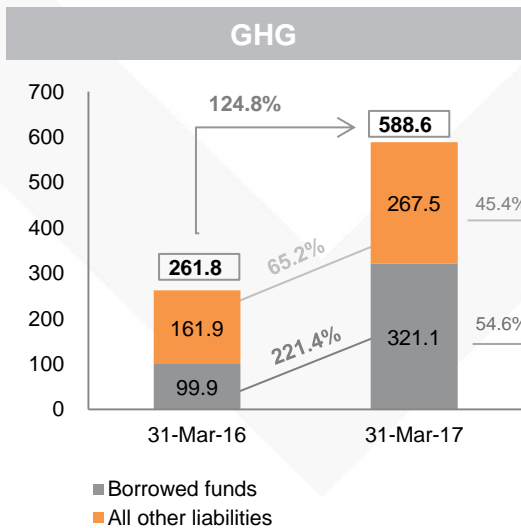
Liabilities
Gel
Millions



Assets
GEL
Millions



Liabilities
GEL
Millions



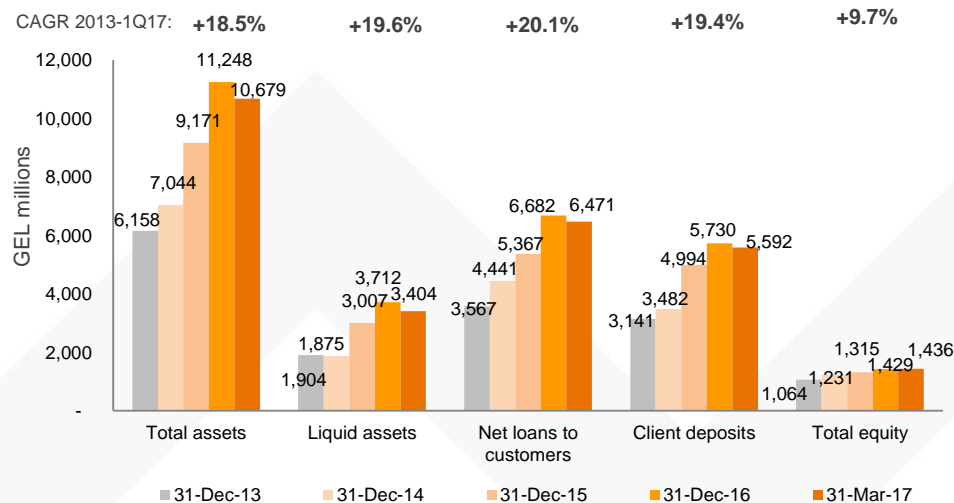


BGEO Group Overview	4
Results Discussion BGEO Group	14
Results Discussion Banking Business	20
Results Discussion Investment Business	47
Georgian Macro Overview	73
Appendices	94

- **Leading market position¹** in Georgia by **assets** (33.0%), **loans** (32.0%), **client deposits** (32.8%) and **equity** (27.0%)²
- **Underpenetrated market with stable growth perspectives:** Real GDP average annual growth rate of 4.9 % for 2006-2016; 2.7% real GDP growth in 2016 and 5.0% y-o-y growth in 1Q17 according to Geostat. Loans/GDP grew from 9.0% to 55.7% in the period of 2003-2016; Deposits/GDP grew from 8.0% to 50.1% over the same period
- **Strong brand name recognition and retail banking franchise:** Offers the broadest range of financial products to the retail market through a network of 274 branches, 813 ATMs, 2,723 Express Pay Terminals and c.2.2 million customers as of 31 March 2017
- **Georgian company with credit ratings from global rating agencies:** Moody's: 'B1/Ba3' (foreign and local currency), Fitch Ratings: 'BB-'; outlooks are 'Stable'
- **High standards of transparency and governance:** The first entity from Georgia to be listed on the premium segment of the Main Market of the London Stock Exchange (LSE:BGEO) since February 2012. LSE listed through GDRs since 2006
- **In August 2016,** BOG completed its liability management exercise and redeemed its 2017 Eurobonds outstanding in the amount of US\$ 362mln
- **In July 2016,** BGEO Group issued 7 year, US\$ 350mln Eurobonds with 6.00% coupon. Bonds were trading at 5.80%³ on 5 May 2017
- **Sustainable growth combined with strong capital, liquidity and robust profitability**

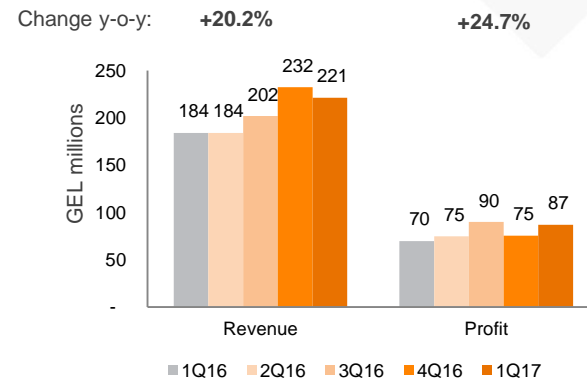
Balance Sheet

Banking Business



Income Statement

Banking Business

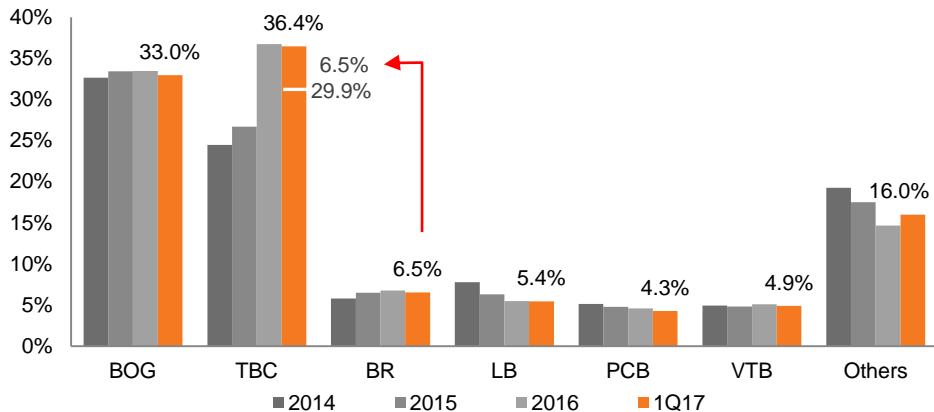


¹ Market data based on standalone accounts as published by the National Bank of Georgia (NBG) as of 31 March 2017 www.nbg.gov.ge

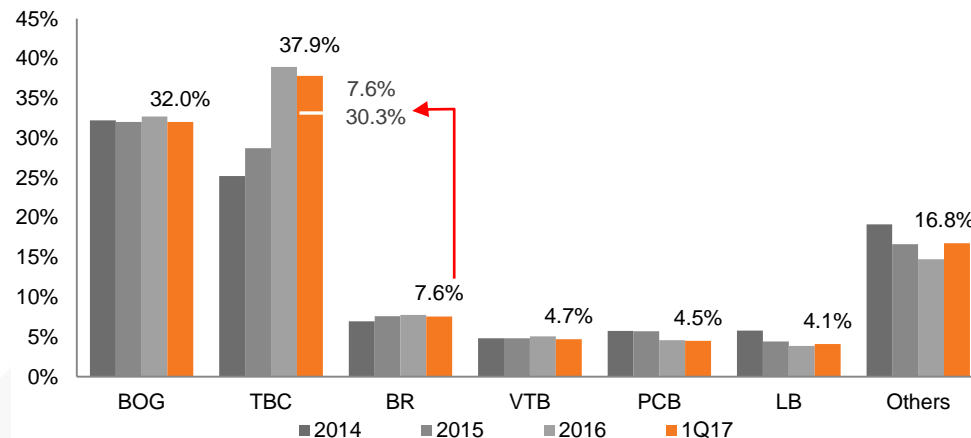
² Including GEL 99.5mln dividend distributed from the bank to the holding level on 29 December 2016.

³ source: Bloomberg

Peer group's market share in total assets



Peer group's market share in gross loans

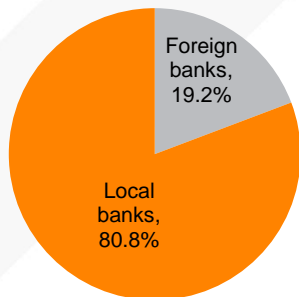
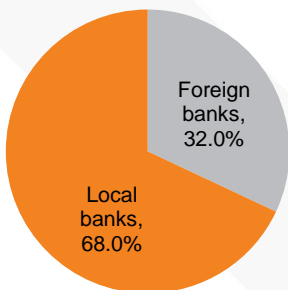


Foreign banks market share by assets

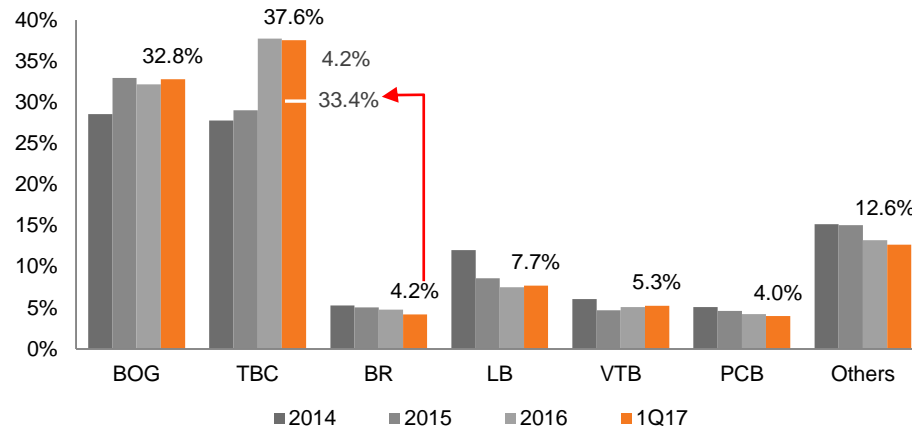
2006

1Q17

No state ownership of commercial banks since 1994



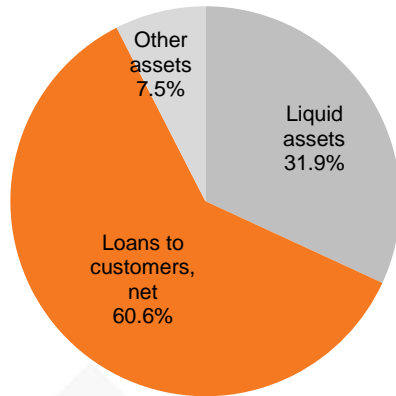
Peer group's market share in client deposits



Total asset structure | 31 March 2017

Banking Business

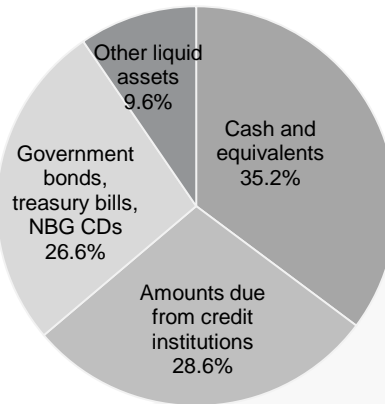
Total: GEL 10.7bln



Liquid assets | 31 March 2017

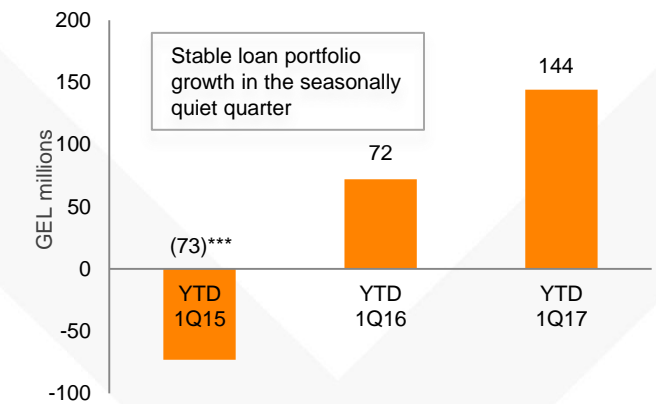
Banking Business

Total: GEL 3.4bln



YTD Loan Portfolio Growth**

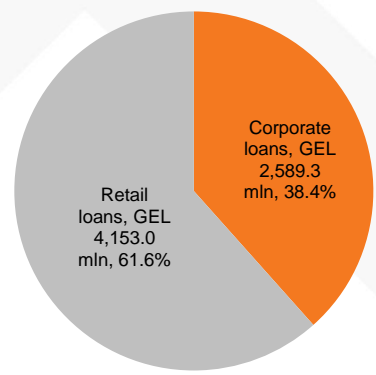
YTD change: -1.6% 1.3% 2.1%



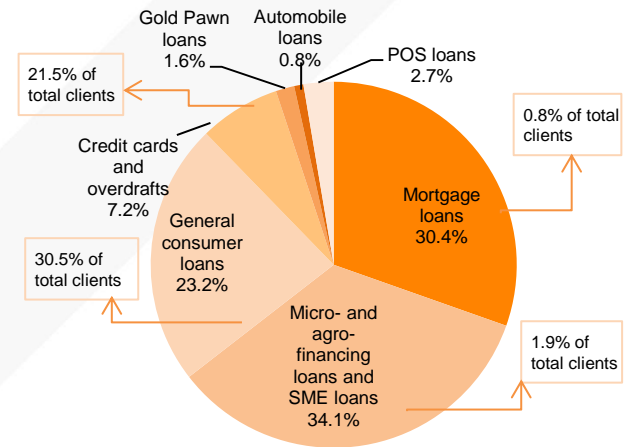
Loans breakdown | 31 March 2017

Banking Business

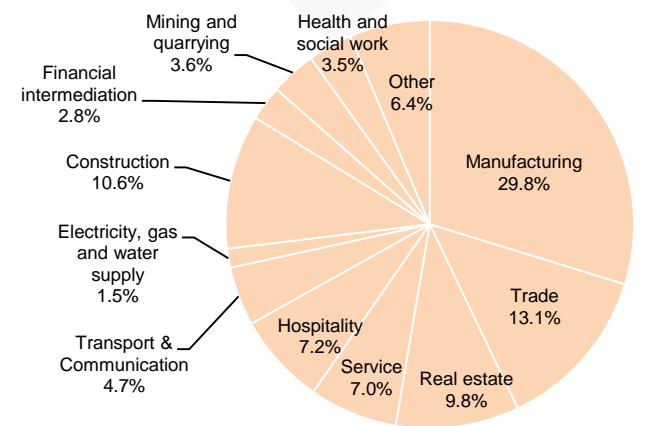
Total Loans*
breakdown by segments
Total: GEL 6.7bln



Retail Banking Loans breakdown by product
Total: GEL 3.9bln



Corporate Investment Banking Loans breakdown by sectors
Total: GEL 2.4bln



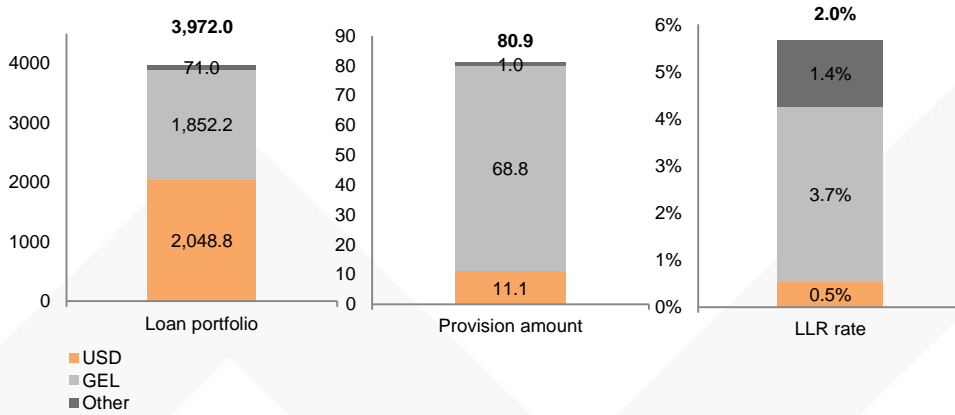
Note*: Retail loans include loans of Retail Banking segment and BNB retail loans
Corporate loans include loans of Corporate Banking segment, Investment Management and BNB corporate loans
Note**: On a constant currency basis
Note***: Excluding PrivatBank Georgia acquisition impact

Highlights

- 41.1% of Retail Banking loans were denominated in US\$ with non-US\$ income
- For RB: Loans 15 days past due were 1.4% as of 31 March 2017, compared to 1.1% a year ago and 1.2% as of 31 December 2016
- 30.8% of Corporate Investment Banking Loans were denominated in US\$ with non-US\$ income

Retail Banking | 31 March 2017

Banking Business

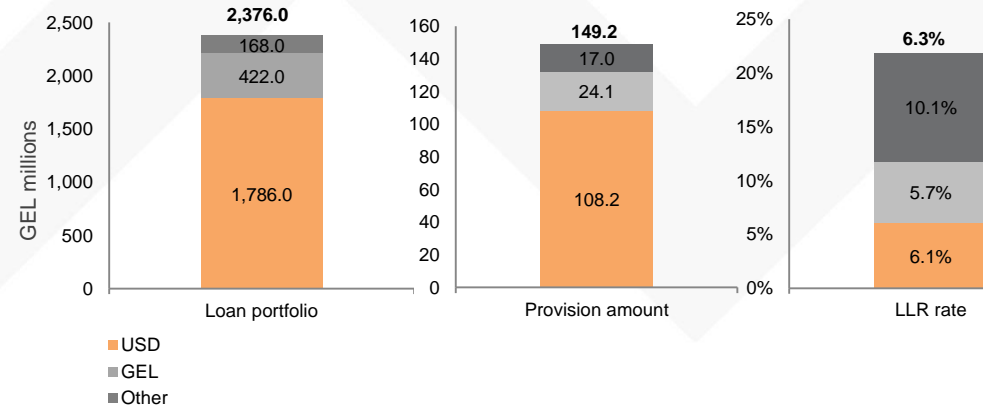


Amounts in GEL millions	RB Loan portfolio	% of total RB loan portfolio	Mortgages	Consumer loans*	SME & Micro
GEL and other currency loans	1,923	48.4%	173	1,156	594
USD loans with USD income	415	10.4%	207	49	159
USD loans with non-USD income	1,634	41.1%	807	244	583
Total	3,972	100.0%	1,187	1,449	1,336

* Includes credit cards

Corporate Investment Banking | 31 March 2017

Banking Business

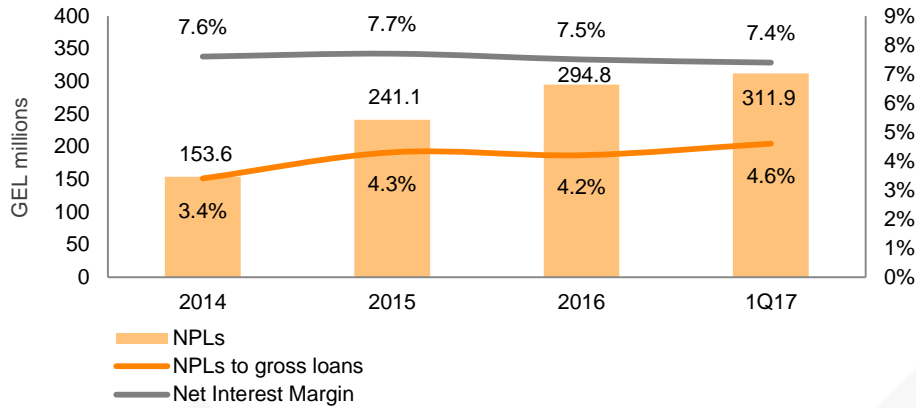


Amounts in GEL millions	CIB Loan portfolio	% of total CIB loan portfolio
GEL and other currency loans	590	24.8%
USD loans with USD income	1,055	44.4%
USD loans with non-USD income	731	30.8%
Total	2,376	100.0%

Note: standalone figures received from management accounts

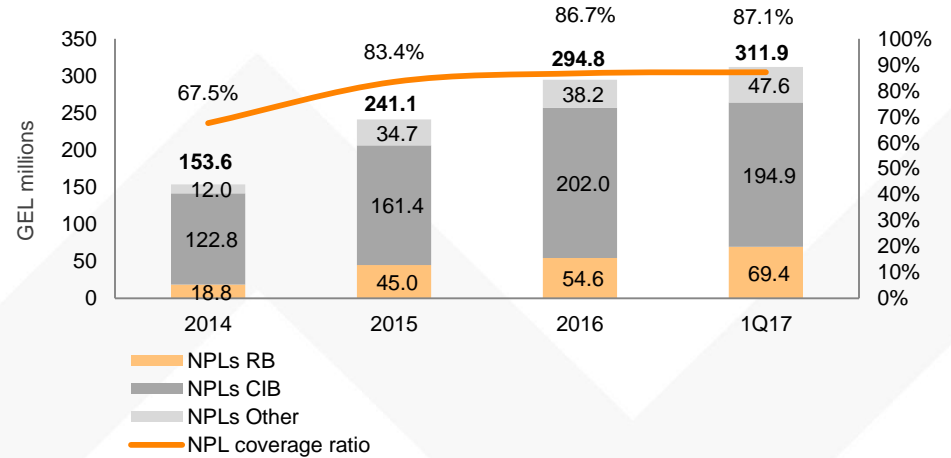
NPLs and NIM

Banking Business



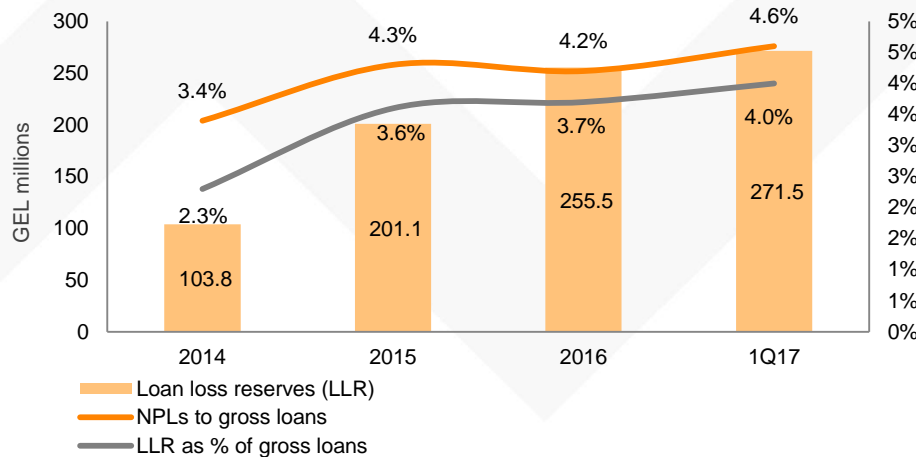
NPL composition

Banking Business



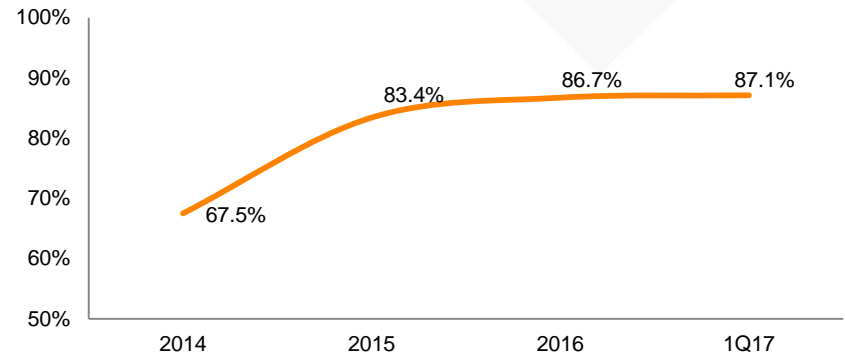
Loan loss reserve

Banking Business

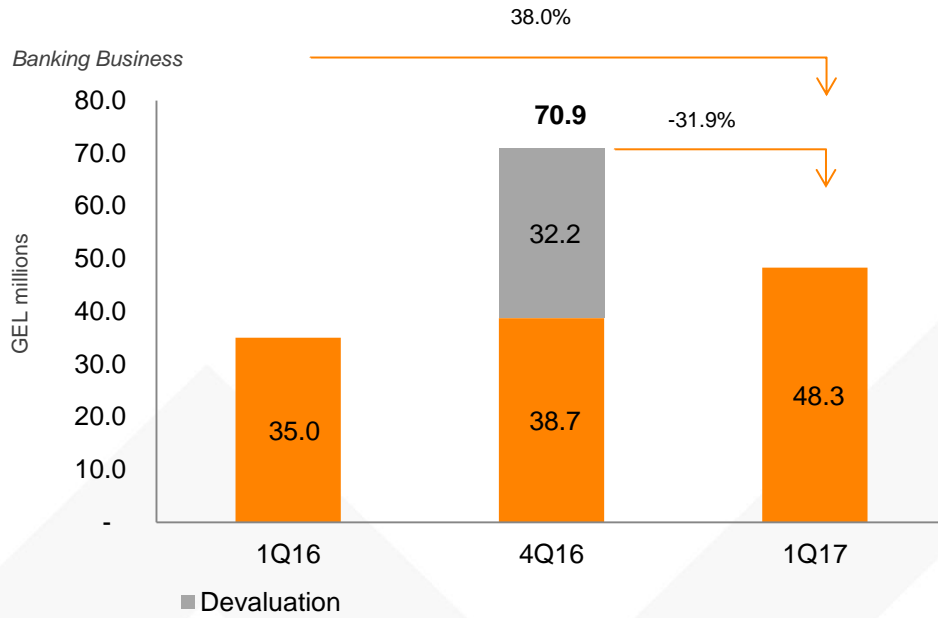


NPL coverage ratio

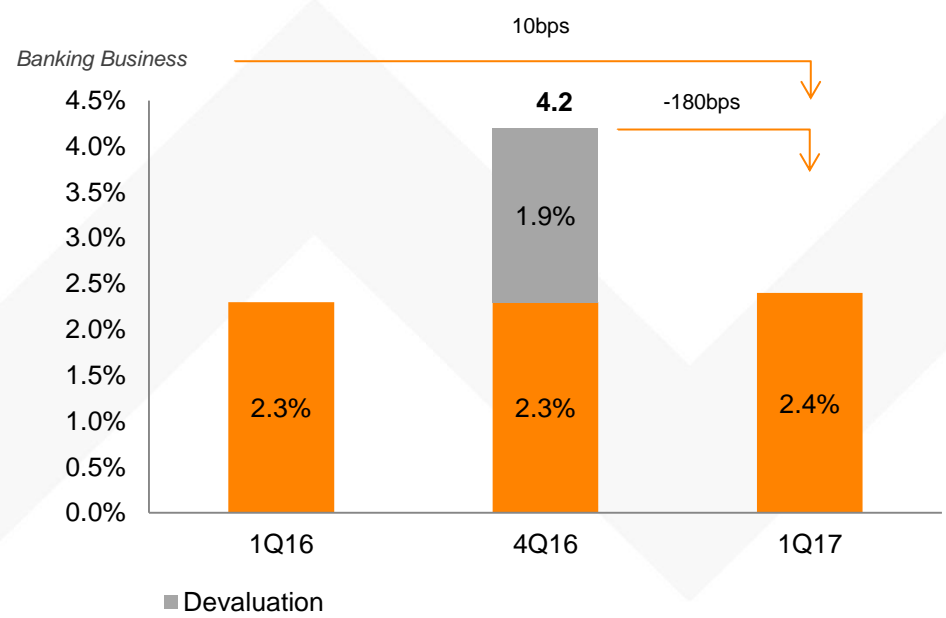
Banking Business



Cost of Credit risk | quarterly

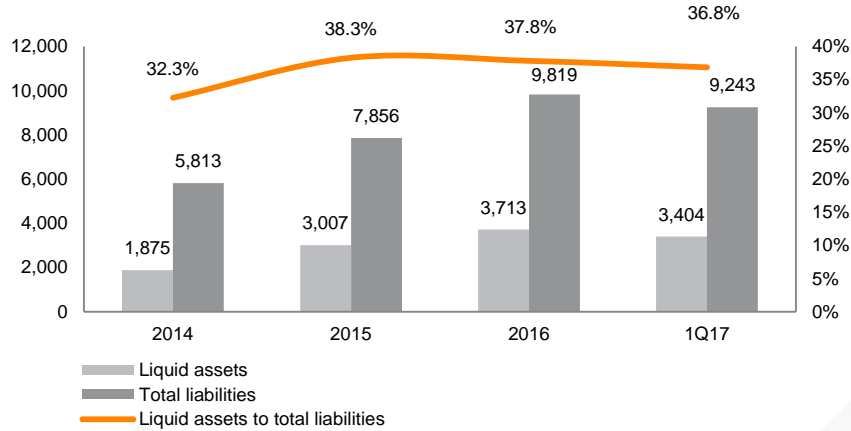


Cost of Risk | quarterly



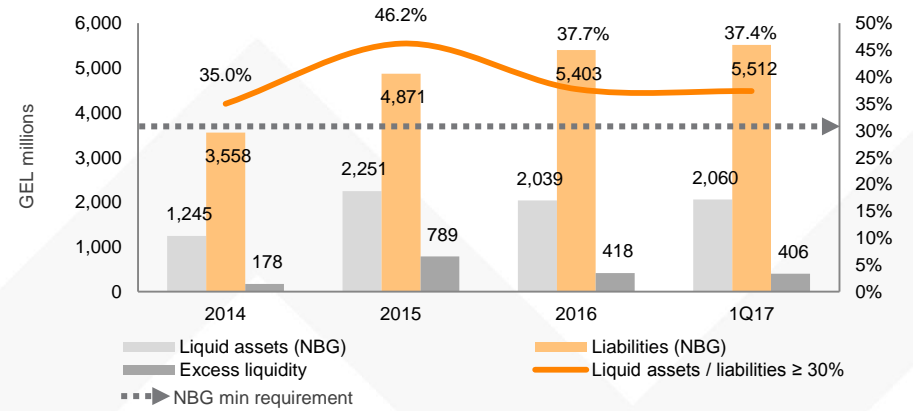
Liquid assets to total liabilities

Banking Business



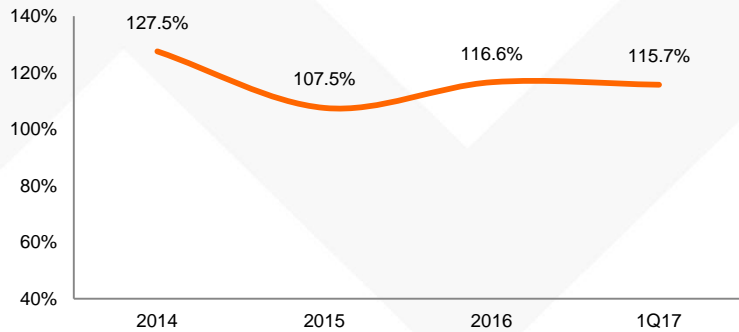
NBG liquidity ratio

BOG standalone



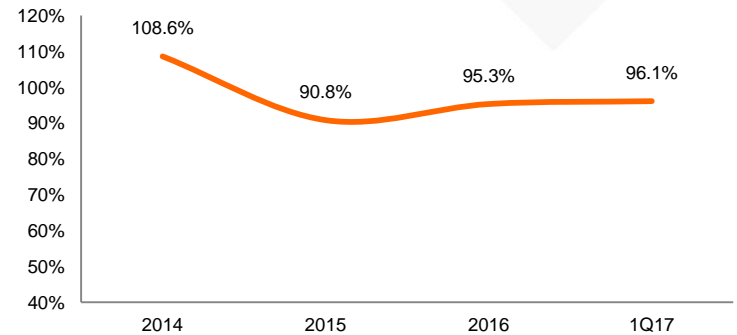
Net loans to customer funds

Banking Business



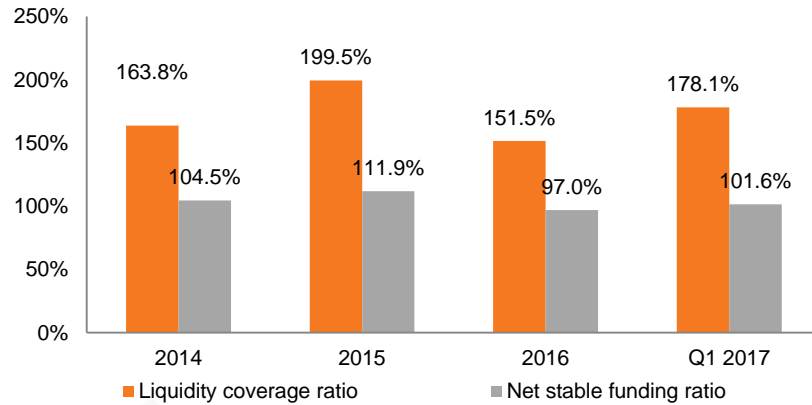
Net loans to customer funds & DFI

Banking Business



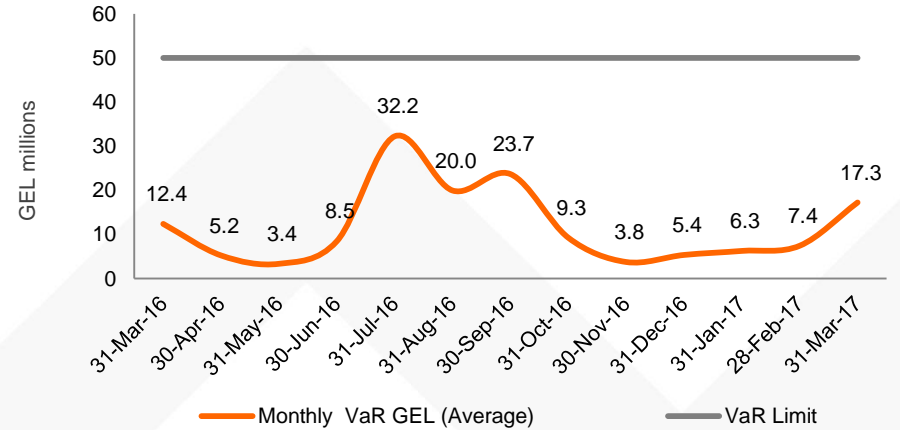
Liquidity coverage ratio & net stable funding ratio

JSC Bank of Georgia standalone



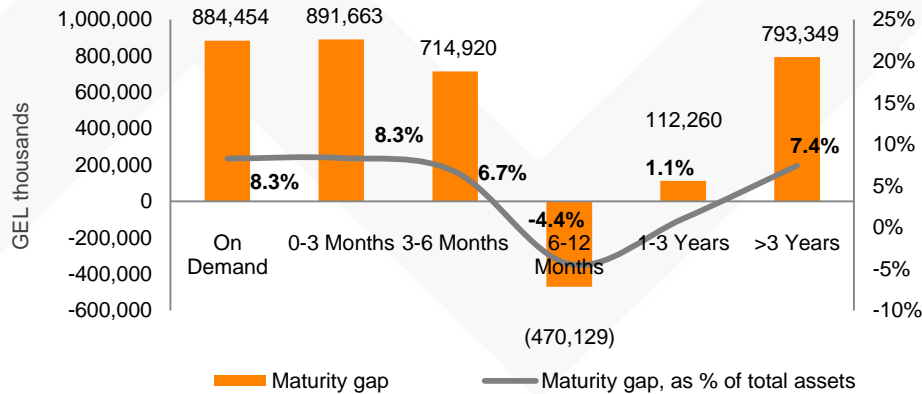
Foreign currency VAR analysis*

JSC Bank of Georgia standalone



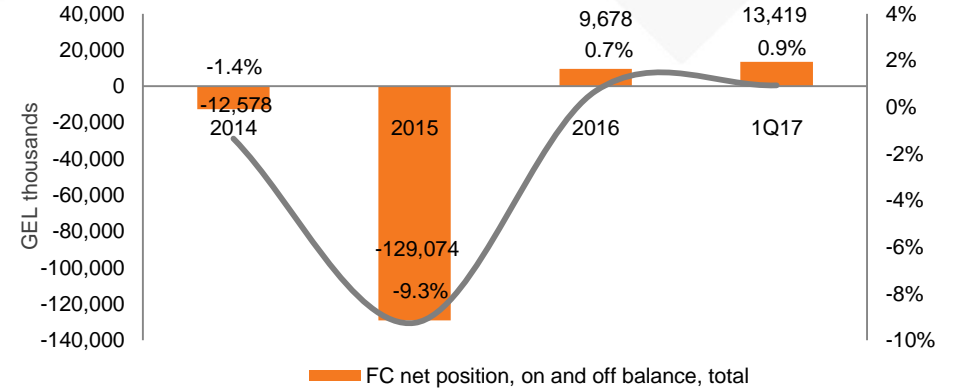
Cumulative maturity gap, 31 March 2017

Banking Business



Open currency position

JSC Bank of Georgia standalone

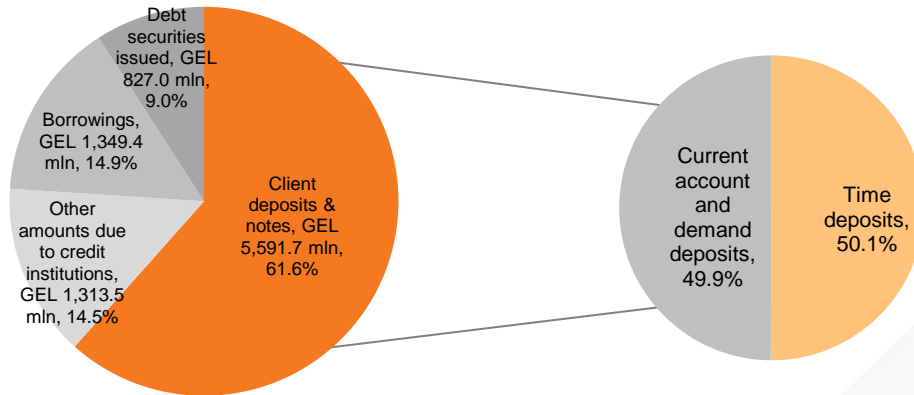


Note*: Daily VaR time series averaged for each respective months

Interest Bearing Liability structure | 31 Mar 17

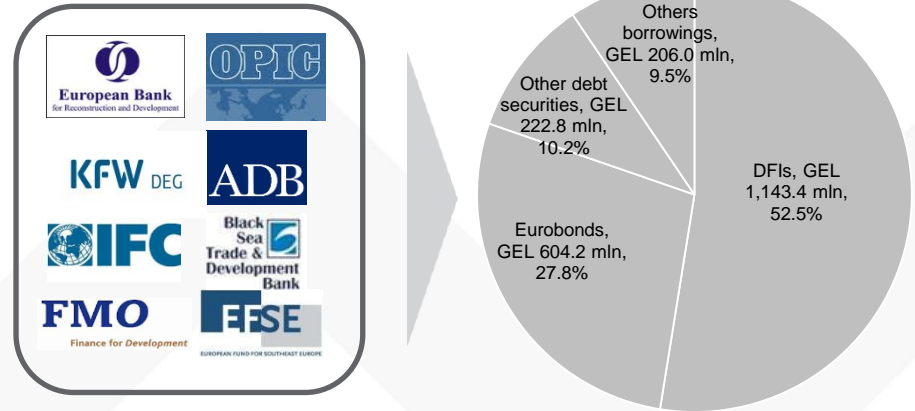
Banking Business

Interest Bearing Liabilities GEL 9.1bn



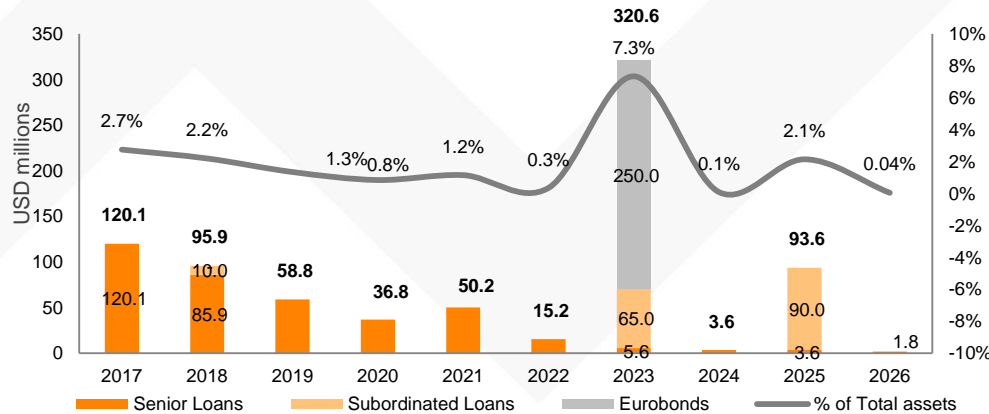
Well diversified international borrowings | 1Q17

Banking Business



Borrowed funds maturity breakdown*

Banking Business



Highlights for 1Q17

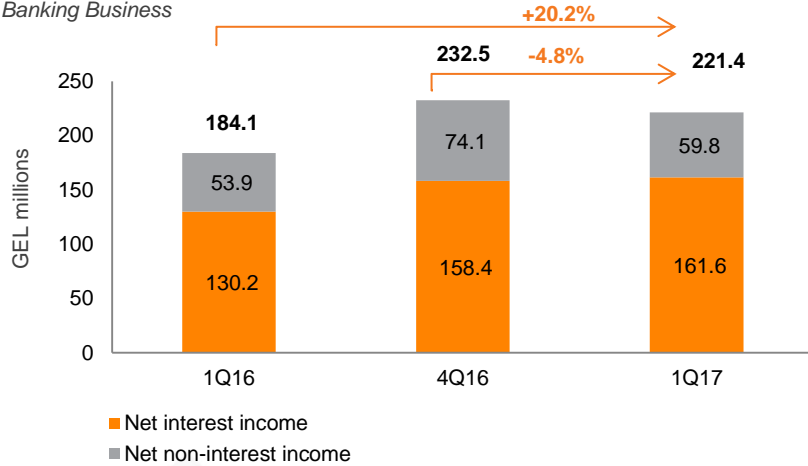
- **Banking Business has a well-balanced funding structure** with 61.6% of interest bearing liabilities coming from client deposits and notes, 12.6% from Developmental Financial Institutions (DFIs) and 6.7% from Eurobonds, as of 31 March 2017
- The Bank has also been able to secure favorable financing from reputable international commercial sources, as well as DFIs, such as EBRD, IFC, FMO, DEG, ADB, etc.
- As of 31 March 2017, US\$ 94.4million undrawn facilities from DFIs with up to seven year maturity
- **In July 2016**, BGEO Group issued 7 year, US\$ 350mln Eurobonds with 6.00% coupon. Bonds were trading at 5.80%** on 5 May 2017

Note*: converted at GEL/US\$ exchange rate of 2.4452 as of 31 March 2017

Note**: as of 5 May 2017 – source: Bloomberg

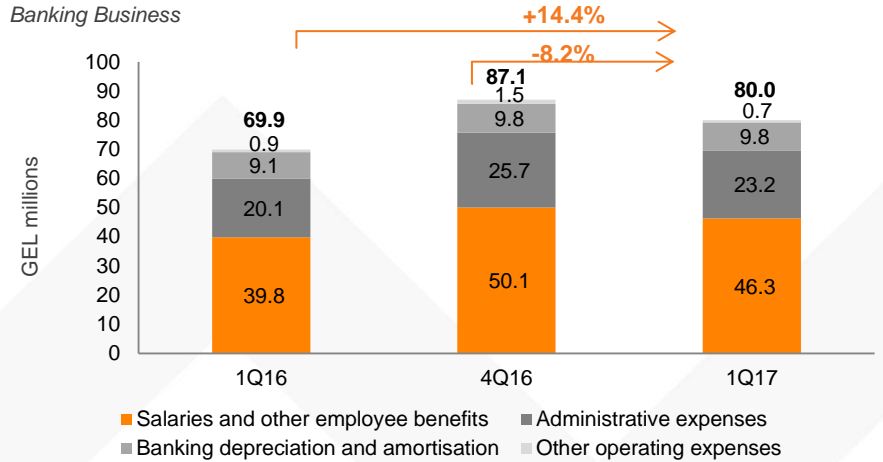
Revenue growth | quarterly

Banking Business



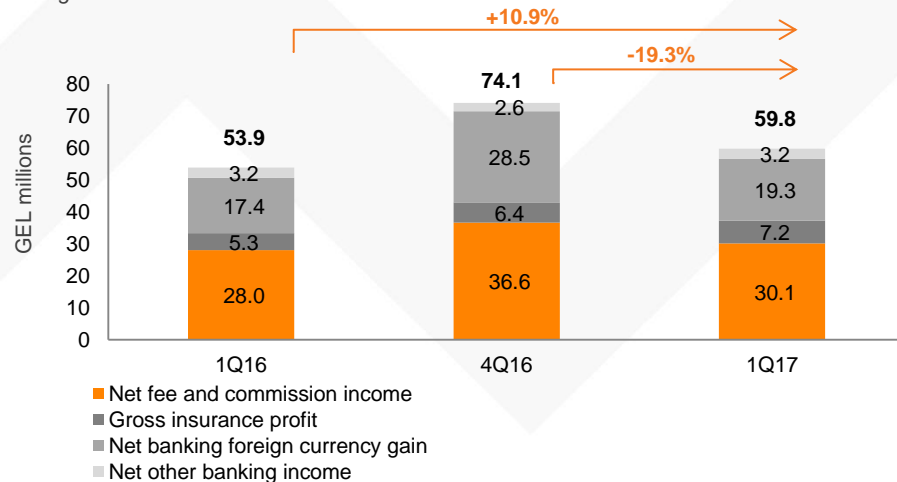
Operating expenses | quarterly

Banking Business



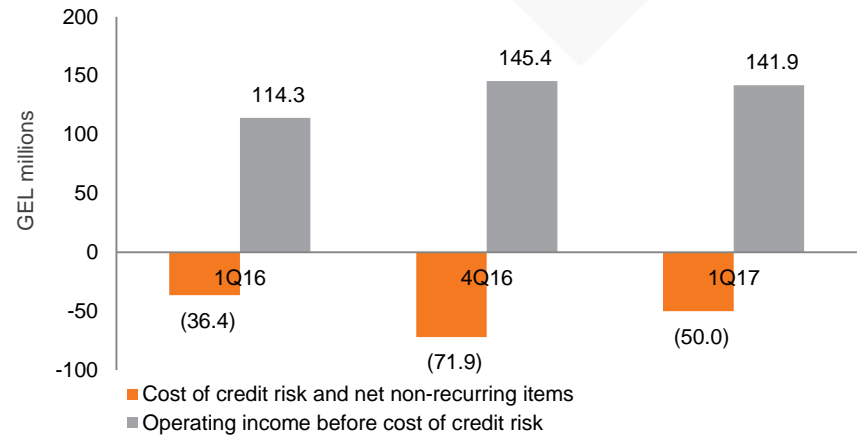
Net non-interest income | quarterly

Banking Business



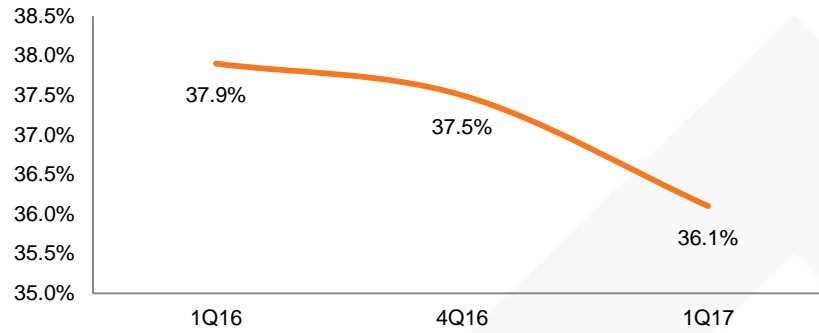
Operating income before cost of credit risk | quarterly

Banking Business



Cost / Income | *quarterly*

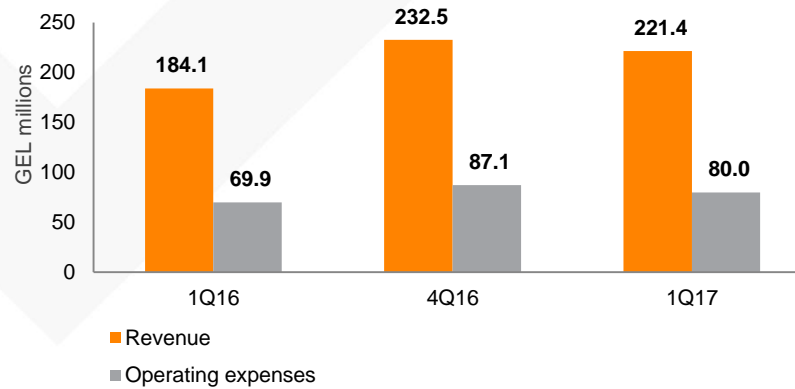
Banking Business



Revenue and operating expenses | *quarterly*

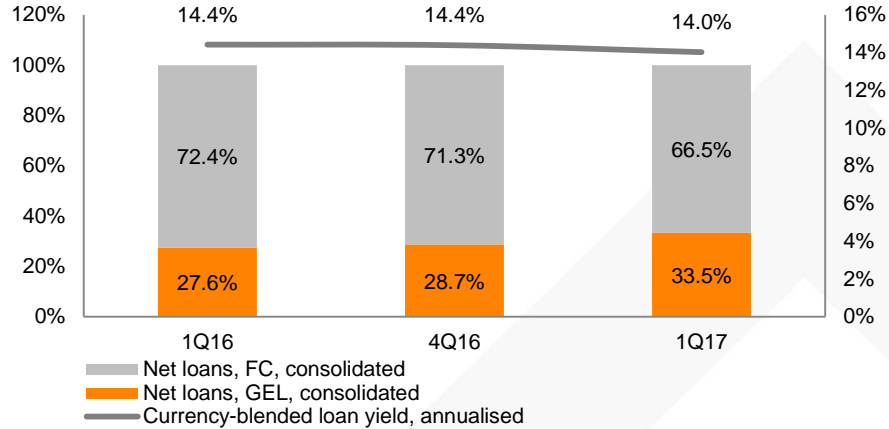
Banking Business

Operating Leverage: +3.3% q-o-q
+5.7% y-o-y



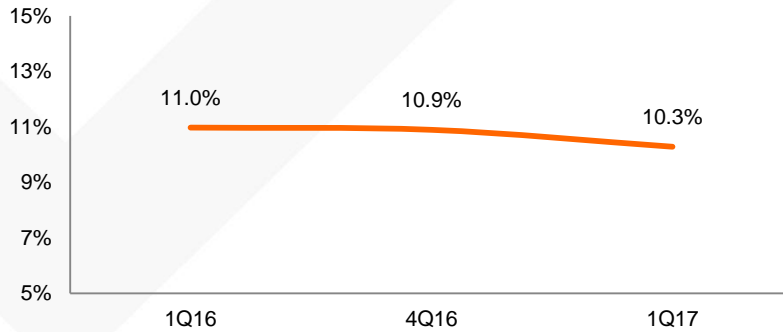
Loan Yields | *quarterly*

Banking Business



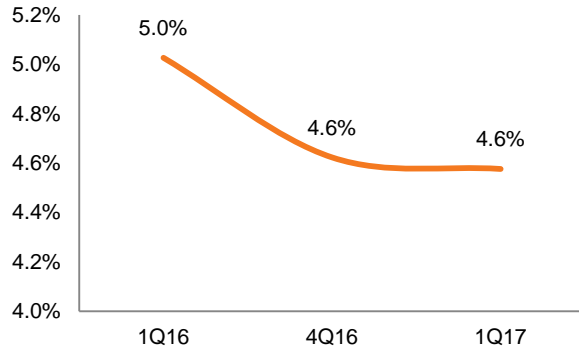
Loan Yields, Foreign currency | *quarterly*

Banking Business



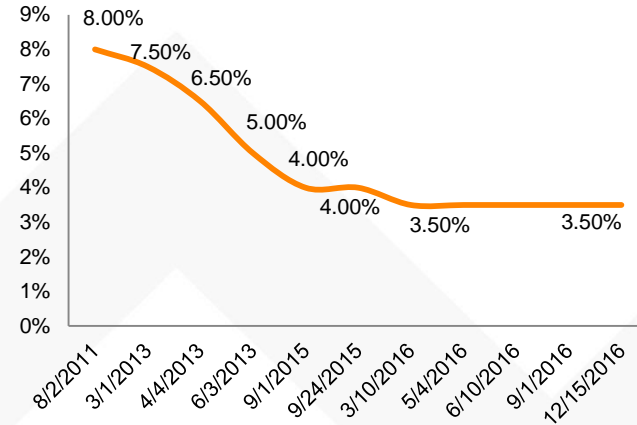
Cost of Funds | quarterly

Banking Business



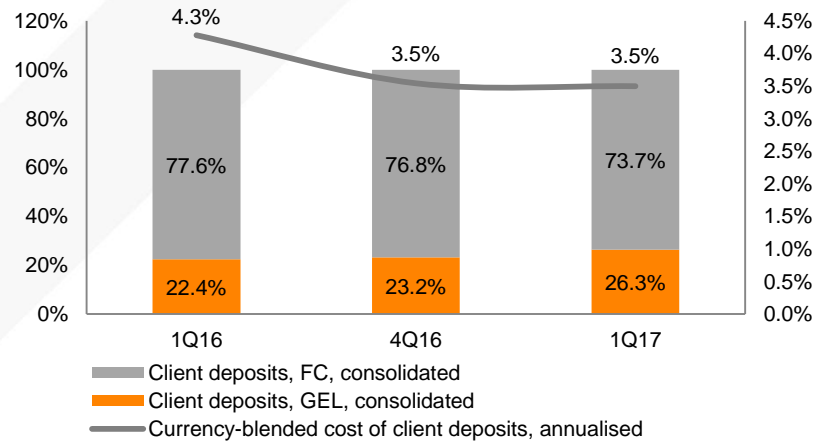
One year US\$ deposit rate *

Banking Business



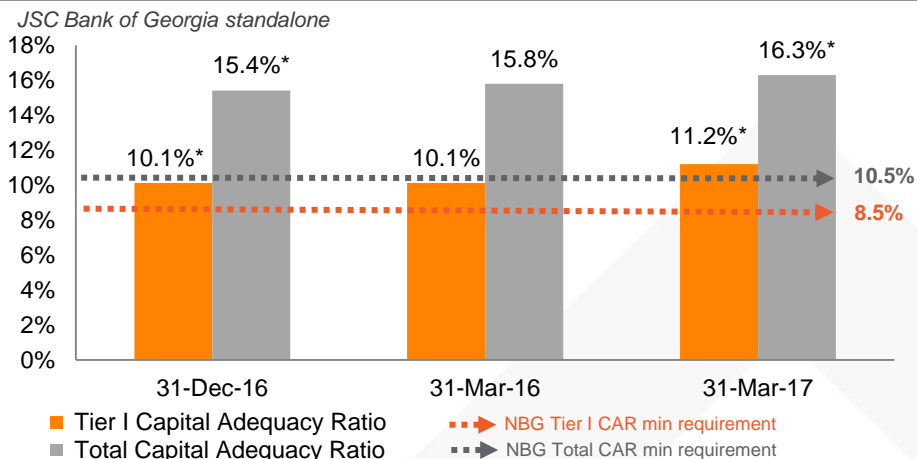
Cost of Customer Funds | quarterly

Banking Business

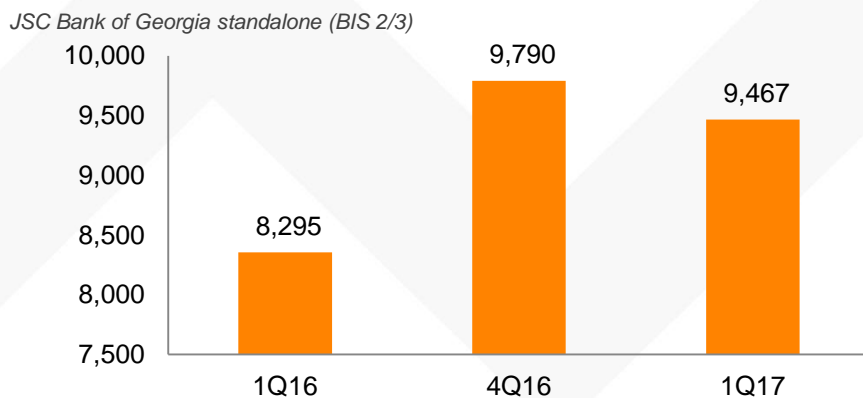


Note*: One year US\$ deposit rates in retail segment

NBG (Basel 2/3), capital adequacy ratios



Risk Weighted Assets NBG (Basel 2/3)



NBG (Basel 2/3) Tier I Capital and Total Capital

JSC Bank of Georgia standalone

GEL '000	31-Mar-17*	31-Dec-16*	30-Sep-16	31-Dec-15	30-Sep-15	30-Jun-15	31-Mar-15
Tier I Capital (Core)	1,059.6	992.1	951.5	914.8	860.2	869.4	727.3
Tier 2 Capital (Supplementary)	482.0	519.7	454.6	479.2	482.1	458.7	252.0
Total Capital	1,541.6	1,511.8	1,406.1	1,394.0	1,342.3	1,328.1	979.3
Risk weighted assets	9,467.1	9,790.3	8,661.0	8,363.4	8,473.1	8,350.5	7,951.9
Tier 1 Capital ratio	11.2%	10.1%	11.0%	10.9%	10.2%	10.4%	9.1%
Total Capital ratio	16.3%	15.4%	16.2%	16.7%	15.8%	15.9%	12.3%

Note*: Capital adequacy ratios include GEL 99.5mln distributed as dividend from the Bank to the holding level on 29 December 2016. These funds are earmarked for regular dividends in respect of the 2016 financial year and will be paid on 7 July 2017, subject to approval by the shareholders at BGEO's AGM. Excluding this amount, NBG (Basel 2/3) Tier I and Total CAR would be 10.1% and 15.2%, respectively at 31 March 2017 and 9.1% and 14.4%, respectively at 31 December 2016.

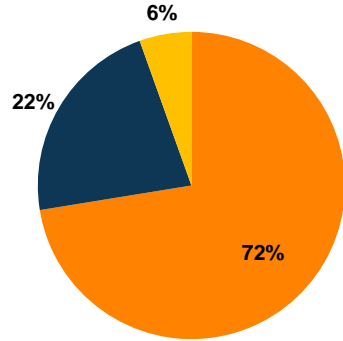
Retail Banking

Data as at 31 March 2017 for JSC Bank of Georgia standalone

segments	1  Emerging Retail	2  Mass Retail	3  SOLO Mass Affluent	4 MSME Micro, Small and Medium Business
Clients	488.6 _k	1,546.8 _k	21.7 _k	130.4 _k
Loans	GEL 217.3 _{mln}	GEL 1,541.0 _{mln}	GEL 877.6 _{mln}	GEL 1,336.2 _{mln}
Deposits	GEL 83.5 _{mln}	GEL 1,143.0 _{mln}	GEL 914.8 _{mln}	GEL 251.0 _{mln}
1Q17 Profit	GEL 9.0 _{mln}	GEL 22.8 _{mln}	GEL 9.5 _{mln}	GEL 9.0 _{mln}
Profit per client (annualised)	GEL 75.2	GEL 59.4	GEL 1,865.0	GEL 279.5
P/C ratio	3.2	1.7	6.8	1.2
Branches	130	133	11	n/a

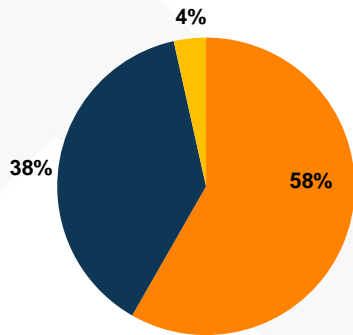
Balance sheet data

JSC Bank of Georgia Standalone



Total Loans
GEL 3,972.0mln

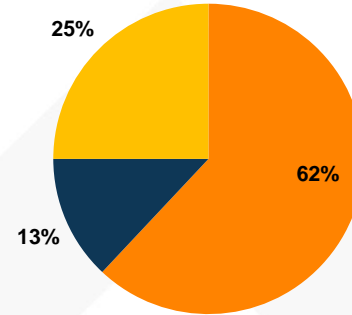
- Mass Retail & MSME (GEL 2,877.1 mln)
- Solo (GEL 877.6 mln)
- Express Bank (GEL 217.3 mln)



Total Deposits
GEL 2,392.3mln

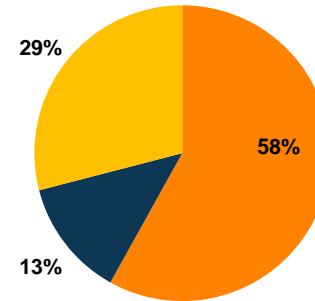
- Mass Retail & MSME (GEL 1,394.0 mln)
- Solo (GEL 914.8 mln)
- Express Bank (GEL 83.5 mln)

Income statement data



Net Interest Income
GEL 111.2mln

- Mass Retail & MSME (GEL 69.3 mln)
- Solo (GEL 14.2 mln)
- Express Bank (GEL 27.7 mln)



Net Fee & Commission Income
GEL 19.0mln

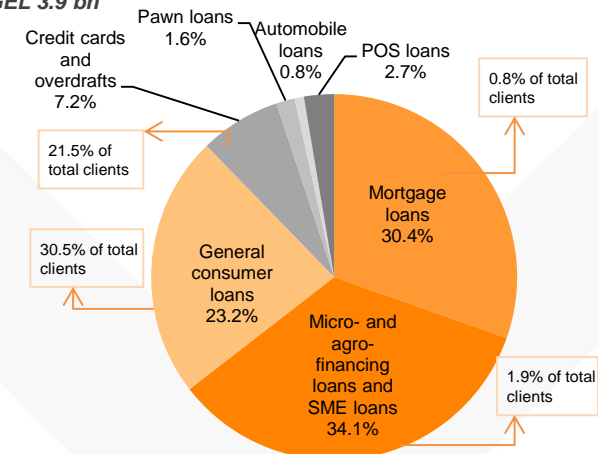
- Mass Retail & MSME (GEL 11.0 mln)
- Solo (GEL 2.6 mln)
- Express Bank (GEL 5.4 mln)

RB Client Data

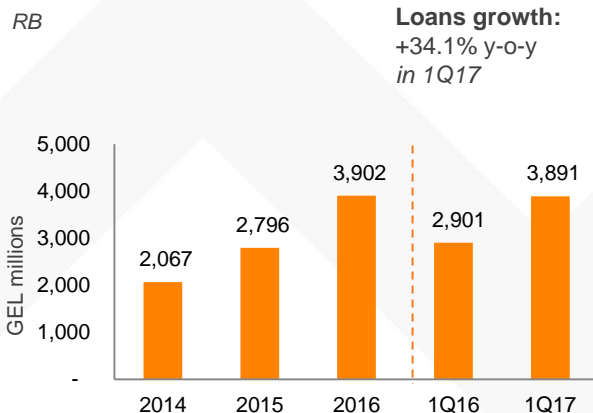
Operating Data, GEL mln	1Q2017	% of clients	2016	2015	2014
Number of total Retail clients, of which:	2,187,499		2,141,229	1,999,869	1,451,777
<i>Number of Solo clients ("Premier Banking")</i>	21,657	1.0%	19,267	11,869	7,971
Consumer loans & other outstanding, volume	1,149.0		1,103.6	835.6	691.8
Consumer loans & other outstanding, number	666,625	30.5%	647,441	625,458	526,683
Mortgage loans outstanding, volume	1,187.0		1,227.6	809.0	600.9
Mortgage loans outstanding, number	17,024	0.8%	16,300	12,857	11,902
Micro & SME loans outstanding, volume	1,336.2		1,346.3	903.9	666.0
Micro & SME loans outstanding, number	41,726	1.9%	36,379	19,045	16,246
Credit cards and overdrafts outstanding, volume	299.9		291.3	305.7	135.0
Active credit cards and overdrafts outstanding, number	470,539	21.5%	442,487	435,010	199,543
Total credit cards outstanding, number, of which:	792,353	36.2%	800,621	754,274	116,615
<i>American Express cards</i>	84,132	3.8%	79,567	100,515	110,362

RB Portfolio breakdown

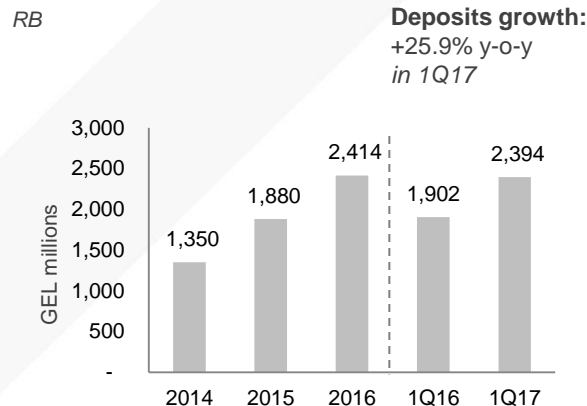
Loans by products
Total: GEL 3.9 bn



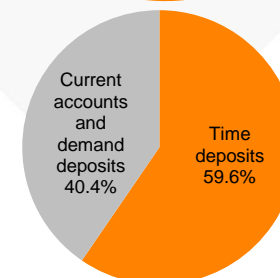
RB Loans



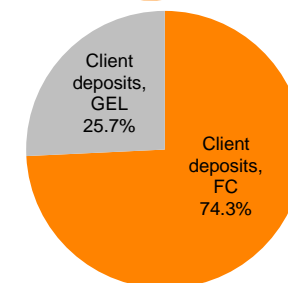
RB Deposits



Deposits by category
Total: GEL 2.4 bn



Deposits by currency
Total: GEL 2.4 bn

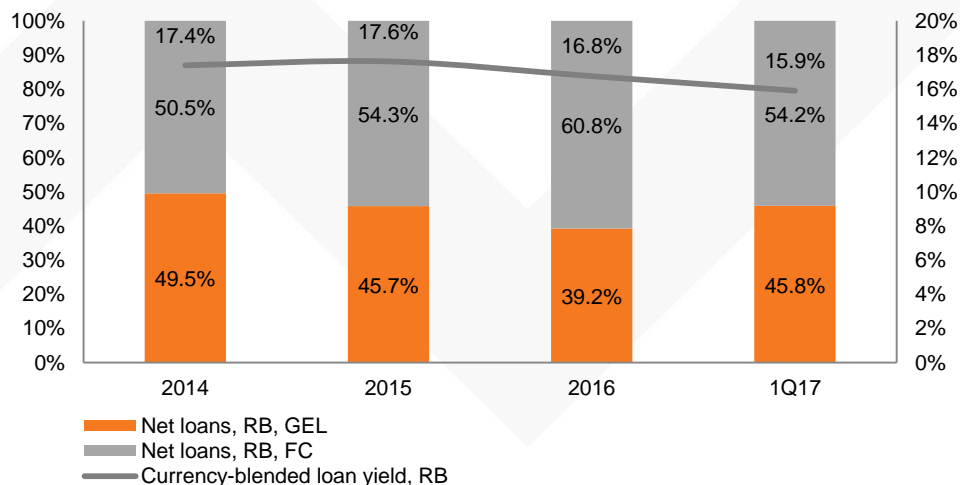


P&L

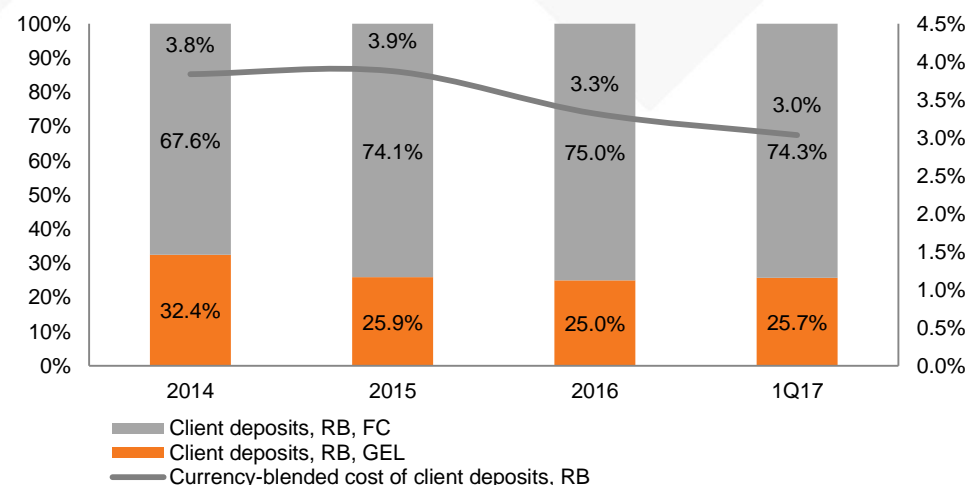
GEL thousands, unless otherwise noted

	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q
INCOME STATEMENT HIGHLIGHTS					
Net banking interest income	111,511	82,832	34.6%	111,109	0.4%
Net fee and commission income	22,245	19,239	15.6%	26,810	-17.0%
Net banking foreign currency gain	6,492	3,590	80.8%	8,825	-26.4%
Net other banking income	982	711	38.1%	989	-0.7%
Revenue	141,230	106,372	32.8%	147,733	-4.4%
Salaries and other employee benefits	(27,865)	(23,607)	18.0%	(31,149)	-10.5%
Administrative expenses	(16,835)	(14,521)	15.9%	(17,287)	-2.6%
Banking depreciation and amortisation	(7,991)	(7,383)	8.2%	(8,052)	-0.8%
Other operating expenses	(475)	(496)	-4.2%	(818)	-41.9%
Operating expenses	(53,166)	(46,007)	15.6%	(57,306)	-7.2%
Profit from associate	514	-	-	-	-
Operating income before cost of credit risk	88,578	60,365	46.7%	90,427	-2.0%
Cost of credit risk	(33,687)	(18,184)	85.3%	(19,272)	74.8%
Net non-recurring items	(482)	(561)	-14.1%	(1,921)	-74.9%
Profit before income tax	54,409	41,620	30.7%	69,234	-21.4%
Income tax (expense) benefit	(3,592)	(3,844)	-6.6%	(1,235)	190.9%
Profit	50,817	37,776	34.5%	67,999	-25.3%

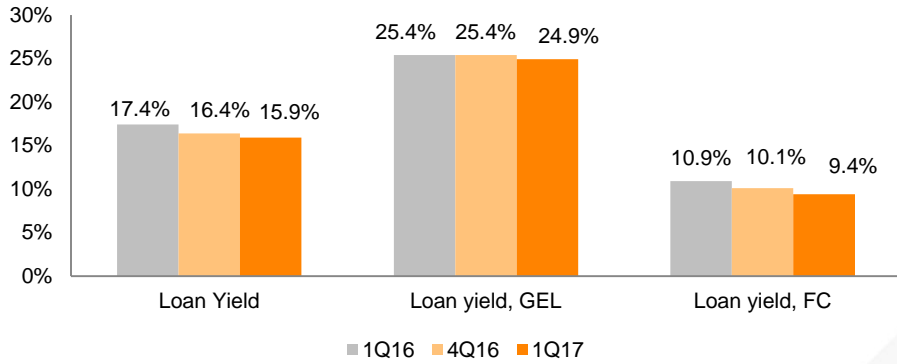
Loan Yield



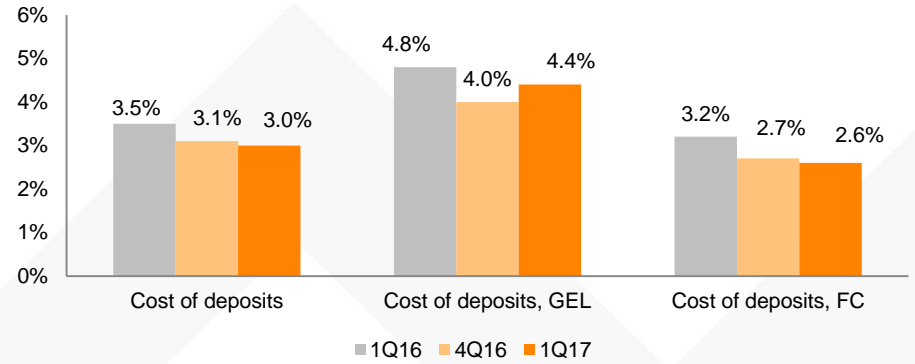
Deposit Cost



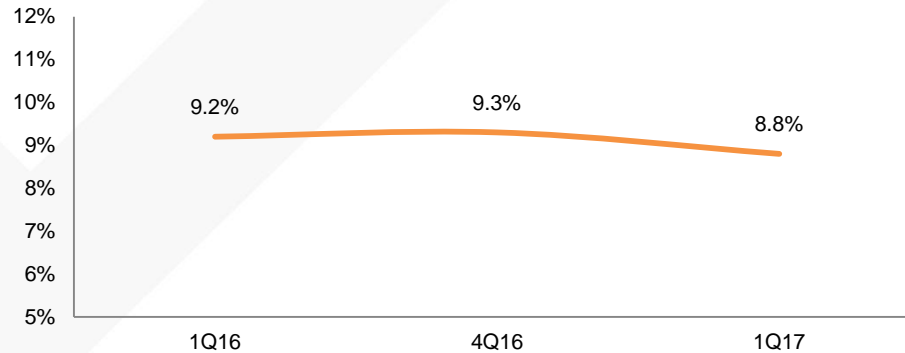
RB Loan Yield



RB Cost of Deposit



RB NIM



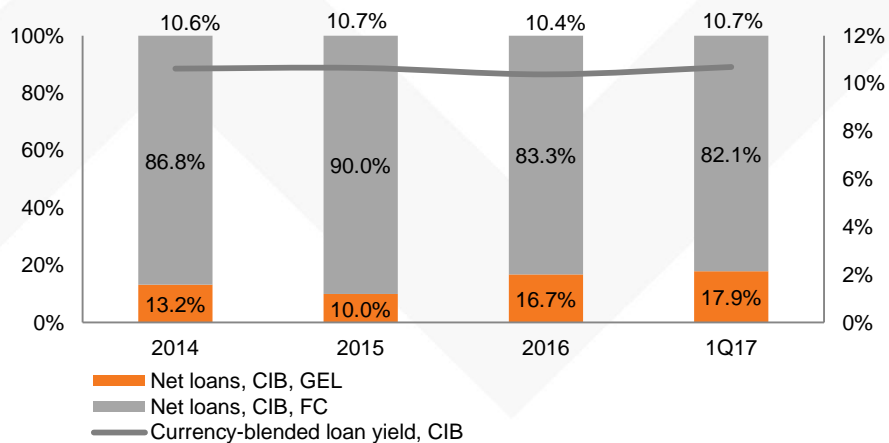
P&L

GEL thousands, unless otherwise noted

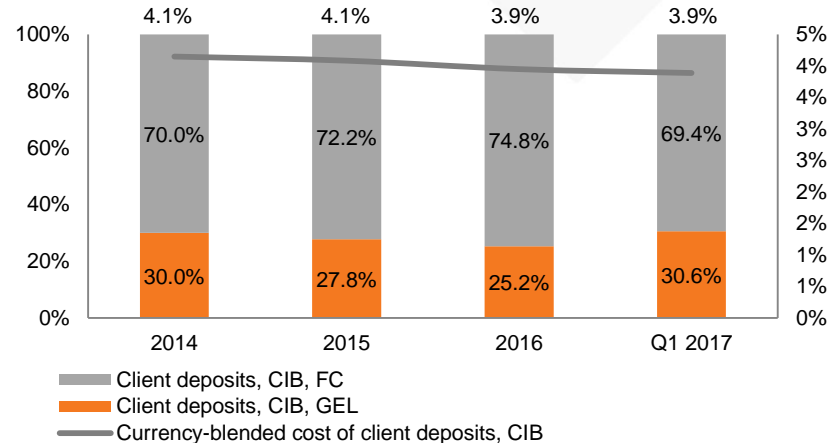
INCOME STATEMENT HIGHLIGHTS

	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q
Net banking interest income	37,949	38,250	-0.8%	39,168	-3.1%
Net fee and commission income	5,666	7,020	-19.3%	8,133	-30.3%
Net banking foreign currency gain	11,429	11,368	0.5%	16,158	-29.3%
Net other banking income	2,259	2,587	-12.7%	2,518	-10.3%
Revenue	57,303	59,225	-3.2%	65,977	-13.1%
Salaries and other employee benefits	(12,346)	(11,155)	10.7%	(12,368)	-0.2%
Administrative expenses	(3,535)	(3,355)	5.4%	(4,943)	-28.5%
Banking depreciation and amortisation	(1,217)	(1,272)	-4.3%	(1,262)	-3.6%
Other operating expenses	(157)	(231)	-32.0%	(330)	-52.4%
Operating expenses	(17,255)	(16,013)	7.8%	(18,903)	-8.7%
Operating income before cost of credit risk	40,048	43,212	-7.3%	47,074	-14.9%
Cost of credit risk	(8,699)	(14,138)	-38.5%	(42,172)	-79.4%
Net non-recurring items	(1,155)	(856)	34.9%	2,267	NMF
Profit before income tax	30,194	28,218	7.0%	7,169	321.2%
Income tax (expense) benefit	(1,912)	(2,687)	-28.8%	2,885	NMF
Profit	28,282	25,531	10.8%	10,054	181.3%

Loan Yield



Deposit Cost

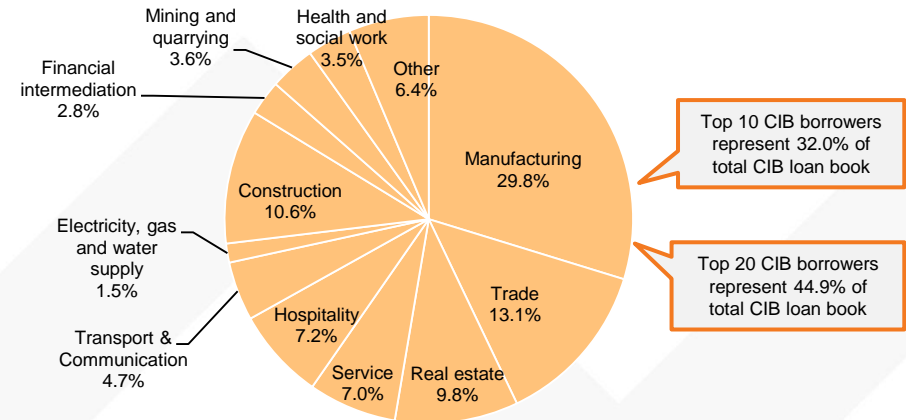


Highlights

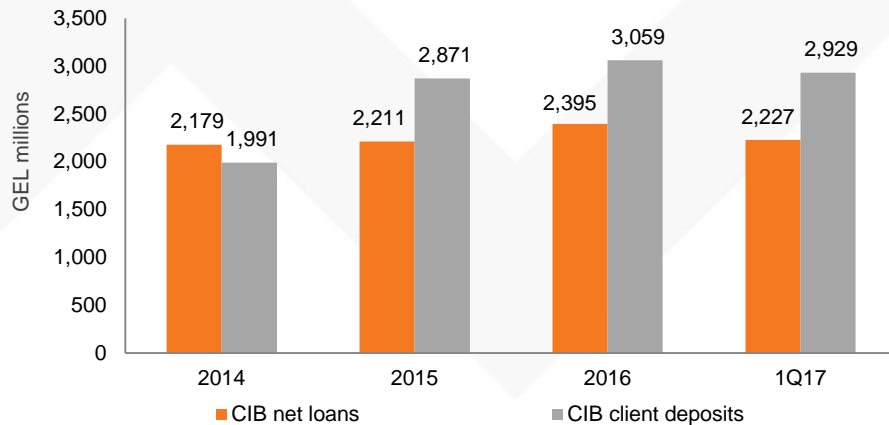
- No.1 corporate bank in Georgia
- Integrated client coverage in key sectors
 - c.3,151 clients served by dedicated relationship bankers

Portfolio breakdown, 31 March 2017

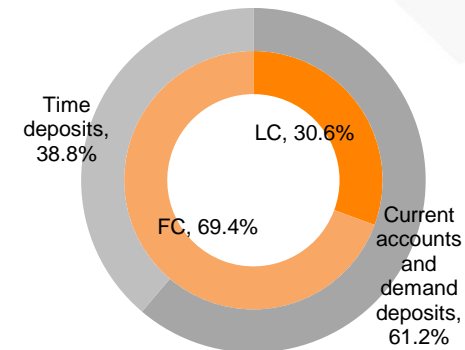
Loans by sectors



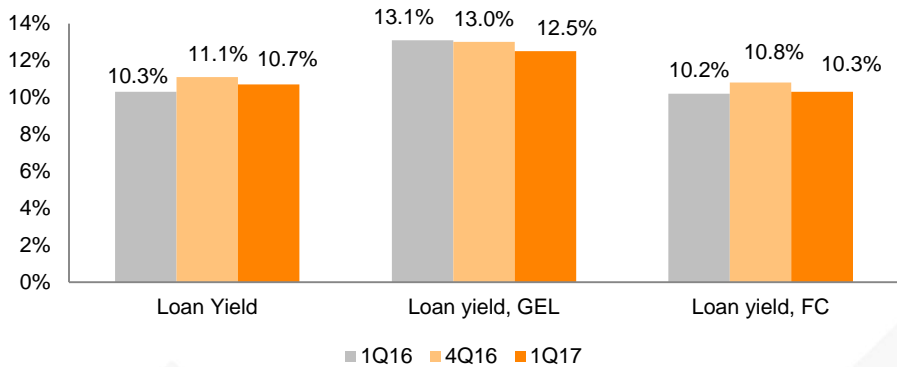
Loans & Deposits



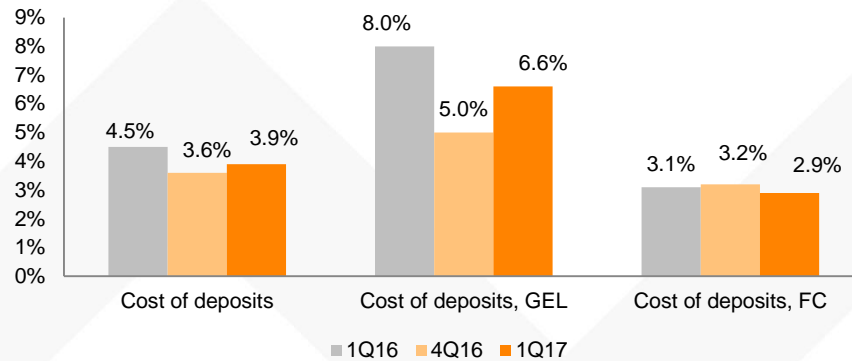
Deposits by category



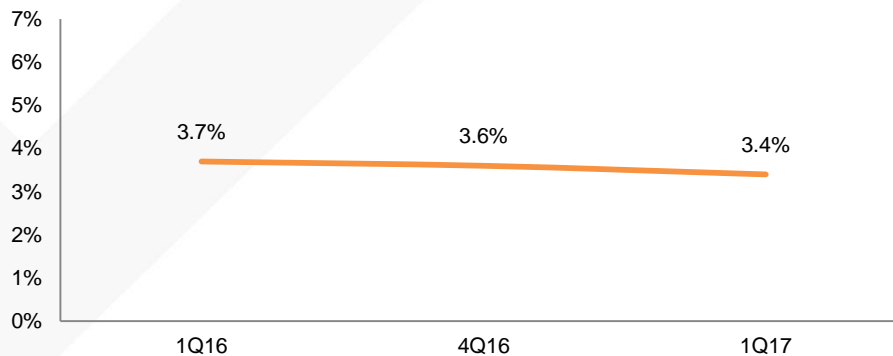
CIB Loan Yield



CIB Cost of Deposit



CIB NIM



1

Wealth Management

- **Strong international presence:** Israel (since 2008), UK (2010), Hungary (2012) and Turkey (2013). Planned expansion - Cyprus, Singapore, USA.
- **AUM of GEL 1,569 million**, up 16.7% y-o-y
- **Diversified funding sources:**
 - Georgia 37%
 - Israel 12%
 - UK 4%
 - Germany 3%
 - Other 44%

4

Brokerage

- **Wide product coverage**



- **Exclusive partner of SAXO Bank** via While Label structure, that provides highly adaptive trading platform with professional tools, insights and world-class execution

Investment Management

2

Research

- **Sector, macro and fixed income coverage**
- **International distribution**



Bloomberg



3

Corporate Advisory

- **Bond placement**
 - In March 2016, G&T successfully placed a 2-year US\$ bond into the local market for a non-BGEO Group affiliated company, Nikora
 - In June 2016 G&T successfully placed a five-year GEL denominated bond into the local market for EBRD
 - In August 2016 G&T successfully placed a five-year GEL denominated bond into the local market for Black Sea Trade and Development Bank
 - In October 2016 G&T successfully placed three-year US\$ bond into the local market for the Group's subsidiary m² Real Estate
 - In December 2016 G&T acted as a joint placement agent for the Group's subsidiary Georgia Global utilities, having placed five-year GEL denominated bond into the local market
- **Corporate advisory platform**
 - Team with sector expertise and international M&A experience
 - Proven track record of more than 15 completed transactions over the past 8 years.

WM CLIENTS



INVEST AND KEEP ASSETS VIA

BOG & GEORGIA

INTERNATIONAL ASSETS

GEORGIA

- ✓ Onshore economy with offshore benefits
- ✓ No capital gain tax on the internationally traded securities
- ✓ No accounts reporting liability
- ✓ High account safety
- ✓ Fast and easy way to open account and transfer in/out assets/funds

BANK OF GEORGIA



Trading and custody capabilities of international assets on all major international exchanges

Eq Eq Eq CFD Fu C Fx Fx Bo

→

- Equities
- Fixed Income
- CFDs

TARGETS & PRIORITIES NEXT 2-3 YEARS

PRIORITIES

1 Grow Retail Banking share in loan book

2 Increase Product to Client Ratio

3 De-concentrate Corporate Loan Book
(Top 10 borrowers)

4 Develop regional private banking franchise
(AUM, GEL mln)

STRATEGIC TARGETS

ROAE

Target: 20%+
1Q17: 23.5%

Retail Banking
Growth

Target: 20%+
1Q17: 34.1% y-o-y

		Targets	1Q17	1Q16
KEY targets	1 ROAE	20%+	23.5%	21.2%
	2 Retail Banking Growth	20%+	34.1%	9.9%
PRIORITIES	1 Grow RB's share in loan book	65%	62.6%	56.5%
	2 Increase Mass Retail Product to Client Ratio	3.0	1.7	1.7
	3 Increase number of Solo clients	To 40,000	21,657	13,284
	4 De-concentrate Corporate Loan Book	Top 10 borrowers: 10%	11.3%	12.1%
	5 Become a regional private banking hub	AUM: GEL 2.5bln	GEL 1.6bln	GEL 1.3bln
Long-term outlook	1 NIM	7.25% - 7.75%	7.4%	7.5%
	2 Cost / Income	c. 35%	36.1%	37.9%
	3 NPL coverage ratio	80-120%	87.1%	86.0%
	4 Cost of Risk	c.2.0%	2.4%	2.3%



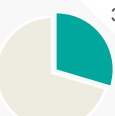


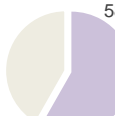
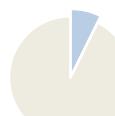
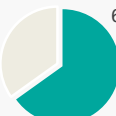

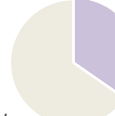

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• Georgia Healthcare Group (GHG)	
Georgian Macro Overview	73
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P&L

<i>GEL thousands; unless otherwise noted</i>	1Q17	1Q16	Change, y-o-y	4Q16	Change, q-o-q
Revenue, gross	186,627	72,576	157.1%	136,031	37.2%
Corrections & rebates	(623)	(410)	52.0%	(790)	-21.1%
Revenue, net	186,004	72,166	157.7%	135,241	37.5%
Revenue from healthcare services	65,905	60,041	9.8%	66,814	-1.4%
Revenue from pharmacy	111,399	-	-	56,586	96.9%
Net insurance premiums earned	13,965	13,830	1.0%	16,312	-14.4%
Eliminations	(5,265)	(1,705)	208.8%	(4,471)	17.8%
Costs of services	(129,926)	(44,151)	194.3%	(89,626)	45.0%
Cost of healthcare services	(37,957)	(33,892)	12.0%	(34,802)	9.1%
Cost of pharmacy	(84,408)	-	-	(44,498)	89.7%
Cost of insurance services	(12,734)	(11,953)	6.5%	(14,997)	-15.1%
Eliminations	5,173	1,694	205.4%	4,671	10.7%
Gross profit	56,078	28,015	100.2%	45,615	22.9%
Salaries and other employee benefits	(17,728)	(6,923)	156.1%	(12,757)	39.0%
General and administrative expenses	(13,352)	(3,202)	317.0%	(9,470)	41.0%
Impairment of healthcare services, insurance premiums and other receivables	(1,121)	(980)	14.4%	56	NMF
Other operating income	1,182	220	437.3%	845	39.9%
EBITDA	25,059	17,129	46.3%	24,289	3.2%
Depreciation and amortisation	(5,872)	(4,465)	31.5%	(5,316)	10.5%
Net interest expense	(7,119)	(1,656)	329.9%	(4,773)	49.2%
Net gains/(losses) from foreign currencies	2,778	(260)	NMF	(3,170)	NMF
Net non-recurring income/(expense)	(1,792)	1,968	NMF	1,982	NMF
Profit before income tax expense	13,054	12,716	2.7%	13,012	0.3%
Income tax benefit	(19)	(693)	NMF	(6,682)	NMF
<i>of which: Deferred tax adjustments</i>	-	-		(5,319)	
Profit for the period	13,035	12,023	8.4%	6,330	105.9%
Attributable to:					
- shareholders of the Company					
- non-controlling interests	8,832	9,921	-11.0%	5,401	63.5%
<i>of which: Deferred tax adjustments</i>	4,203	2,102	100.0%	929	352.4%

- Organic growth of healthcare services revenue was 10.1% in 1Q17
- Healthcare services EBITDA margin was 25.3% in 1Q17

Key Segments	Healthcare services			Pharmacy	Medical insurance
	Referral Hospitals	Community Hospitals	Ambulatory Clinics	Pharmacy	Medical Insurance
Key Services	General and specialty hospitals offering outpatient and inpatient services in Tbilisi and major regional cities	Basic outpatient and inpatient services in regional towns and municipalities	Outpatient diagnostic and treatment services in Tbilisi and major regional cities	Wholesaler and urban-retailer, with a countrywide distribution network	Range of private insurance products purchased by individuals and employers
Market Size ⁽¹⁾	GEL 1.2bln (2015)			GEL 1.3bln (2015)	GEL 0.17bln (2015)
Market Share	20% by revenue ⁽²⁾ 23.4% by beds (2,557), which is expected to grow to c.29% as a result of renovation and full launch of hospital facilities (additional c.600 beds);			1.5% by revenue ⁽²⁾	29% by revenue ⁽³⁾
Selected Operating Data 1Q17	 <p>82% 15 hospitals 2,092 beds</p>	 <p>18% 20 hospitals 465 beds</p>	<p>ten clusters with 13 district ambulatory clinics 28 express ambulatory clinics</p>	245 pharmacies in major cities	135,000 individuals insured
Financials 1Q17	<p>Gross Revenue GEL 186.6mln⁽⁴⁾</p>  <p>30% 2012-1Q17 CAGR 52% GEL 56.6 mln</p>	 <p>3% 2012-1Q17 CAGR 15% GEL 5.7 mln</p>	 <p>2% 2012-1Q17 CAGR 32% GEL 3.6 mln</p>	 <p>58% 2012-1Q17 CAGR 15% GEL 111.4 mln</p>	 <p>7% 2012-1Q17 CAGR 15% GEL 14.0 mln</p>
	<p>EBITDA GEL 25.1mln</p>  <p>65% 2012-1Q17 CAGR 52% GEL 16.3 mln</p>	 <p>2% 2012-1Q17 CAGR 31% GEL 0.5 mln</p>	 <p>35% 2012-1Q17 CAGR 31% GEL 8.7 mln</p>	 <p>-2% 2012-1Q17 CAGR 31% GEL -0.4 mln</p>	
	EBITDA Margin: 25.9%			EBITDA Margin: 14.2%	EBITDA Margin: 7.8%
				EBITDA Margin: -3.2%	

Sources:

- (1) Frost & Sullivan analysis, 2015
- (2) Market share for pharmacy business is for 2015 year, including ABC's market share
- (3) Market share for pharmacy business is for 2015 and is based on 2015's revenue figures
- (4) Revenue net of intercompany eliminations

2015-2018

Medium-term Target
(5-10 Year Horizon)

Long-term Target
(Beyond 10 Year Horizon)

Georgia 2014 or most recent year⁽¹⁾

Georgia medium-term⁽¹⁾

EM 2014 or most recent year⁽²⁾

Spending per capita (US\$) 217 (Georgia)

502

1,076

Price inflation (heart surgery, US\$) 6,500 (GHG)

9,000

25,000

GHG Revenue per bed (US\$) 39,800 (GHG)

99k

280k

Outpatient Encounters per capita 4.0 (Georgia)

5.4

8.9

Nurse to doctor ratio 1:1.3 (Georgia)

4:1 (Georgia, WHO recommendation)

3.4:1

Pharmaceuticals' share in total healthcare spending 38.4% (Georgia)

25%

15.4%

Significant expansion of capacity by 2025

Substantial room to grow beyond 2025

Sources:

- (1) Bed utilisation for referral hospitals; World Bank; GHG internal reporting; Management Estimates; Ministry of Finance of Georgia; Frost & Sullivan 2015; NCDC healthcare statistical yearbook 2014
- (2) WHO: Average of countries: Chile, Costa Rica, Czech Republic, Estonia, Croatia, Hungary, Lithuania, Latvia, Poland, Russian Federation, Slovak Republic; BAML Global Hospital Benchmark, August 2014



GHG HAS FULL PRESENCE IN GEORGIAN HEALTHCARE ECOSYSTEM

Segment	HOSPITALS	AMBULATORIES	PHARMACY	INSURANCE
Market (2015)	GEL 1.2bln	GEL 0.9bln	GEL 1.3bln	GEL 0.17bln
Market shares	BY REVENUE BEDs	BY REVENUE	BY REVENUE	BY REVENUE
	In 2015	<1%	-	38%
	Now	1.5%	15%	35%
	YE2018	5%	30%+	30%+
Long-term	30%+	15%+	30%+	30%+



GHG HAS FULL PRESENCE IN GEORGIAN HEALTHCARE ECOSYSTEM

Segment	HOSPITALS	AMBULATORIES	PHARMACY	INSURANCE
Market share Targets 2018 (BY REVENUE)	25%+	5%	30%+	30%+
P&L targets	<ul style="list-style-type: none"> • Doubling 2015 revenue by 2018 (2015 revenue was GEL 195.0mln) • With 30% EBITDA margin 		8.0%+ EBITDA margin	<ul style="list-style-type: none"> • Combined ratio <97% • Claims retained within GHG >50%

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P&L

Income Statement Highlights	1Q17	1Q16	Change, y-o-y	4Q16	Change, q-o-q
<i>Get thousands, unless otherwise stated</i>					
Revenue from sale of apartments	18,399	27,992	-34.3%	9,356	96.7%
Cost of sale of apartments	(17,109)	(22,099)	-22.6%	(7,811)	119.0%
Net revenue from sale of apartments	1,290	5,893	-78.1%	1,545	-16.5%
Revenue from operating leases	899	589	52.6%	859	4.7%
Cost of operating leases	(83)	(47)	76.6%	(44)	88.6%
Net revenue from operating leases	816	542	50.6%	815	0.1%
Revaluation of commercial property	479	-	NMF	1,430	-66.5%
Gross real estate profit	2,585	6,435	-59.8%	3,790	-31.8%
Gross other investment profit	11	88	-87.5%	48	-77.1%
Revenue	2,596	6,523	-60.2%	3,838	-32.4%
Salaries and other employee benefits	(407)	(297)	37.0%	(374)	8.8%
Administrative expenses	(1,427)	(1,027)	38.9%	(1,202)	18.7%
Operating expenses	(1,834)	(1,324)	38.5%	(1,576)	16.4%
EBITDA	762	5,199	-85.3%	2,262	-66.3%
Depreciation and amortization	(66)	(53)	24.5%	(65)	1.5%
Net foreign currency gain (loss)	(194)	386	NMF	(58)	NMF
Interest income	189	-	NMF	410	-53.9%
Interest expense	(48)	(74)	-35.1%	(30)	60.0%
Net operating income before non-recurring items	643	5,458	-88.2%	2,519	-74.5%
Net non-recurring items	(76)	(23)	NMF	(96)	-20.8%
Profit before income tax	567	5,435	-89.6%	2,423	-76.6%
Income tax (expense)	-	(815)	-100.0%	(2,949)	-100.0%
Profit	567	4,620	-87.7%	(526)	NMF

Balance Sheet

Balance sheet	Mar-17	Mar-16	Change y-o-y	Dec-16	Change q-o-q
<i>GEL thousands, unless otherwise noted</i>					
Cash and cash equivalents	48,636	49,003	-0.7%	93,210	-47.8%
Amounts due from credit institutions	179	-	-	-	-
Investment securities	1,515	2,001	-24.3%	2,842	-46.7%
Accounts receivable	6,130	981	524.9%	703	772.0%
Prepayments	17,842	23,449	-23.9%	20,746	-14.0%
Inventories	83,922	94,881	-11.6%	113,009	-25.7%
Investment property, of which:	110,831	118,187	-6.2%	113,829	-2.6%
<i>Land bank</i>	68,789	83,967	-18.1%	72,251	-4.8%
<i>Commercial real estate</i>	42,042	34,220	22.9%	41,578	1.1%
Property and equipment	9,110	1,528	496.2%	7,050	29.2%
Other assets	17,557	10,147	73.0%	20,839	-15.7%
Total assets	295,722	300,177	-1.5%	372,228	-20.6%
Amounts due to credit institutions	38,912	37,118	4.8%	42,818	-9.1%
Debt securities issued	62,278	46,771	33.2%	103,077	-39.6%
Accruals and deferred income	53,670	87,465	-38.6%	77,925	-31.1%
Other liabilities	7,657	18,817	-59.3%	14,725	-48.0%
Total liabilities	162,517	190,171	-14.5%	238,545	-31.9%
Share capital	4,180	4,180	0.0%	4,180	0.0%
Additional paid-in capital	86,227	83,612	3.1%	85,467	0.9%
Other reserves	13,469	-	100%	15,538	-13.3%
Retained earnings	29,329	22,214	32.0%	28,498	2.9%
Total equity	133,205	110,006	21.1%	133,683	-0.4%
Total liabilities and equity	295,722	300,177	-1.5%	372,228	-20.6%

PROJECTS: RESIDENTIAL & HOTEL



Apartment building:
Chubinashvili street
Completion status: **100%**



Apartment building:
Tamarashvili street
Completion status: **100%**



Apartment building:
Kazbegi avenue
Completion status: **100%**



Apartment building:
Nutsubidze Street
Completion status: **100%**



Apartment building:
Tamarashvili Street II
Completion status: **100%**



Apartment building:
Moscow avenue
Completion status: **100%**



Apartment building:
Kartoza Street
Completion status: **45%**
Construction start date: Nov 15



Apartment building:
Skyline
Completion status: **85%**
Construction start date: Dec 15



Apartment building:
Kazbegi avenue II
Completion status: **18%**
Construction start date: Jun 16



Apartment building:
Chavchavadze Avenue
Completion status: **13%**
Construction start date: Oct 16

	1 Residential Developments	2 Yielding Business	
Key Segments & market size	<p>Affordable housing</p> <p>Market: US\$ 1.0bln¹ As a residential real estate developer, m² targets mass market customers by introducing high quality and comfortable living standards in Georgia and making them affordable.</p>	<p>Commercial space (offices, industrial properties, high street retail)</p> <p>Market: US\$ 2.5bln² As a property manager, m² makes opportunistic investments and manages a well diversified portfolio of yielding assets, primarily consisting of high street real estate assets, and also including industrial and office space real estate assets.</p>	<p>Hotels</p> <p>Market: US\$ 1.9bln³ As a hotel developer and operator, m² targets 3-star, mixed use hotels (residential combined with hotel development). m² finances equity needs of the hotel from the profits and land value unlocked through sale of the apartments in the same development.</p>
Asset base (as of 1Q17)	<p><i>Includes:</i></p> <p>US\$ 79 million⁴</p> <p>1. Inventory of residential real estate 2. Land bank</p>	<p><i>Includes:</i></p> <p>US\$ 18 million</p> <p>1. High street retail 2. Industrial properties: warehouses and logistics centers 3. Offices</p> <p><i>Dollar denominated, inflation hedged cash flow stream</i></p>	<p><i>Includes:</i></p> <p>US\$ 4 million</p> <p>1. Hotels (mixed use) 2. Land bank</p>
Track record	<ul style="list-style-type: none"> - Generated IRR ranging from 31% to 165% on 6 completed residential projects - Started operations in 2010 and since: <ul style="list-style-type: none"> - Completed 6 projects – 1,672 apartments, 98% sold with US\$138.1 mln sales value, land value unlocked US\$16.4 mln - Ongoing 4 projects – 1,222 apartments, 45% sold with US\$44.9 mln sales value, land value to be unlocked US\$16.5 mln - All completed projects were on budget and on schedule - Land bank of value US\$26.75 mln, with c.5,126⁵ apartments 	<ul style="list-style-type: none"> • Generated annual yield of 9.7% in 2015 on portfolio rented out. Rent earning assets are with capital appreciation upside. • m² has developed its current yielding portfolio through: <ul style="list-style-type: none"> • m² retains commercial space (ground floor) at its own residential developments. This constitutes up to 25% of total yielding portfolio • Acquired opportunistically the commercial space. This constitutes over 75% of total yielding portfolio 	<ul style="list-style-type: none"> • m² attained exclusive development agreement with Wyndham to develop Wyndham's 3-star brand Ramada Encore exclusively in Georgia. Plan is to build at least 3 hotels within next 7 years with minimum 370 rooms in total. • 3 projects in the pipeline: <ol style="list-style-type: none"> 1) 2 hotels in Tbilisi – land acquired, construction of the 1st hotel commenced in June 2016, 2nd hotel in design stage 2) 1 hotel in Kutaisi – searching for property - Land bank of value US\$1.25 mln

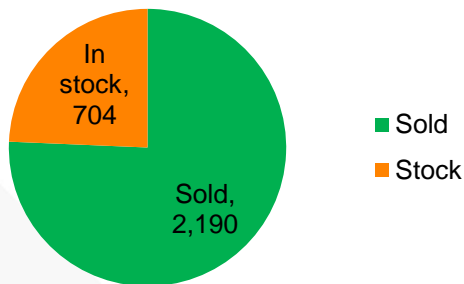
1 – US\$ value of annual transaction (incl. renovation/fit-out costs) in the capital city in 2015 (NPRG, Colliers, Company own data)
 2 – trade volume in Georgia in 2015
 3 – gross tourism inflows in 2015
 4 – Total Assets are US\$ 121mln. Pie charts do not sum-up to 100% due to Cash holdings of US\$ 20mln
 5 – Including 4,716 apartments of Digomi Project

STRONG SALES PERFORMANCE

76% of total apartments are sold

2,894 apartments in total

Number of apartments



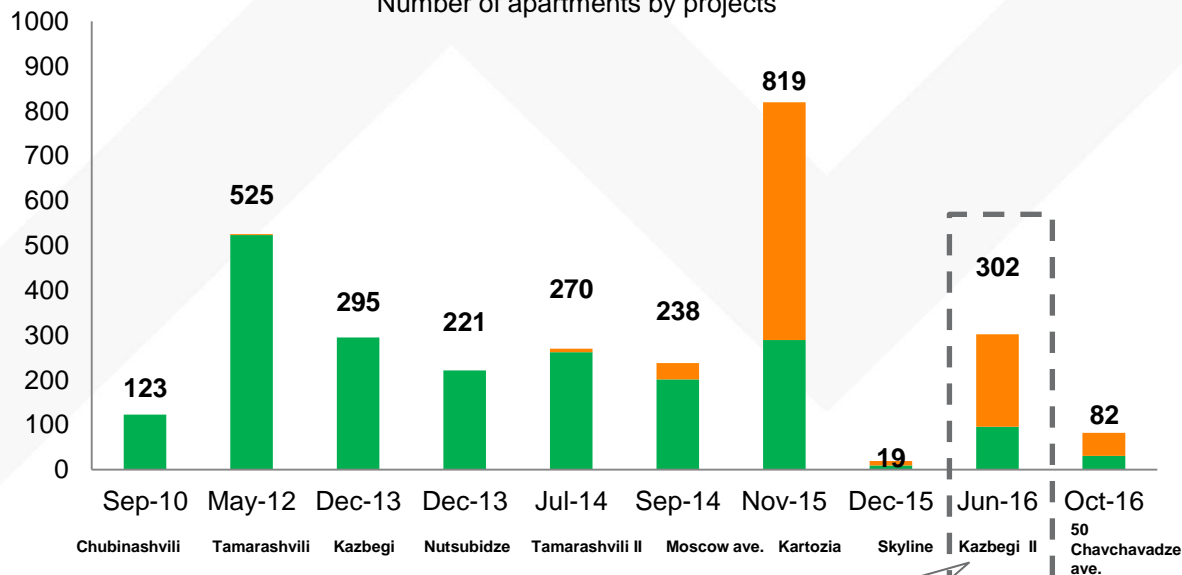
Financed with BOG mortgages:
1,000 apartments, GEL 118.5mln

Completed projects are sold out

Completed apartments: 1.9% in stock

Ongoing apartments: 55.0% in stock

Number of apartments by projects

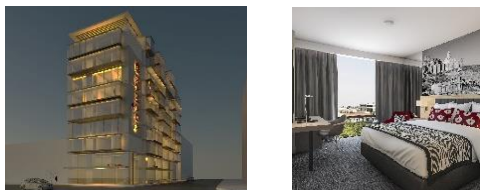


Entering hotel business:

In 2016, launched construction of our first 3-star hotel (mixed-use)

3-star hotel opportunity in Tbilisi

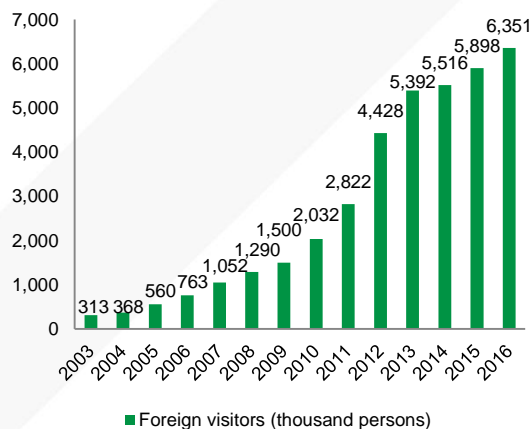
Develop 3 hotels in next 7 years in Tbilisi catering to budget travelers



- Wyndham Ramada Anchor exclusivity for 7 years
- Equity investment US\$ 7 million
- Number of rooms – 370
- Investment per room – US\$ 70k
- Occupancy rate – 65% (3rd year stabilised)
- ADR – US\$ 100
- ROE – 20%

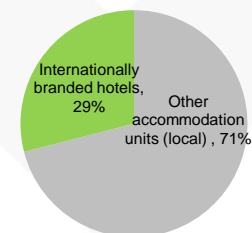
Visitors in Georgia 26.1% CAGR'03-16

6.4mln visitors in 2016, up 7.7% y-o-y



Limited supply

Distribution of rooms in Tbilisi by accommodation type, 2017



- Occupancy rate of international branded hotels was 71.2% in March 2017, while YTD occupancy rate reached 55.4%, up 2% y-o-y
- March 2017 ADR – US\$ 137.4, up 8.1% y-o-y. YTD ADR of US\$ 129.8 , up 1.2% y-o-y

Source: Galt & Taggart Research

TARGETS & PRIORITIES NEXT 2-3 YEARS

1 Unlocking land value by developing housing projects. Buy land opportunistically

2 Start developing 3rd party lands

3 Accumulate yielding assets from own-developed projects :

- *Mainly retain commercial real estate in residential buildings*
- *Develop hotels and apartments (mixed-use) to increase yielding business*

- *NAV (Net Asset Value) – US\$ 54.5mln*
- *Land bank – US\$ 28mln*
- *Yielding assets currently – US\$ 17.2mln*
- *Deferred revenue – US\$ 22.0mln (inc. VAT)*

- **Capital management discipline – pay US\$ 20-25mln dividends to BGEO in 2019**
- **Possibility to establish m² as a REIT**

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P&L

<i>GEL thousands; unless otherwise noted</i>	1Q17	1Q16	Change, y-o-y	4Q16	Change, q-o-q
Revenue from water supply to legal entities	18,336	16,986	7.9%	19,598	-6.4%
Revenue from water supply to individuals	7,911	7,597	4.1%	8,636	-8.4%
Revenue from electric power sales	1,191	3,267	-63.5%	3,641	-67.3%
Revenue from technical support	673	742	-9.3%	2,056	-67.3%
Other income	491	(29)	NMF	2,312	-78.8%
Revenue	28,602	28,563	0.1%	36,243	-21.1%
Provisions for doubtful trade receivables	274	(746)	NMF	687	-60.1%
Salaries and benefits	(4,121)	(3,784)	8.9%	(4,010)	2.8%
Electricity and transmission costs	(4,972)	(4,721)	5.3%	(3,748)	32.7%
Raw materials, fuel and other consumables	(791)	(893)	-11.4%	85	NMF
Infrastructure assets maintenance expenditure	(301)	(666)	-54.8%	(402)	-25.1%
General and administrative expenses	(787)	(710)	10.8%	(751)	4.8%
Taxes other than income tax	(1,032)	(604)	70.9%	(1,155)	-10.6%
Professional fees	(430)	(612)	-29.7%	(819)	-47.5%
Insurance expense	(285)	(67)	NMF	(269)	5.9%
Other operating expenses	(1,370)	(1,236)	10.8%	(2,085)	-34.3%
Operating expenses	(13,815)	(14,039)	-1.6%	(12,467)	10.8%
EBITDA	14,787	14,524	1.8%	23,776	-37.8%
<i>EBITDA Margin</i>	52%	51%		66%	
Depreciation and amortisation	(4,803)	(5,390)	-10.9%	(3,753)	28.0%
EBIT	9,984	9,134	9.3%	20,023	-50.1%
<i>EBIT Margin</i>	35%	32%		55%	
Net interest expense	(2,189)	(2,368)	-7.6%	(3,049)	-28.2%
Foreign exchange gains(losses)	(101)	(49)	106.1%	190	NMF
EBT	7,694	6,717	14.5%	17,164	-55.2%
Income tax (expense)	-	(1,199)	-100.0%	(1,659)	-100.0%
Profit	7,694	5,518	39.4%	15,505	-50.4%

- GGU recorded revenue of GEL 28.6mln in 1Q17. Revenue from water sales represented c.91.8% of total revenue
- GGU reported EBITDA of GEL 14.8mln for 1Q17. EBITDA grew by 1.8% y-o-y
- GGU recorded profit of GEL 7.7mln in 1Q17, reflecting a 39.4% growth y-o-y

Sources: derived from GGU's management accounts, financials are for 1Q17

Balance sheet

GEL thousands; unless otherwise noted

	Mar-17	Mar-16	Change y-o-y	Dec-16	Change q-o-q
Cash and cash equivalents	13,910	10,117	37.5%	27,511	-49.4%
Trade and other receivables	30,944	26,710	15.9%	29,499	4.9%
Inventories	3,108	3,635	-14.5%	3,048	2.0%
Current income tax prepayments	998	920	8.5%	735	35.8%
Total current assets	48,960	41,382	18.3%	60,793	-19.5%
Property, plant and equipment	346,048	294,419	17.5%	329,997	4.9%
Investment Property	18,922	19,484	-2.9%	18,728	1.0%
Intangible assets	1,207	1,143	5.6%	1,186	1.8%
Restructured trade receivables	178	23	NMF	307	-42.0%
Restricted Cash	4,008	3,141	27.6%	5,094	-21.3%
Deferred income tax	-	280	-100.0%	-	-
Other non-current assets	993	1,188	-16.4%	1,246	-20.3%
Total non-current assets	371,356	319,678	16.2%	356,558	4.2%
Total assets	420,316	361,060	16.4%	417,351	0.7%
Current borrowings	22,566	21,921	2.9%	22,617	-0.2%
Trade and other payables	28,172	22,461	25.4%	24,997	12.7%
Provisions for liabilities and charges	743	1,359	-45.3%	706	5.2%
Other taxes payable	2,718	1,684	61.4%	7,135	-61.9%
Total current liabilities	54,199	47,425	14.3%	55,455	-2.3%
Long term borrowings	79,242	49,907	58.8%	83,651	-5.3%
Deferred income tax liability	-	28,681	-100.0%	-	-
Deferred income	17,817	-	-	-	-
Total non-current liabilities	97,059	78,588	23.5%	83,651	-100.0%
Total liabilities	151,258	126,013	20.0%	139,106	8.7%
Share capital	2	2	0.0%	2	0.0%
Retained earnings	87,595	80,293	9.1%	96,782	-9.5%
Revaluation reserve	181,461	154,752	17.3%	181,461	0.0%
Total equity	269,058	235,047	14.5%	278,245	-3.3%
Total liabilities and equity	420,316	361,060	16.4%	417,351	0.7%

- GGU balance sheet is characterised with low leverage and modest foreign exchange risk exposure
- Currently 99.7% of GGU's borrowings are denominated in local currency. The plan is to further reduce foreign-currency-denominated borrowings

Sources: derived from GGU's management accounts, financials are for 1Q17

Cash flow

<i>GEL thousands; unless otherwise noted</i>	1Q17	1Q16	Change, y-o-y	4Q16	Change, q-o-q
Cash receipt from customers	30,582	29,254	4.5%	41,042	-25.5%
Cash paid to suppliers	(10,765)	(10,047)	7.1%	(8,066)	33.5%
Cash paid to employees	(3,758)	(2,801)	34.2%	(6,640)	-43.4%
Interest received	419	105	NMF	30	NMF
Interest paid	(2,356)	(2,510)	-6.1%	(2,653)	-11.2%
Taxes paid	(1,724)	(2,877)	-40.1%	(2,202)	-21.7%
Restricted cash in Bank	945	(624)	NMF	(2,729)	NMF
Cash flow from operating activities	13,343	10,500	27.1%	18,782	-29.0%
Maintenance Capex	(8,835)	(3,874)	128.1%	(8,801)	0.4%
Operating cash flow after maintenance capex	4,508	6,626	-32.0%	9,981	-54.8%
Purchase of PPE and intangible assets	(13,486)	(5,917)	127.9%	(9,572)	40.9%
Total cash flow used in investing activities	(13,486)	(5,917)	127.9%	(9,572)	40.9%
Proceeds from borrowings	-	380	-100.0%	27,562	-100.0%
Repayment of borrowings	(4,328)	(2,501)	73.1%	(6,565)	-34.1%
Dividends paid out	-	(54)	-100.0%	151	-100.0%
Total cash flow used in financing activities	(4,328)	(2,175)	99.0%	21,148	NMF
Exchange gains/(losses) on cash equivalents	(295)	(50)	NMF	556	NMF
Total cash (outflow)/inflow	(13,601)	(1,516)	NMF	22,113	NMF
Cash balance					
Cash, beginning balance	27,511	11,633	136.5%	5,398	409.7%
Cash, ending balance	13,910	10,117	37.5%	27,511	-49.4%

- **GGU has good receivables collection rates within the 95-98% range.** During 1Q17, the collection rate for legal entities and households was 98% and 94%, respectively. As a result, GGU had GEL 3.2mln overdue receivables outstanding as of 31 March 2017
- Currently there are 1.4mln people living in Tbilisi, Rustavi and Mtskheta regions, while only 1.2mln residents are registered with GGU

Sources: derived from GGU's management accounts, financials are for 1Q17

GGU is the only profitable water-utilities player in Georgia with plenty of efficiency rooms

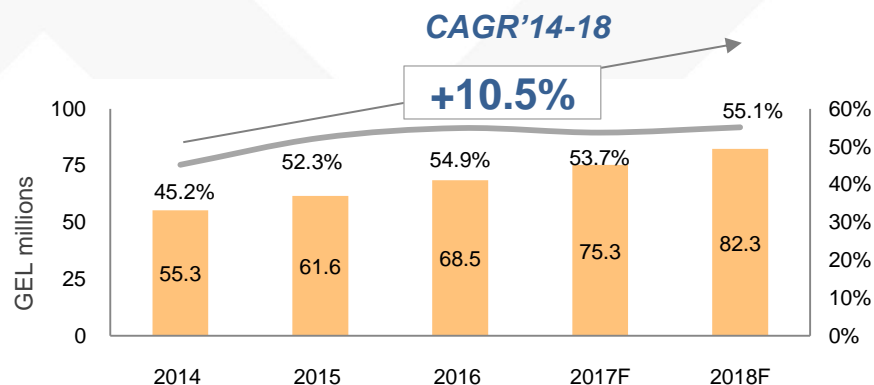
GGU is the largest privately owned water utility company in Georgia

- 2 core activities:
 - **Water supply and sanitation** (including wastewater collection and processing) – Provides water to 1.4mln people (1/3 of Georgia) 1Q17: 144.4M m³
 - **Generation of electric power** – Owns 3 HPPs and has 1 HPP under management with total installed capacity of 149.1MW. **Generated power is primarily used by GGU's water business.** The excess amount of generated power is sold to the third party clients every year
- Revenue of GEL 28.6mln in 1Q17, +0.1% y-o-y
- EBITDA of GEL 14.8mln in 1Q17, +1.8% y-o-y

Company has strong execution track record & financial strength

- Management team with extensive experience in utility business
- “BB-” rating affirmed by Fitch Ratings to major subsidiary of GGU – Georgian Water and Power in 2016 (currently Georgia’s sovereign rating is “BB-” and the country ceiling is BB by Fitch)
- First bond placement by utility company in Georgia (GEL 8.6mln) through Georgian Water and Power in 2015
- GGU issued GEL 30mln 5-year local currency bond– the largest amount ever issued in local currency by a non-financial institution in Georgia
- Low leverage (2016 Debt/EBITDA: 1.6x)

EBITDA (in GEL mln) & EBITDA margin (in %)



EBITDA growth drivers:

- Cost saving from reduction in water delivery losses to 30%, from current 50%
- Double effect from water delivery loss reduction – selling freed-up energy

	① UTILITY	② ENERGY
BUSINESS	WATER UTILITY	HYDRO & other renewables
CURRENT STANDING	REVENUE 1Q17: GEL 28.6mln EBITDA 1Q17: GEL 14.8mln 70% water losses	HYDROs: 149MW operating 50MW ready to build 57MW pipeline
MEDIUM TERM GOAL	EBITDA 2018: GEL 80mln+ 50% water losses	HYDROs: 200MW operating 57MW ready to build 150MW pipeline WIND & SOLAR: 20-20MW ready to build
TARGETING	DIVIDEND PROVIDER	VALUE CREATION UPSIDE

IPO in 2-3 years time

Opportunities

1

Underpenetrated industry

Only 20-25% of Georgia's hydro resources utilised

2

Cheap to develop

US\$ 1.5mln for 1MW development in Georgia

3

Strategic partnership



Strategic partnership with industry specialists – RP Global (Austria)

4

Small investment to date

Only US\$ 1.5mln invested during first 2 years of due-diligence and planning

5

BGEO planned investment in ongoing projects

BGEO investment – US\$ 28mln
 Total investment – US\$ 43mln (*partnership: 65% BGEO – 35% RP Global*)
 Expected IRR – 20%+

Goal

**Establish renewable energy platform,
targeting 100MW+ in 4 medium size hydro power plants by 2020**

Development

2 ongoing projects – 107MW, 4 HPPs

Pipeline

Projects	Mestiachala 1 & 2	Zoti 1 & 2
Estimated Capacity 100 MW	50MW	57MW
Estimated Project Timeline ²	2017-2018	2018-2020

Note: Project timeline includes only construction period. In general construction period is preceded by a 1-2 year pre-construction period. On average 5% of total project cost is spent during this period on due diligence

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Goal

Become leading beverages producer and distributor in Caucasus

Business Segments

Wine production



- c. 600 thousand bottles sold in 1Q17
- GEL 4.0mIn revenue in 1Q17
- GEL 0.6mIn EBITDA in 1Q17
- 71% of sales from export

Distribution



- 4,600 sales points
- Exporting wine to 12 countries, including all FSU, Poland, Sweden, Finland, USA, Canada, Brazil, China, Thailand, Singapore

Beer production



- Launch beer production facility in Georgia
- 10 year exclusivity with Heineken to sell in Georgia, Armenia and Azerbaijan (17mIn population)

Priorities By 2018

- Grow in line with market locally
- Enhance exports

- Enhance product portfolio, becoming the leading FMCG distributor in Georgia

- Achieve 30% market share

Strategic sale

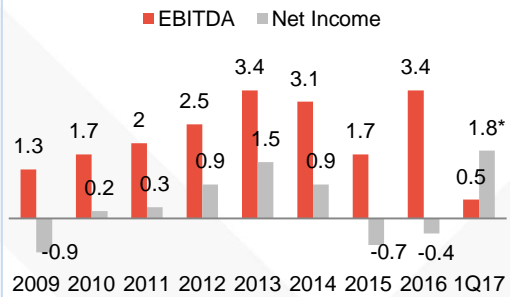


Investment Rationale

Exclusive Heineken producer in Caucasus

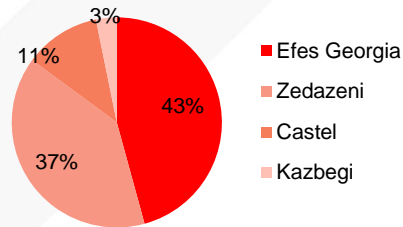
Strong management with proven track record

Turned-around loss making business and increased EBITDA 3x in 5 years



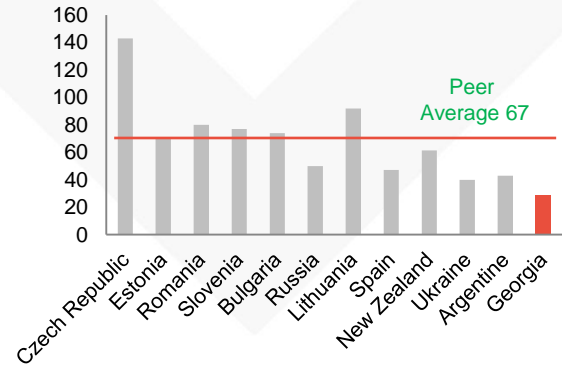
Highly concentrated market

Domestic market segmentation (2016)



Low consumption per capita compared to peers

Beer Consumption in Peer Countries 2015 (l/capita)



* 1Q17 net income included foreign exchange gains of GEL 2.4mln related to the Lari's appreciation during three months of 2017

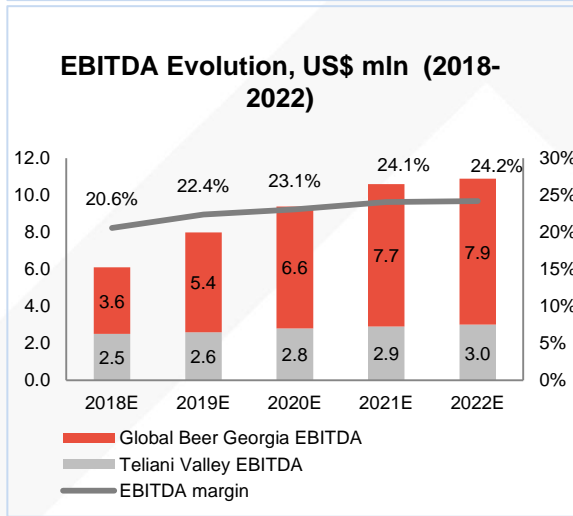


Exclusive Heineken producer in Caucasus

Investment

- Total investment – US\$ 41.3mIn, of which US\$ 21.7mIn is equity
- BGEO's investment – US\$ 16.3mIn

EBITDA projection



Exit options

- Trade sale

Financials

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General Facts

- Area: 69,700 sq km
- Population (2017): 3.7 mln
- Life expectancy: 77 years
- Official language: Georgian
- Literacy: 100%
- Capital: Tbilisi
- Currency (code): Lari (GEL)

Economy

- Nominal GDP (Geostat) 2016: GEL 33.9 bln (US\$14.3 bln)
- Real GDP growth rate 2012-2016: 6.4%, 3.4%, 4.6%, 2.9%, 2.7%
- Real GDP 2006-16 annual average growth rate: 4.9%
- GDP per capita 2016 (PPP) per IMF: US\$ 10,044
- Annual inflation (e-o-p) 2016: 1.8%
- External public debt to GDP 2016: 35.2%

- Sovereign credit ratings:
 - S&P BB-/Stable, affirmed in November 2016
 - Moody's Ba3/Stable, affirmed in March 2016
 - Fitch BB-/Stable, affirmed in March 2017



Georgia's key economic drivers

Liberal economic policy

Top performer globally in WB Doing Business over the past 12 years

- Liberty Act (effective January 2014) ensures a credible fiscal and monetary framework:
- Public expenditure/GDP capped at 30%; Fiscal deficit/GDP capped at 3%; Public debt/GDP capped at 60%
- Business friendly environment and low tax regime (attested by favourable international rankings)

Regional logistics and tourism hub

A natural transport and logistics hub, connecting land-locked energy rich countries in the east and European markets in the west

- Access to a market of 900mn customers without customs duties: Free trade agreements with EU, CIS and Turkey and GSP with USA, Canada, Japan, Norway and Switzerland; Signing of Georgia-China free trade agreement scheduled for 14 May 2017
- Tourism revenues on the rise: tourism inflows stood at 15.1% of GDP in 2016 and arrivals reached 6.4mln visitors in 2016 (up 7.6% y-o-y). In 4M17 international arrivals reached 1.8mln visitors (up 11.1% y-o-y).
- Regional energy transit corridor accounting for 1.6% of the world's oil and gas transit volumes

Strong FDI

An influx of foreign investors on the back of the economic reforms have boosted productivity and accelerated growth

- FDI at US\$1,645mln (11.5% of GDP) in 2016 (up 5.2% y-o-y)
- FDI averaged 9.8% of GDP in 2007-2016
- Productivity gains accounted for 66% of the annual average 5.6% growth over 1999-2012, according to the World Bank

Support from international community

Georgia and the EU signed an Association Agreement and DCFTA in June 2014

- Visa-free travel to the EU is another major success in Georgian foreign policy. Georgian passport holders were granted free entrance to the EU countries from 28 March 2017
- Discussions commenced with the USA to drive inward investments and exports
- Strong political support from NATO, EU, US, UN and member of WTO since 2000; Substantial support from DFIs, the US and EU

Electricity transit hub potential

Developed, stable and competitively priced energy sector

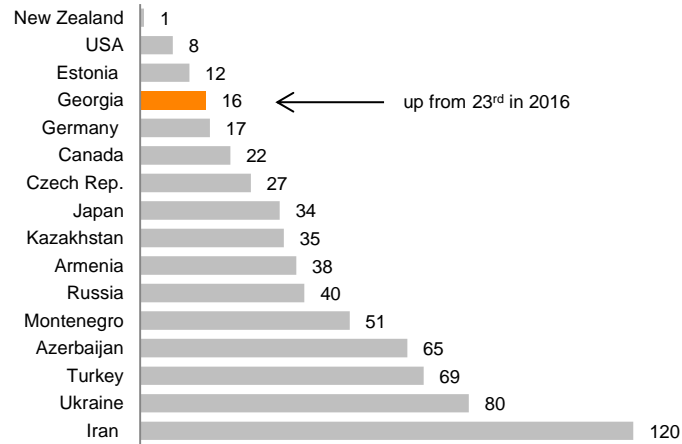
- Only 20% of hydropower capacity utilized; 120 renewable (HPPs/WPPs/SPPs) energy power plants are in various stages of construction or development
- Georgia imports natural gas mainly from Azerbaijan
- Significantly boosted transmission capacity in recent years, a new 400 kV line to Turkey and 500 kV line to Azerbaijan built, other transmission lines to Armenia and Russia upgraded
- Additional 5,000 MW transmission capacity development in the pipeline, facilitating cross-border electricity trade and energy swaps to Eastern Europe

Political environment stabilised

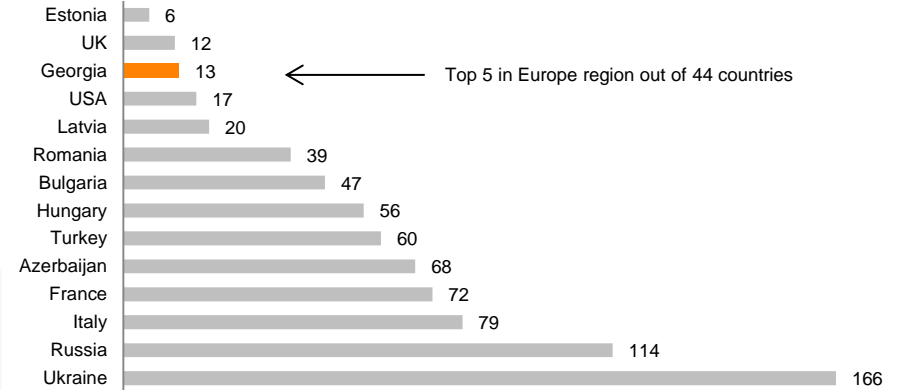
- Georgia underscored its commitment to European values by securing a democratic transfer of political power in successive parliamentary, presidential, and local elections and by signing an Association Agreement and free trade agreement with the EU
- New constitution amendments passed in 2013 to enhance governing responsibility of Parliament and reduce the powers of the Presidency
- Continued economic relationship with Russia, although economic dependence is relatively low
- Russia began issuing visas to Georgians in March 2009; Georgia abolished visa requirements for Russians -The Russian side announced to ease visa procedures for Georgians citizens effective December 23, 2015
- Direct flights between the two countries resumed in January 2010
- Member of WTO since 2000, allowed Russia's access to WTO; In 2013 trade restored with Russia
- In 2016, Russia accounted for 9.8% of Georgia's exports and 6.9% of imports; just 3.6% of cumulative FDI over 2003-2016

Growth oriented reforms

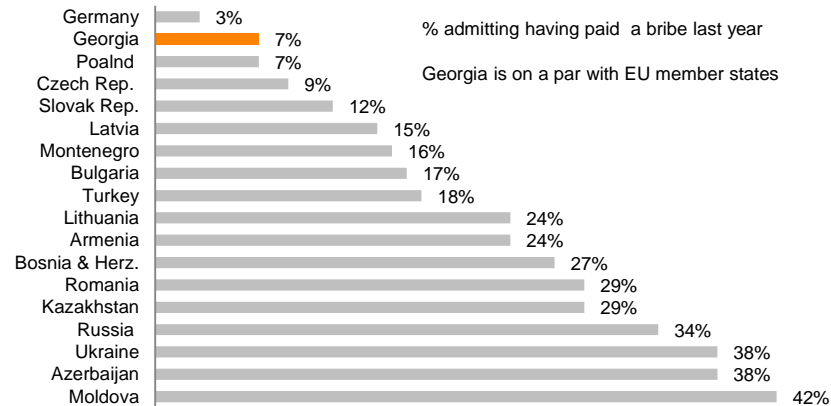
Ease of Doing Business | 2017 (WB-IFC Doing Business Report)



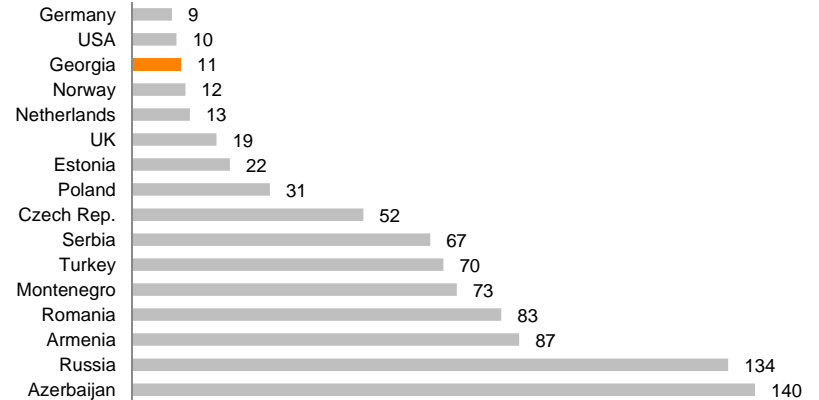
Economic Freedom Index | 2017 (Heritage Foundation)



Global Corruption Barometer | TI 2016



Business Bribery Risk, 2014 | Trace International



Sources: Transparency International, Heritage Foundation, World Bank, Trace International

Government 4-pillar of reforms

Structural Reforms

Tax Reform	<ul style="list-style-type: none"> Corporate income tax reform Enhancing easiness of tax compliance
Capital Market Reform	<ul style="list-style-type: none"> Boosting stock exchange activities Developing of local bond market
Pension Reform	<ul style="list-style-type: none"> Introduction of private pension system
PPP Reform	<ul style="list-style-type: none"> Introduction of transparent and efficient PPP framework
Public Investment Management Framework	<ul style="list-style-type: none"> Improved efficiency of state projects
Deposit Insurance	<ul style="list-style-type: none"> Boosting private savings Enhancing trust to financial system
Accounting Reform	<ul style="list-style-type: none"> Increased transparency and financial accountability Enhanced protection of shareholder rights
Association Agreement Agenda	

Promoting Open Governance

Improvement of public services offered to the private sector	<ul style="list-style-type: none"> Creation of "Front Office" Application of "Single Window Principle"
Involvement of the private sector in legislative process	<ul style="list-style-type: none"> Discussion of draft legislation at an early stage
Strict monitoring of implementation of government decisions	<ul style="list-style-type: none"> Creation of a special unit for monitoring purposes

Promoting Transit & Tourism Hub

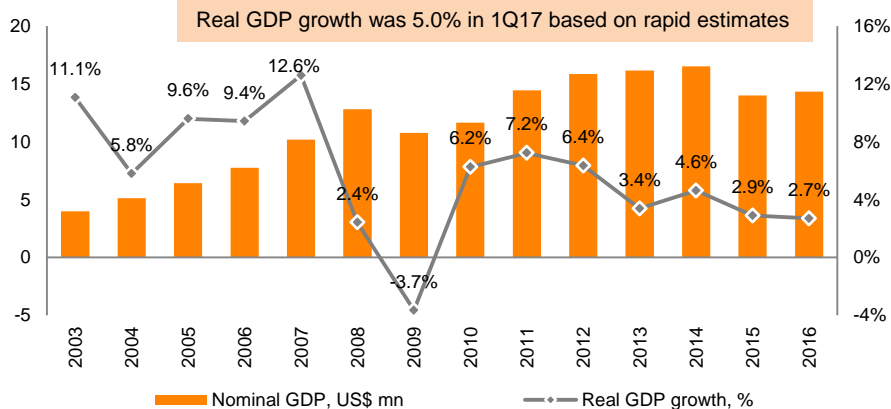
Roads	<ul style="list-style-type: none"> Plan to finish all spinal projects by 2020 – East-West Highway, other supporting infrastructure
Rail	<ul style="list-style-type: none"> Baku – Tbilisi Kars new railroad line Railway modernization project
Air	<ul style="list-style-type: none"> Tbilisi International Airport <ul style="list-style-type: none"> 2nd runway to be constructed International Cargo terminal
Maritime	<ul style="list-style-type: none"> Anaklia deep water Black Sea port <ul style="list-style-type: none"> Strategic location Capable of accommodating Panamax type cargo vessels High capacity – up to 100mln tons turnover annually Up to USD 1bln for first phase (out of 9) in Georgia

Education Reform

General Education Reform	<ul style="list-style-type: none"> Maximising quality of teaching in secondary schools
Fundamental Reform of Higher Education	<ul style="list-style-type: none"> Based on the comprehensive research of the labor market needs
Improvement of Vocational Education	<ul style="list-style-type: none"> Increase involvement of the private sector in the professional education

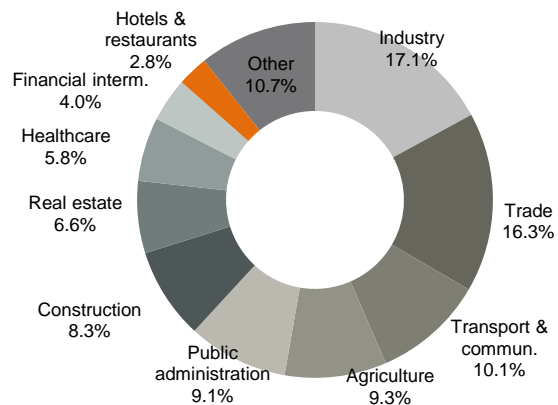
Diversified resilient economy

Gross domestic product



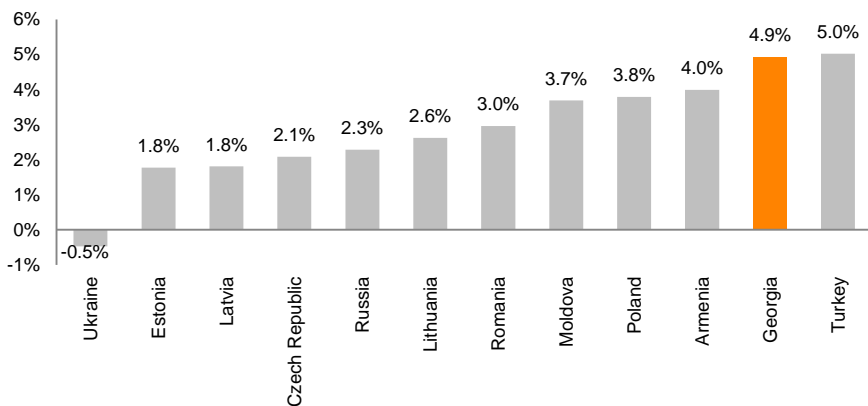
Source: Geostat

Diversified nominal GDP structure, 2016



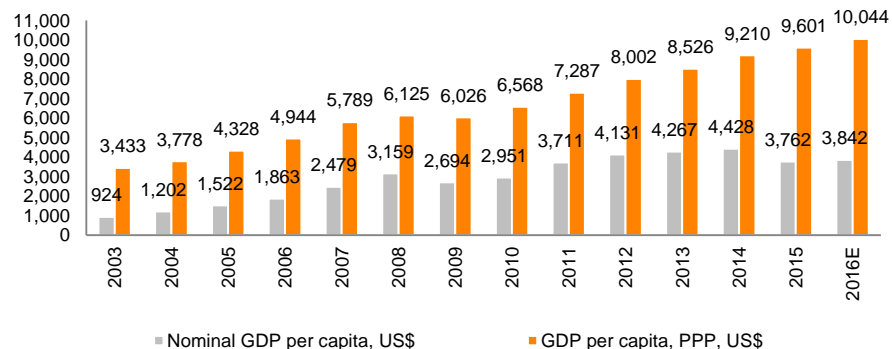
Source: Geostat

Comparative real GDP growth rates, % (2006-2016 average)



Sources: IMF

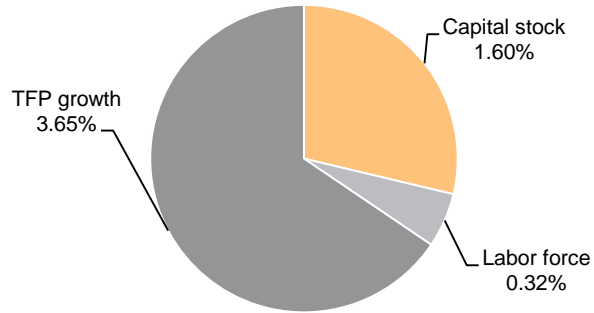
GDP per capita



Sources: IMF

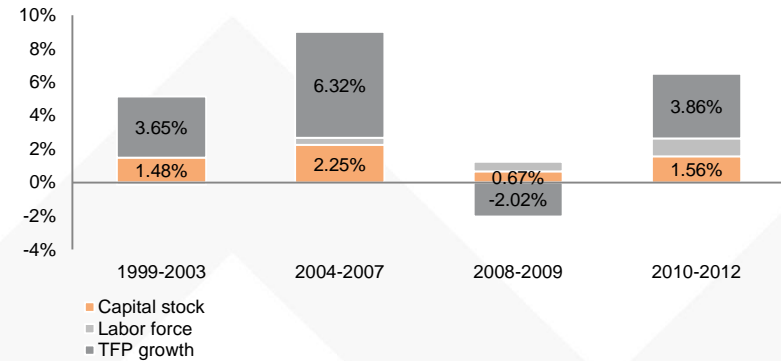
Productivity gains have been the main engine of growth since 2004

Overall contribution of capital, labour, and Total Factor Productivity (TFP) to growth, 1999-2012



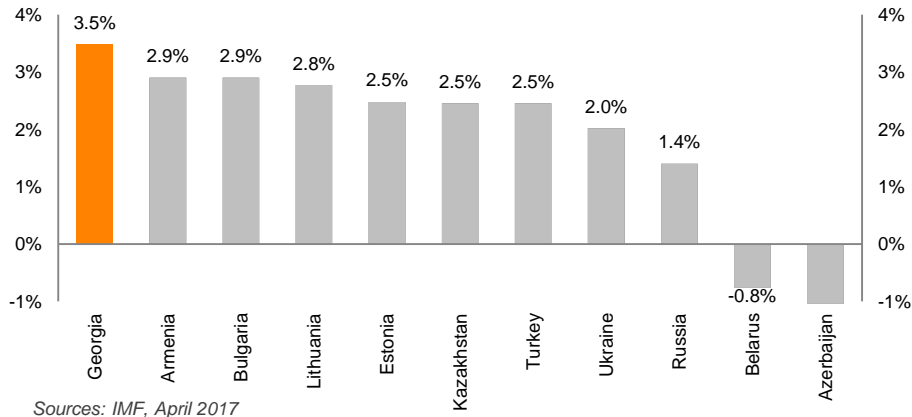
Source: Georgia Rising (2013), WB

Contributions of capital, labour, and TFP to growth during periods



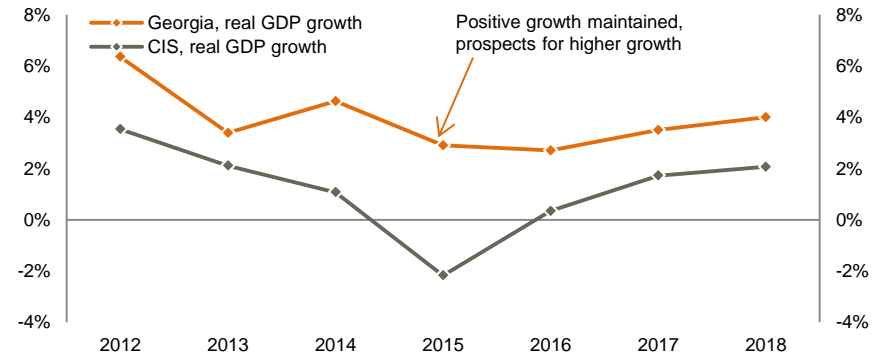
Source: Georgia Rising (2013), WB

Real GDP growth projection, 2017



Sources: IMF, April 2017

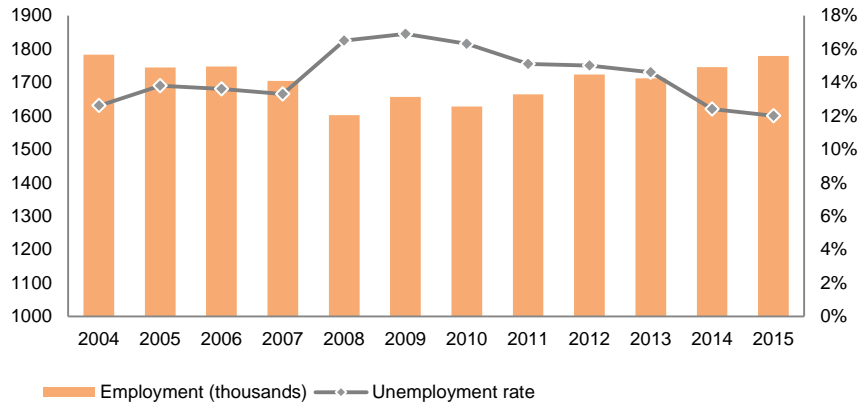
Georgia vs. CIS, effects of 2014-15 commodity price shock



Sources: IMF, April 2017

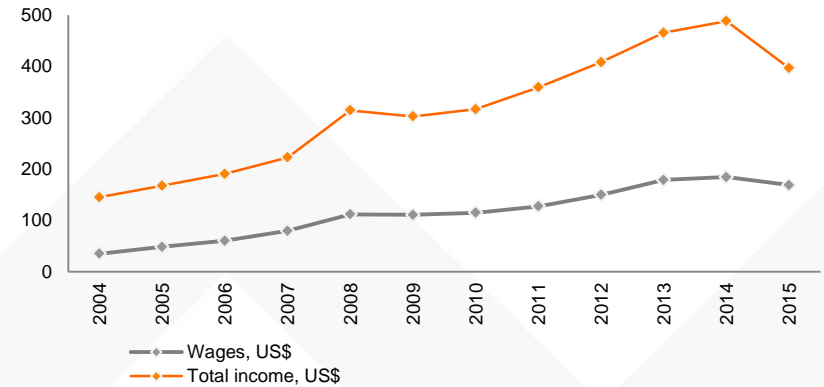
Further job creation is achievable

Unemployment rate down 0.4ppts y/y to 12.0% in 2015



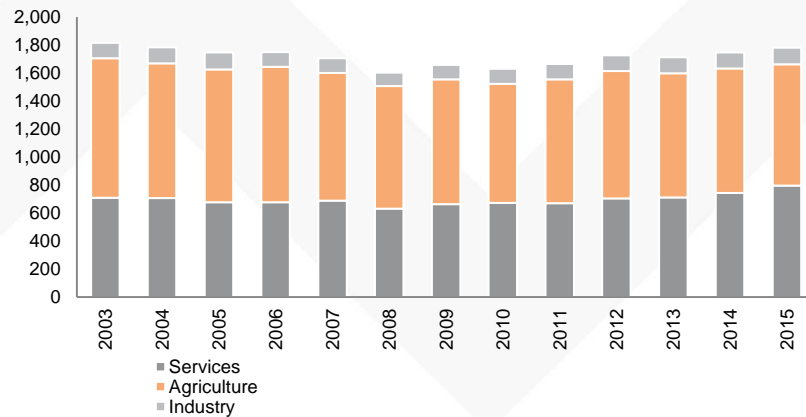
Sources: GeoStat

Average monthly wages and income per household



Sources: GeoStat

Share of services in total employment has increased



Source: GeoStat

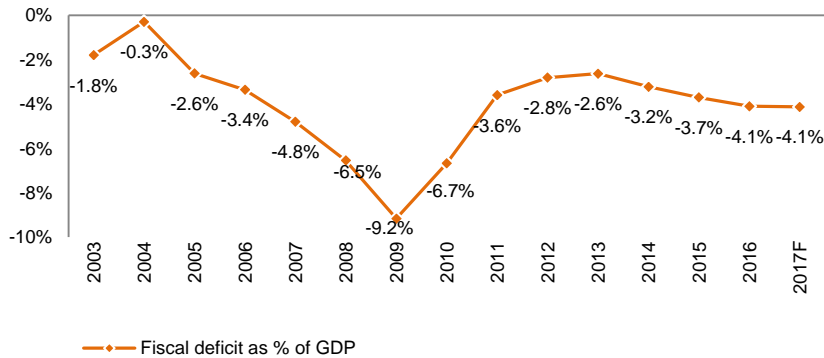
Note: services include construction

Hired workers account for 42.3% in total employment in 2015



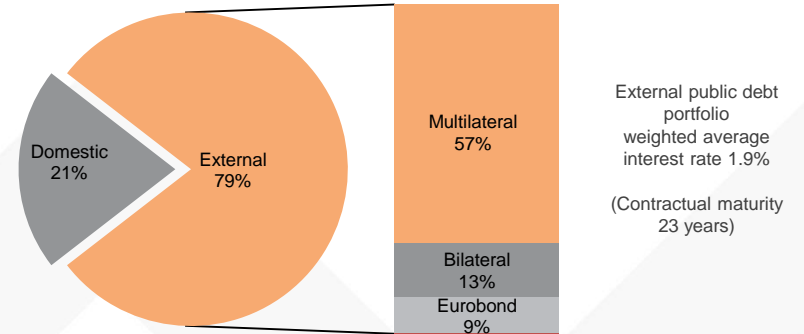
Sources: GeoStat

Fiscal deficit



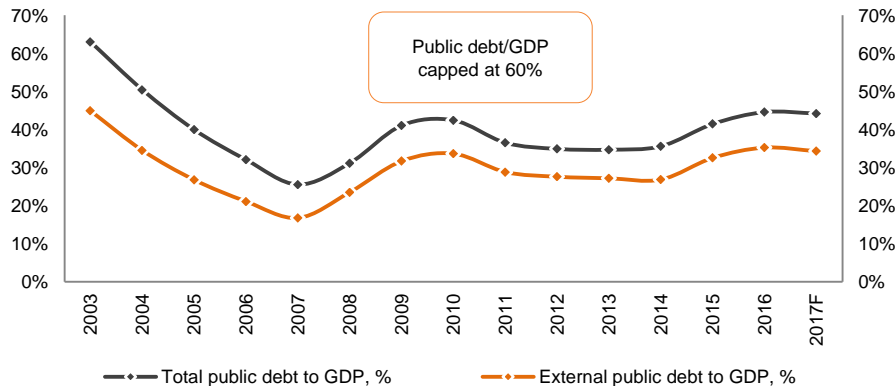
Source: Ministry of Finance of Georgia
 Note: Deficit calculated based on IMF's GFSM-1986 methodology

Breakdown of public debt



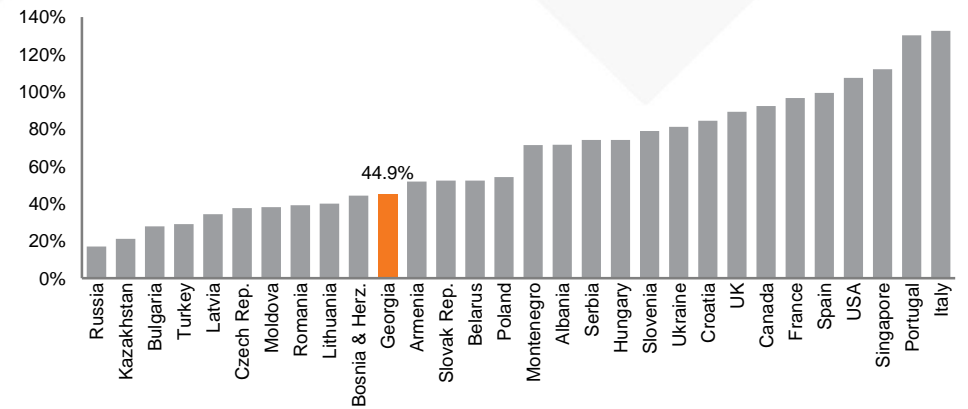
Source: Ministry of Finance of Georgia, as of end-2016

Public debt as % of GDP



Sources: Ministry of Finance of Georgia, Geostat

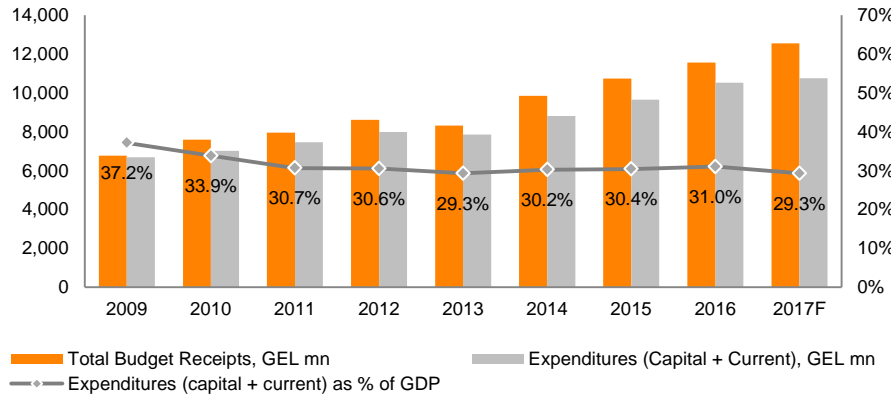
Gross government debt/GDP, 2016



Source: IMF

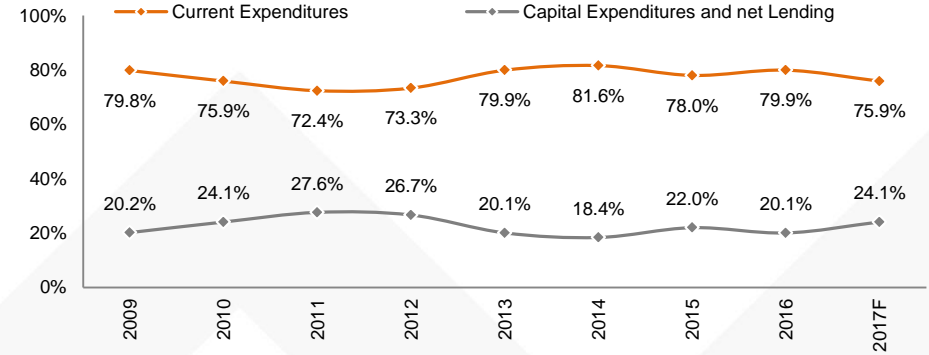
Investing in infrastructure and spending low on social

Revenues and expenditures, consolidated budget



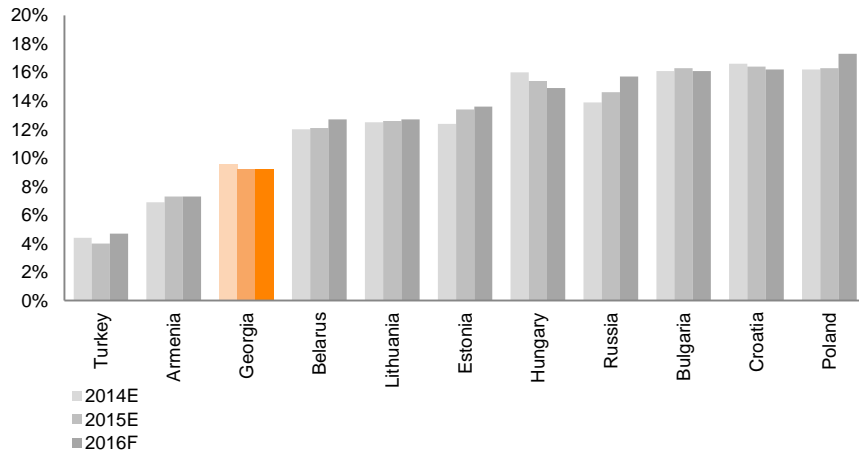
Source: Ministry of Finance, GeoStat

Current and capital expenditure



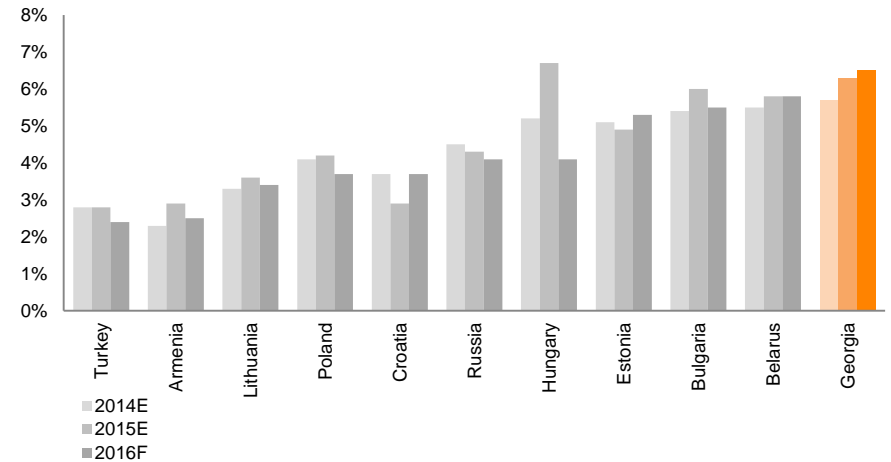
Sources: Ministry of Finance

Government social expenditure as % of GDP

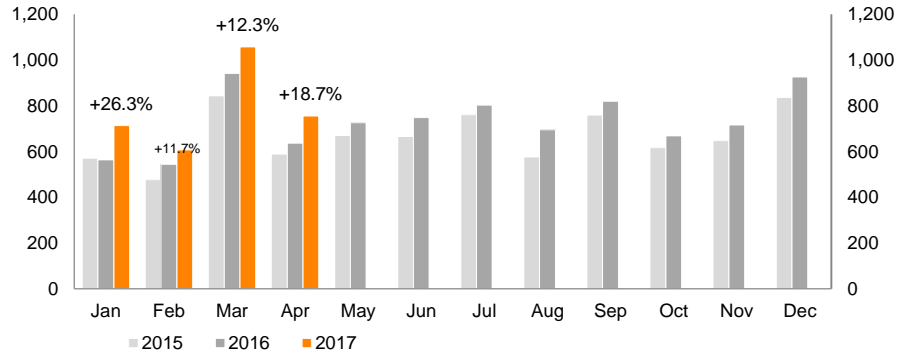


Source: IMF

Government capital expenditure as % of GDP

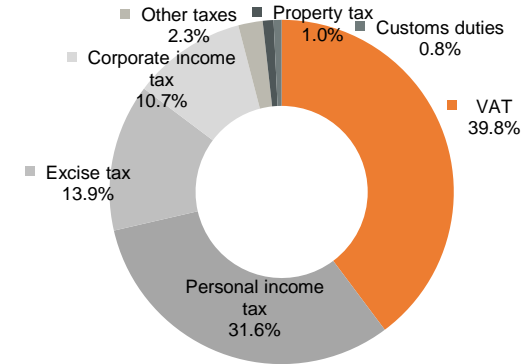


Consolidated budget tax revenues, GEL mn



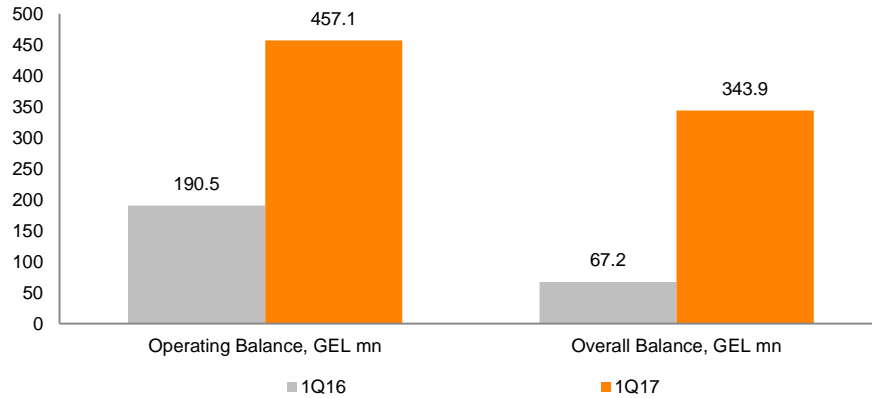
Source: Ministry of Finance

Consolidated budget tax revenues breakdown, 4M17



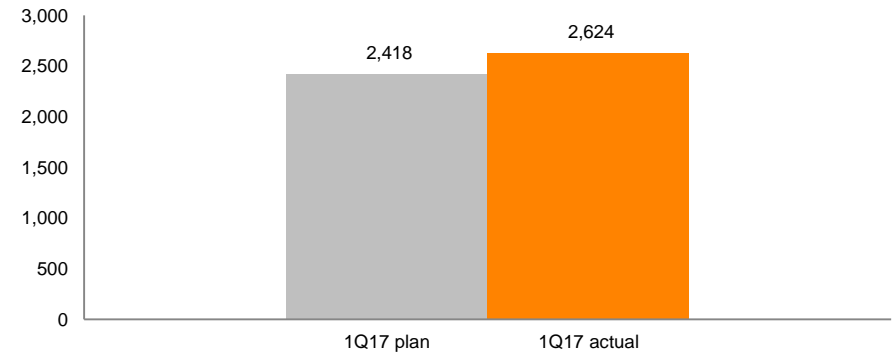
Sources: Ministry of Finance

Consolidated budget balance



Source: Ministry of Finance

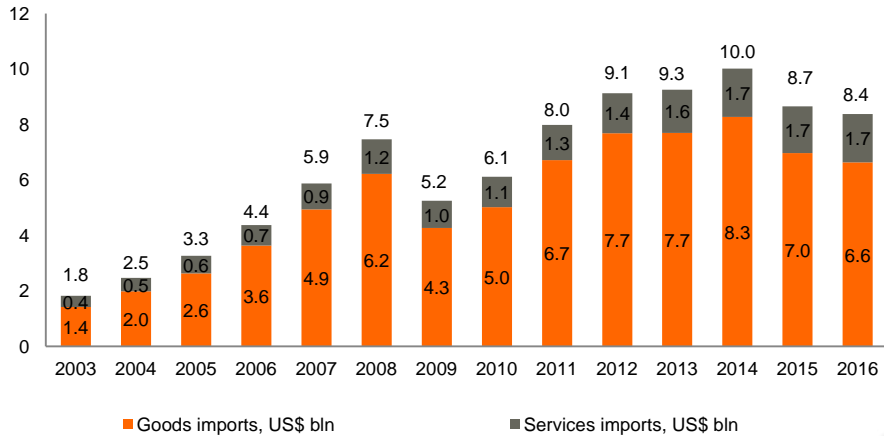
Consolidated budget revenues above budgeted in 1Q17



Source: Ministry of Finance

Diversified foreign trade

Imports of goods and services



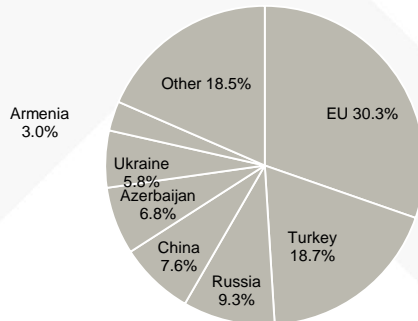
Source: NBG – BOP statistics

Exports of goods and services



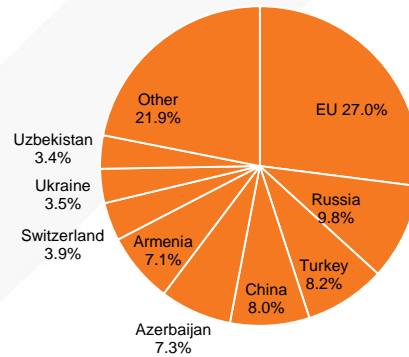
Source: NBG – BOP statistics

Imports, 2016



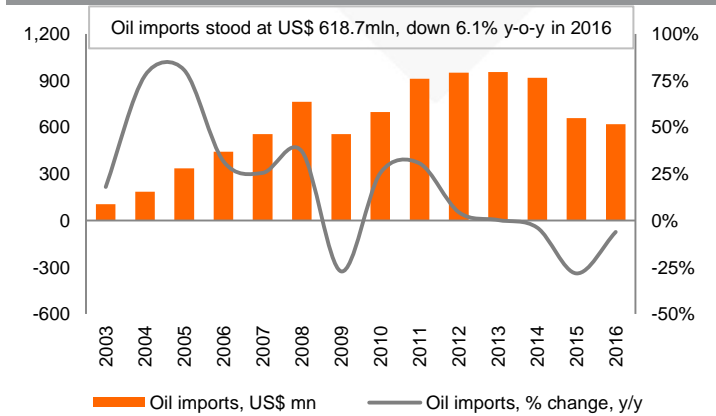
Sources: GeoStat

Exports, 2016



Sources: GeoStat

Oil imports

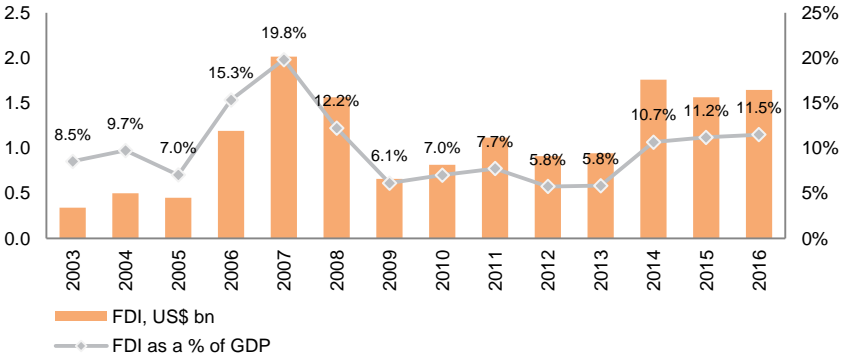


Sources: GeoStat

Diversified sources of capital

Strong foreign investor interest

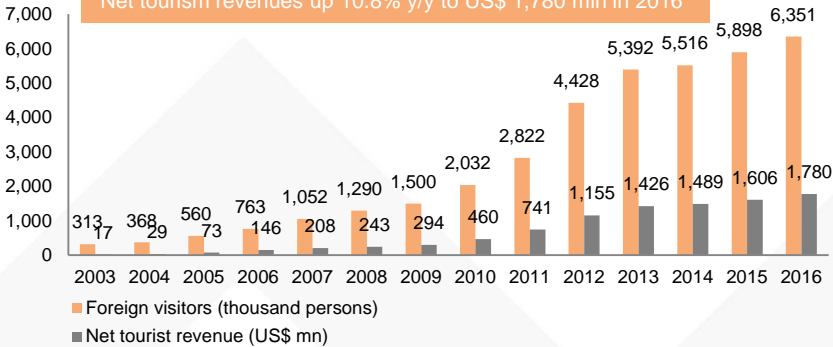
FDI stood at US\$ 1,645mln, up 5.2% y/y in 2016



Sources: GeoStat

Tourist arrivals and revenues on the rise

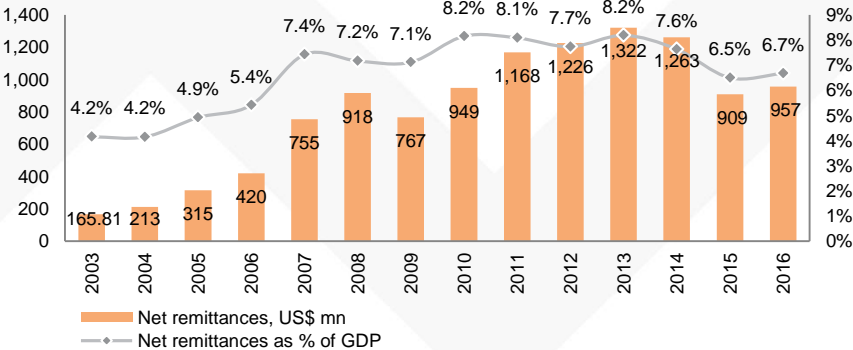
6.4mln visitors in 2016, up 7.6% y/y
Net tourism revenues up 10.8% y/y to US\$ 1,780 mln in 2016



Sources: Georgian National Tourism Agency, National Bank of Georgia

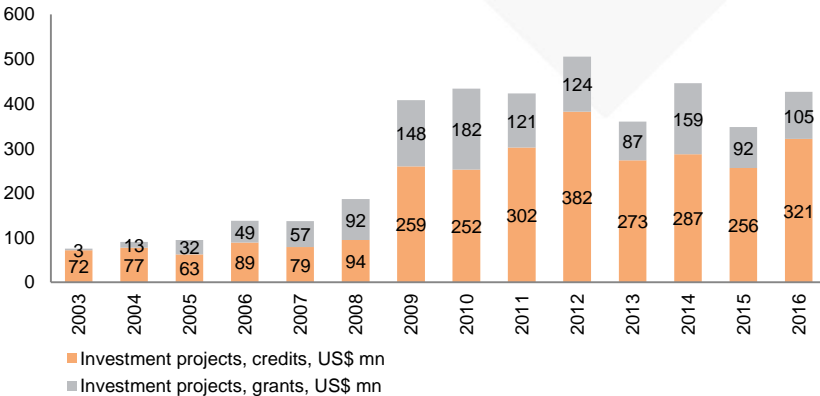
Remittances - steady source of external funding

US\$ 957.2mln in 2016, up 5.3% y/y



Source: National Bank of Georgia

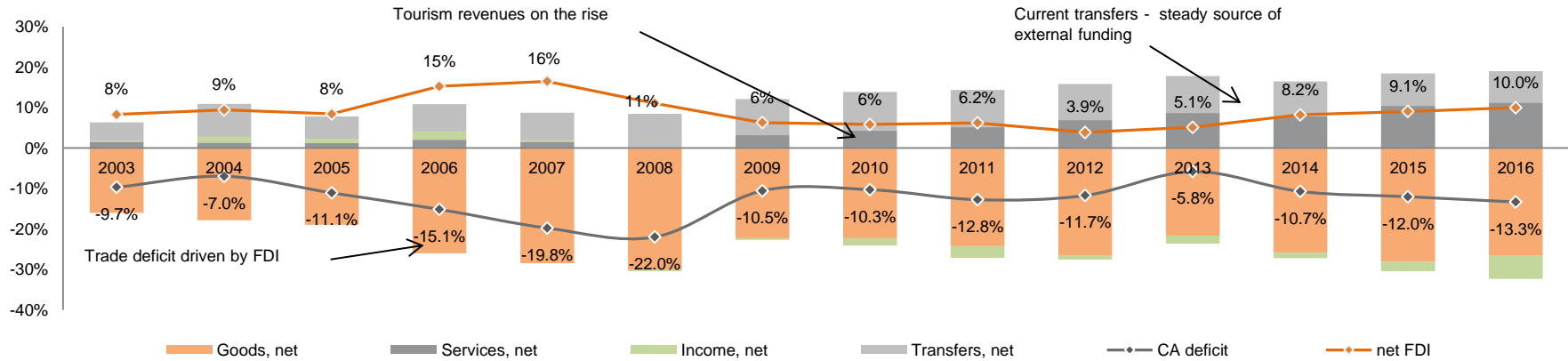
Donor funding for public infrastructure projects



Source: Ministry of Finance of Georgia

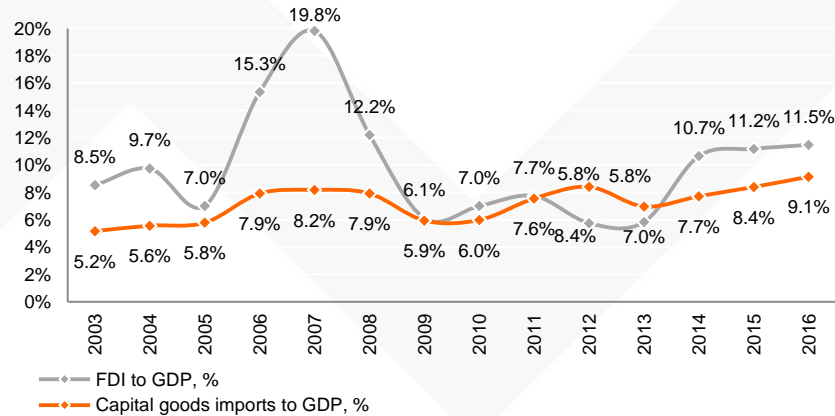
Current account deficit supported by FDI

Current account balance (% of nominal GDP)



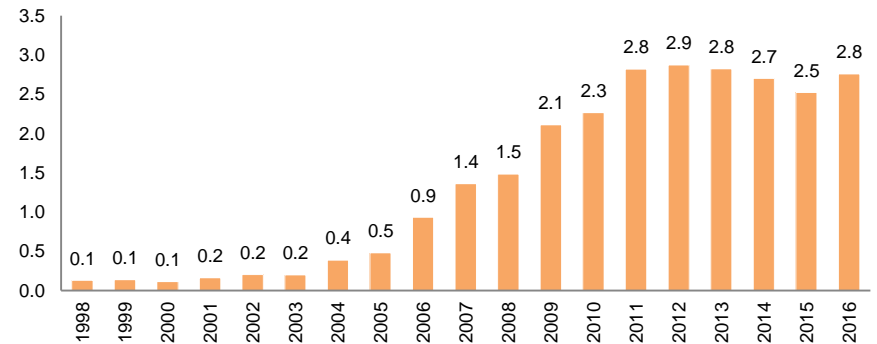
Sources: GeoStat, NBG

FDI and capital goods import



Source: GeoStat

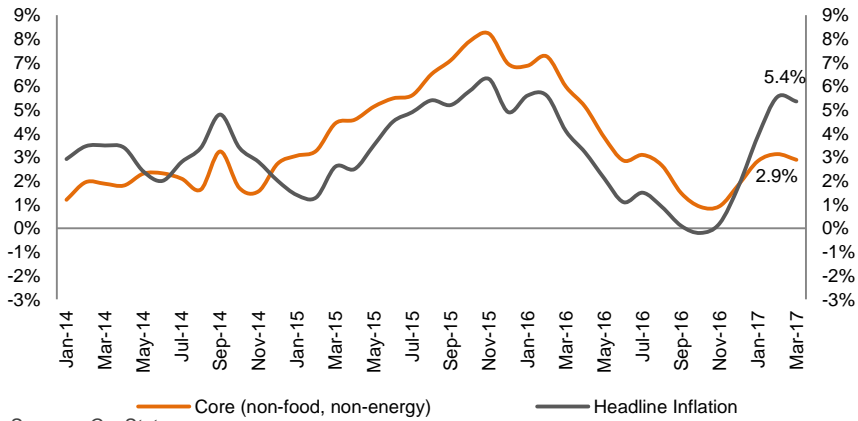
Building international reserves



Source: NBG

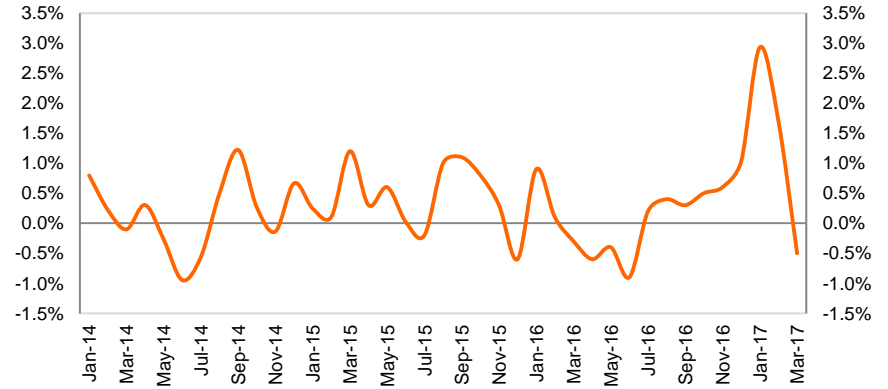
Inflation targeting since 2009

Annual inflation



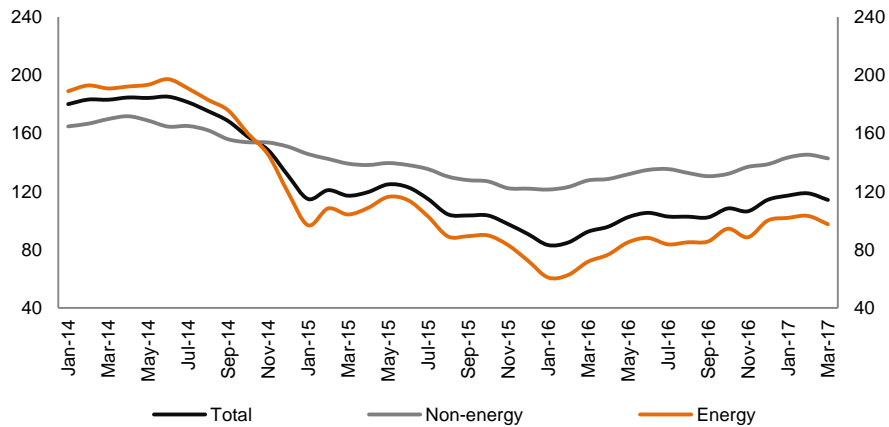
Sources: GeoStat

Monthly inflation rate



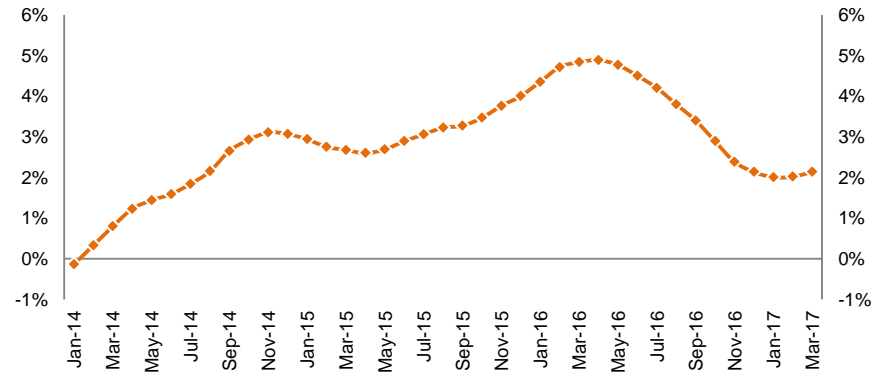
Sources: GeoStat

World commodity prices indices



Source: IMF
Note: Jan2005=100

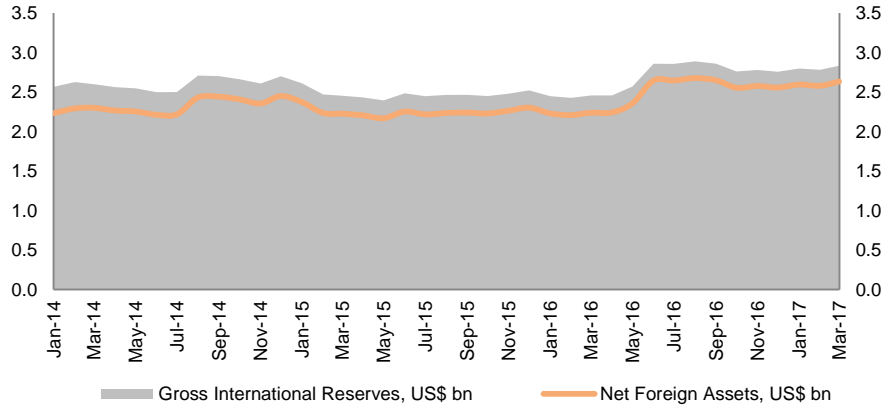
Average inflation rate



Source: GeoStat

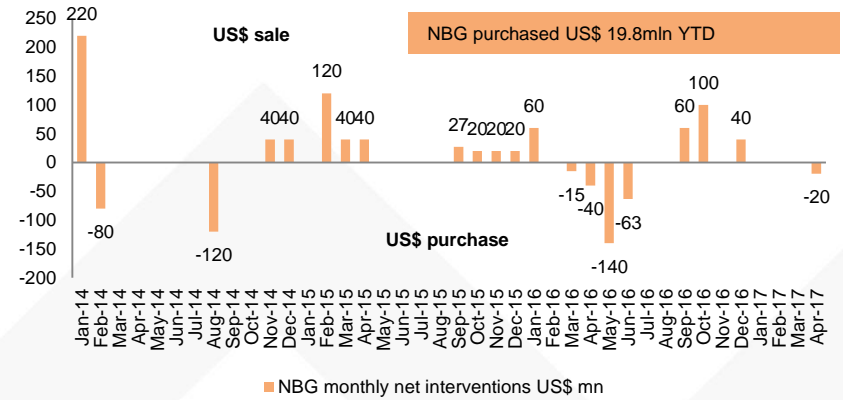
International reserves-sufficient to finance more than 3 months of imports

International reserves



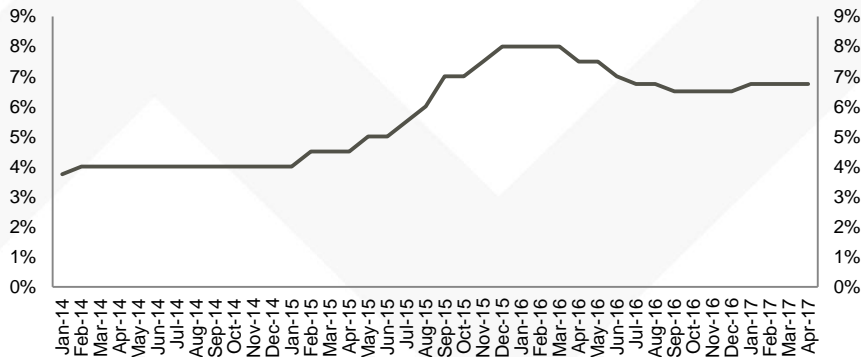
Sources: NBG

Central Bank's interventions



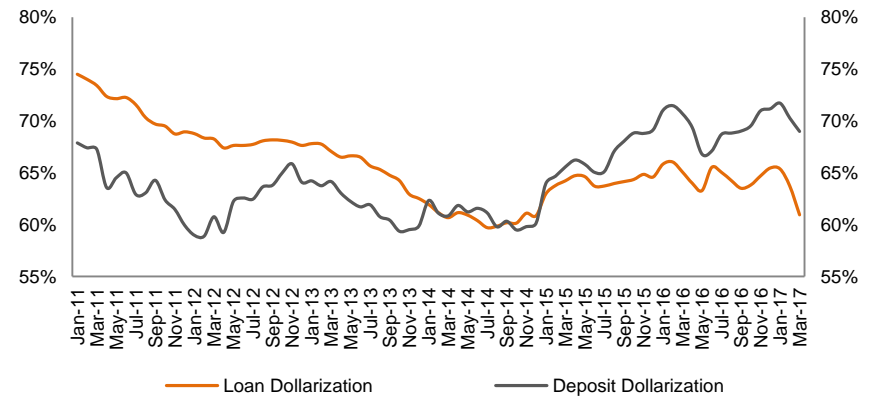
Sources: NBG

Monetary policy rate



Source: NBG

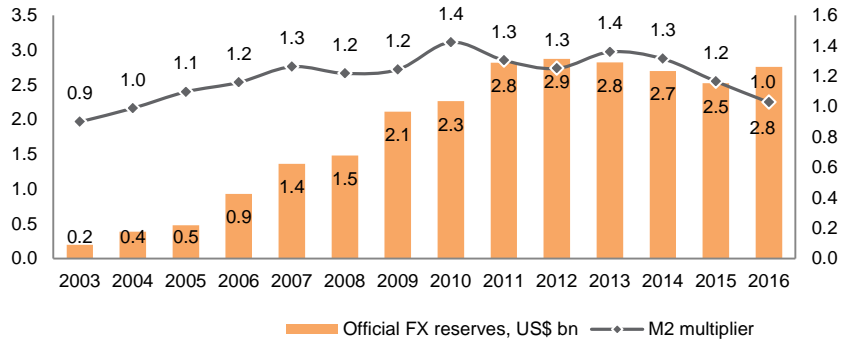
Dollarization



Source: NBG

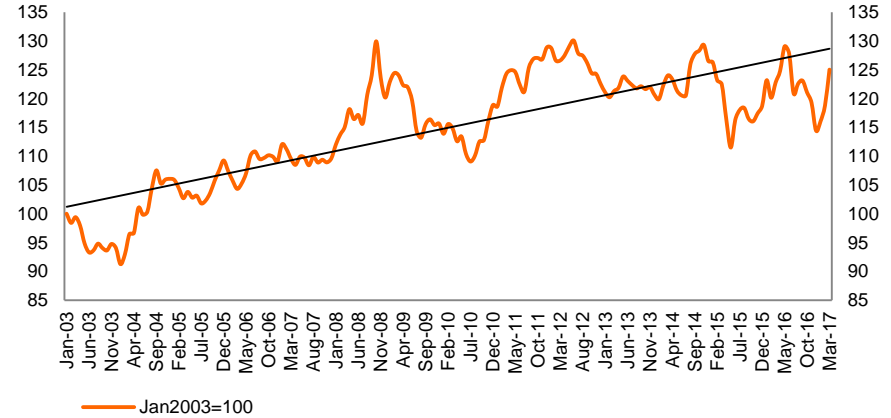
Floating exchange rate - Policy priority

FX reserves

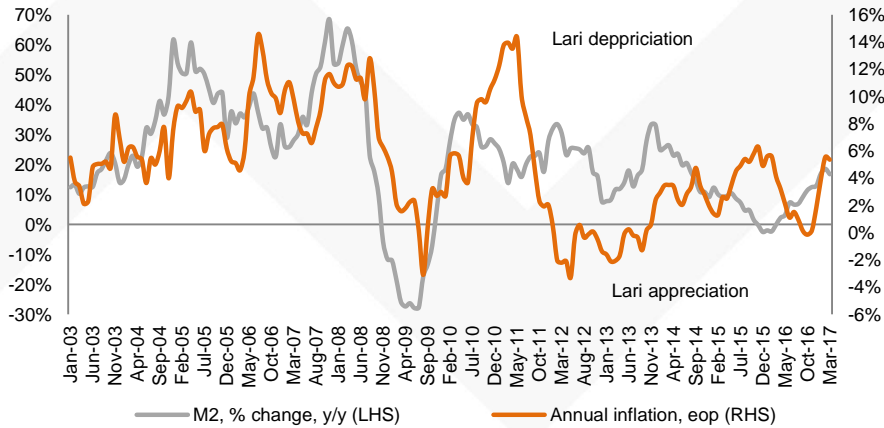


Sources: NBG

Real effective exchange rate (REER)

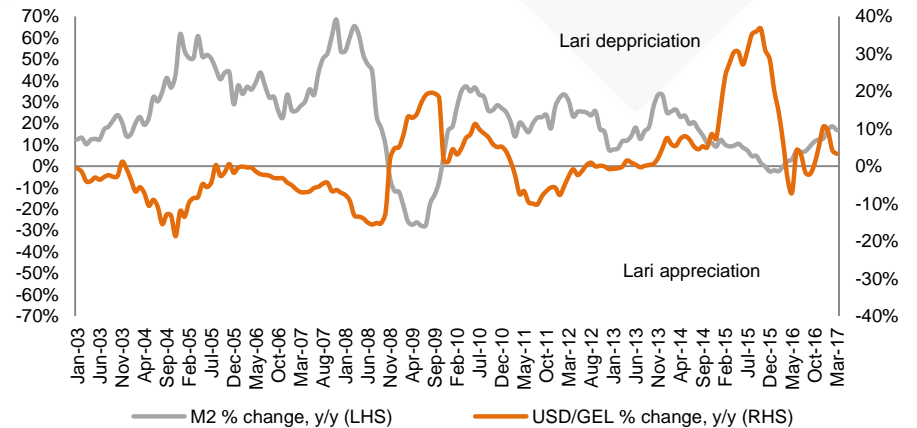


M2 and annual inflation



Source: NBG

M2 and USD/GEL



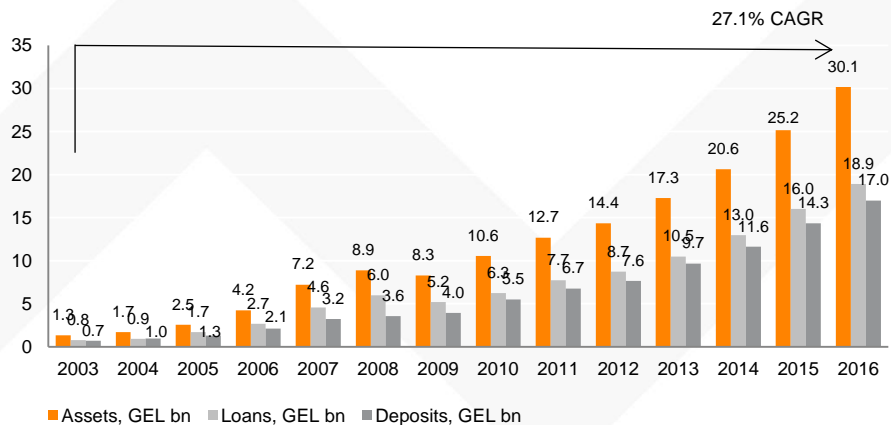
Source: NBG

Summary

- **Prudent regulation ensuring financial stability**
 - High level of liquidity requirements from NBG at 30% of liabilities, resulting in banking sector liquid assets to client deposits of 40% as of Dec 2016
- **Resilient banking sector**
 - Demonstrated strong resilience towards both domestic and external shocks *without single bank going bankrupt*
 - **No nationalization** of the banks and no government ownership since 1994
 - **Very low leverage** with retail loans estimated at 28% of GDP and total loans at 54% of GDP as of 2016 resulting in low number of defaults in face of different shocks to the economy

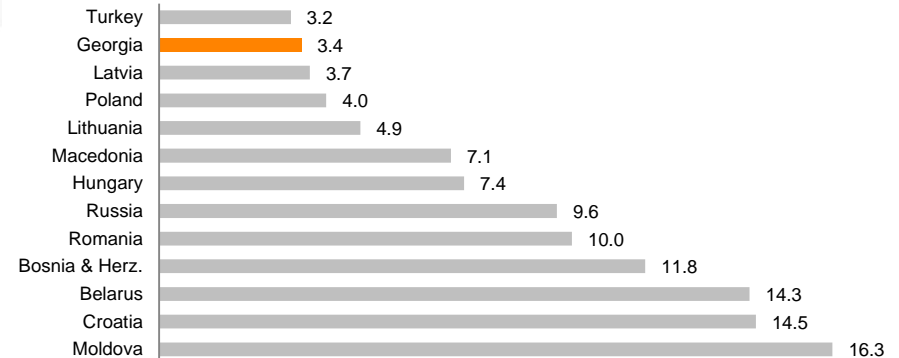
Source: National Bank of Georgia, GeoStat

Banking sector assets, loans and deposits



Source: NBG

NPLs to Gross loans (%), 2016

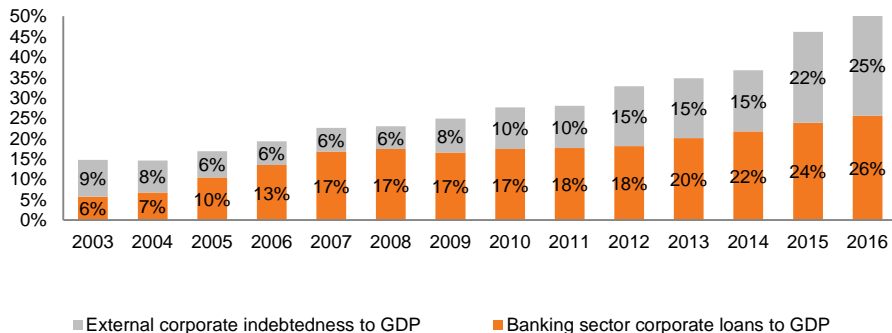


Source: IMF

Note: As of 4Q16 for Georgia, Moldova, Romania, Hungary, Poland and Latvia; rest provided as of 3Q16

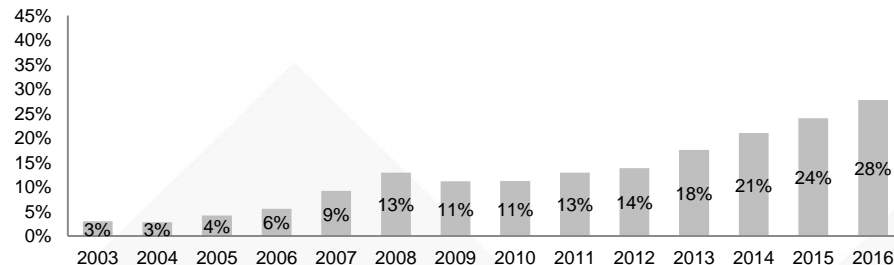
Underpenetrated retail banking sector provides room for further growth

Corporate loans to GDP



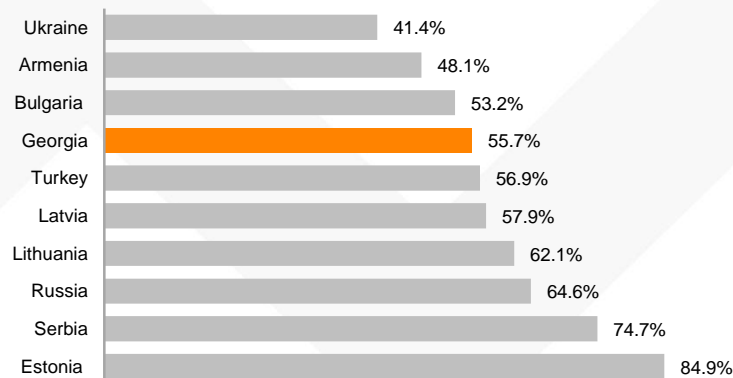
Source: NBG, GeoStat

Households loans to GDP



Source: NBG, GeoStat

Banking Sector loans to GDP, 2016



Source: IMF, Central Banks

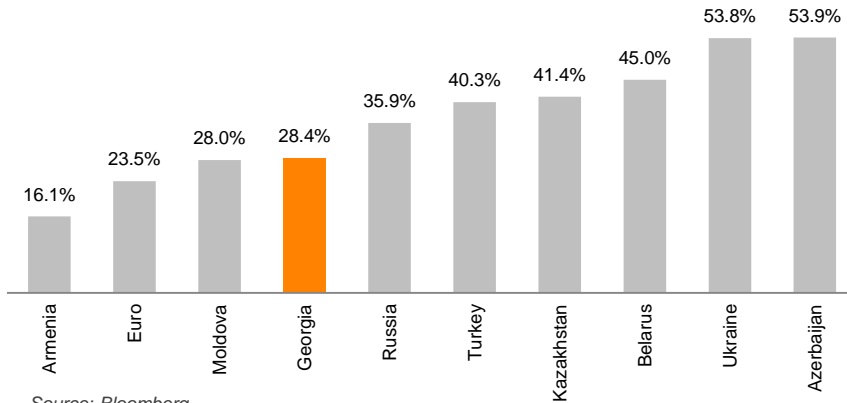
Georgian banks better placed due to sound financials

Country	Fitch	Rating Outlook	Sector Outlook
Armenia	B+	Stable	Negative
Azerbaijan	BB+	Negative	Negative
Belarus	B-	Stable	Negative
Georgia	BB-	Stable	Stable
Kazakhstan	BBB	Stable	Negative
Russia	BBB-	Stable	Negative
Ukraine	CCC	None	Negative

Source: Fitch

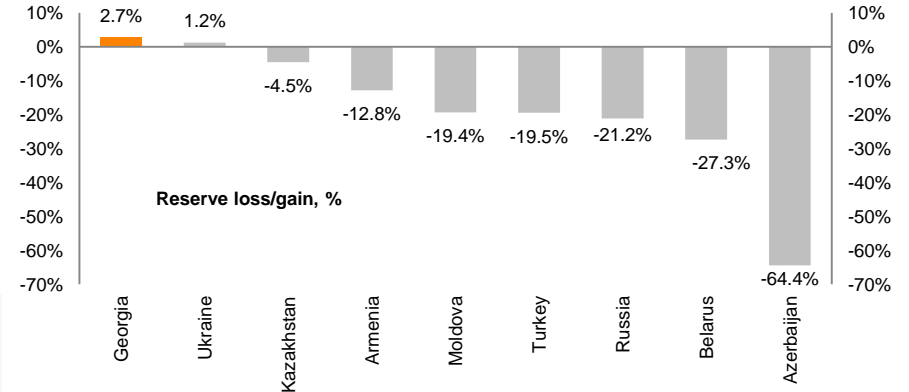
Flexible FX regime shielded reserves and supported to macro stability

Currency weakening vs. US\$



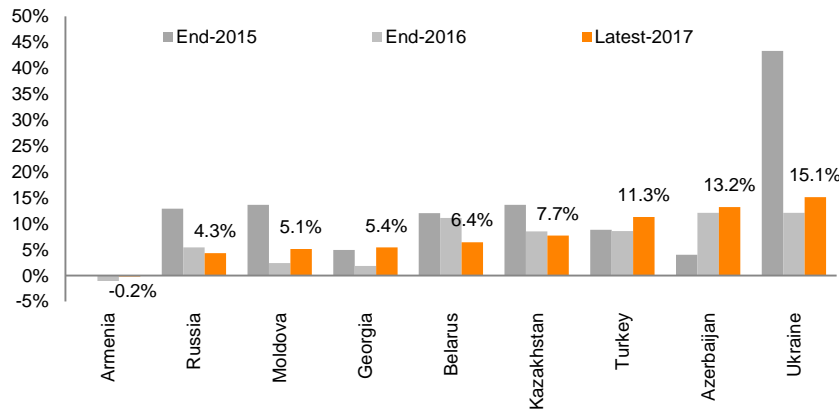
Source: Bloomberg
Note: US\$ per unit of national currency, period 1-Aug-2014 – 24-Apr-2017

Georgia used less reserves to support GEL



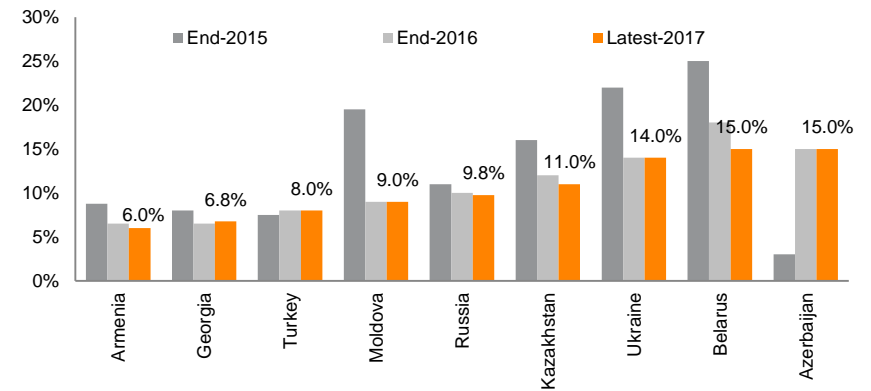
Source: IMF
Note: Feb-2017 vs Aug-2014; Armenia's reserves exclude a US\$ 500mn Eurobond issued in March 2015

inflation remains low in Georgia...



Source: National Statistics Offices

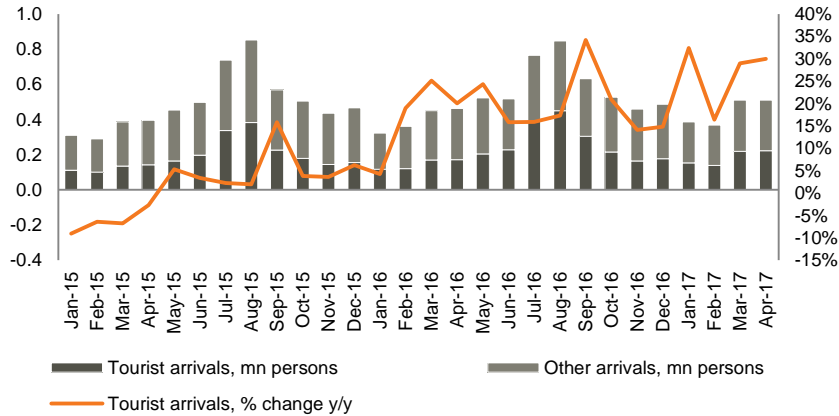
... and monetary policy rate remains low vs. peers



Source: Central banks

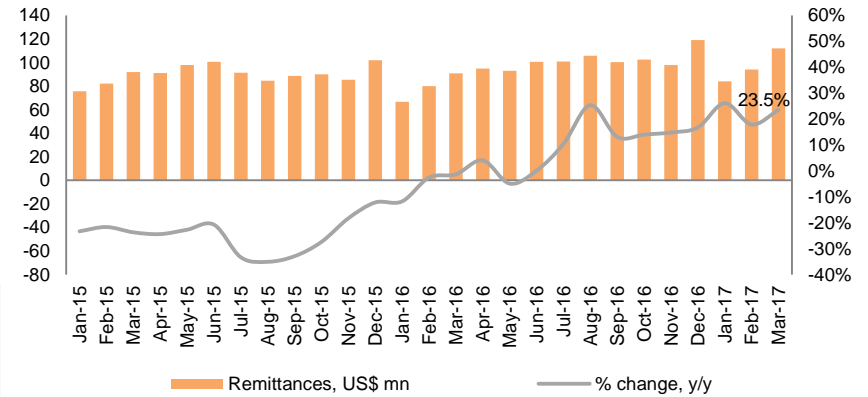
Recent trend– Tourist arrivals/revenues, exports, and remittances up

Tourist arrivals continue strong growth



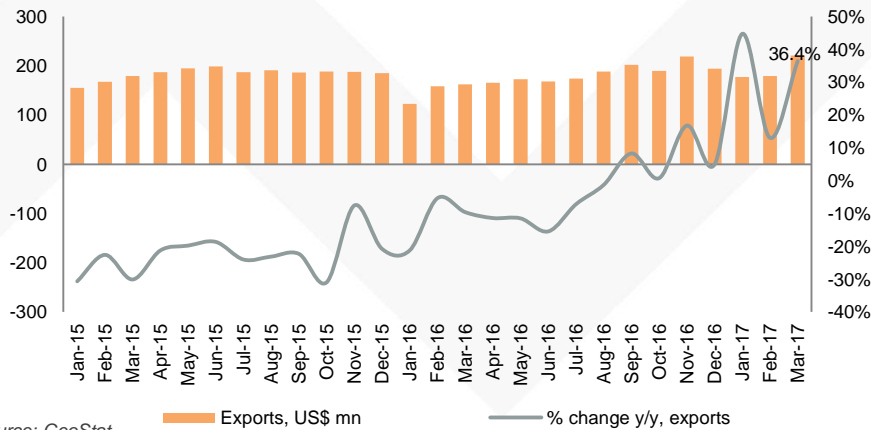
Source: GNTA

Remittances up from all major countries



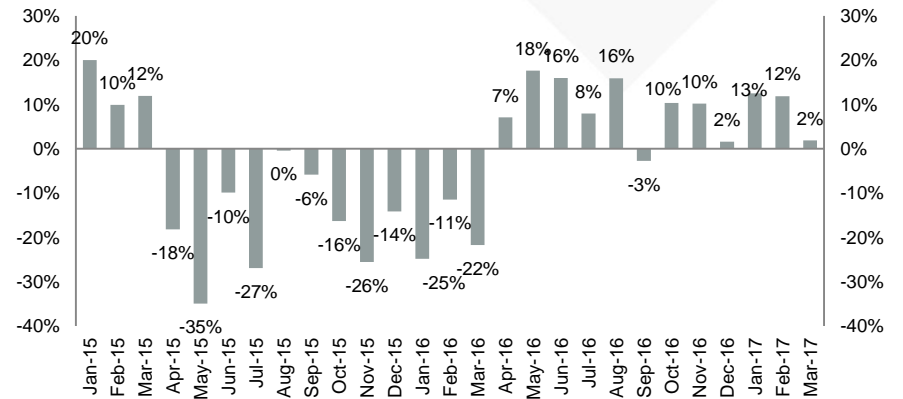
Source: NBG

Exports up since September 2016



Source: GeoStat

Trade deficit up since Apr-16 as imports recovered from low base



Source: GeoStat

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Income Statement – Quarterly

GEL thousands, unless otherwise noted	BGEO Consolidated					Banking Business					Investment Business					Eliminations		
	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q	1Q17	1Q16	4Q16
Banking interest income	265,662	224,810	18.2%	256,457	3.6%	267,521	226,217	18.3%	258,414	3.5%	-	-	-	-	-	(1,859)	(1,407)	(1,957)
Banking interest expense	(104,996)	(95,958)	9.4%	(101,054)	3.9%	(105,874)	(95,998)	10.3%	(100,043)	5.8%	-	-	-	-	-	878	40	(1,011)
Net banking interest income	160,666	128,852	24.7%	155,403	3.4%	161,647	130,219	24.1%	158,371	2.1%	-	-	-	-	-	(981)	(1,367)	(2,968)
Fee and commission income	43,267	38,149	13.4%	48,588	-11.0%	43,663	38,484	13.5%	50,135	-12.9%	-	-	-	-	-	(396)	(335)	(1,547)
Fee and commission expense	(13,382)	(10,335)	29.5%	(13,263)	0.9%	(13,528)	(10,469)	29.2%	(13,490)	0.3%	-	-	-	-	-	146	134	227
Net fee and commission income	29,885	27,814	7.4%	35,325	-15.4%	30,135	28,015	7.6%	36,645	-17.8%	-	-	-	-	-	(250)	(201)	(1,320)
Net banking foreign currency gain	19,274	17,390	10.8%	28,516	-32.4%	19,274	17,390	10.8%	28,516	-32.4%	-	-	-	-	-	-	-	-
Net other banking income	3,006	2,867	4.8%	2,199	36.7%	3,095	3,168	-2.3%	2,506	23.5%	-	-	-	-	-	(89)	(301)	(307)
Net insurance premiums earned	25,795	21,824	18.2%	26,046	-1.0%	12,847	9,550	34.5%	11,559	11.1%	13,872	12,924	7.3%	15,318	-9.4%	(924)	(650)	(831)
Net insurance claims incurred	(15,572)	(15,408)	1.1%	(16,875)	-7.7%	(5,637)	(4,207)	34.0%	(5,114)	10.2%	(9,935)	(11,201)	-11.3%	(11,761)	-15.5%	-	-	-
Gross insurance profit	10,223	6,416	59.3%	9,171	11.5%	7,210	5,343	34.9%	6,445	11.9%	3,937	1,723	128.5%	3,557	10.7%	(924)	(650)	(831)
Healthcare and pharmacy revenue	172,131	58,348	195.0%	118,799	44.9%	-	-	-	-	-	172,131	58,348	195.0%	118,799	44.9%	-	-	-
Cost of healthcare and pharmacy services	(119,789)	(32,057)	NMF	(76,578)	56.4%	-	-	-	-	-	(119,789)	(32,057)	NMF	(76,578)	56.4%	-	-	-
Gross healthcare and pharmacy profit	52,342	26,291	99.1%	42,221	24.0%	-	-	-	-	-	52,342	26,291	99.1%	42,221	24.0%	-	-	-
Real estate revenue	19,893	28,764	-30.8%	9,813	102.7%	-	-	-	-	-	20,202	28,764	-29.8%	10,507	92.3%	(309)	-	(694)
Cost of real estate	(17,192)	(22,786)	-24.6%	(8,474)	102.9%	-	-	-	-	-	(17,192)	(22,786)	-24.6%	(8,474)	102.9%	-	-	-
Gross real estate profit	2,701	5,978	-54.8%	1,339	101.7%	-	-	-	-	-	3,010	5,978	-49.6%	2,033	48.1%	(309)	-	(694)
Utility revenue	27,153	-	NMF	31,608	-14.1%	-	-	-	-	-	27,236	-	NMF	31,679	-14.0%	(83)	-	(71)
Cost of utility	(9,709)	-	NMF	(10,008)	-3.0%	-	-	-	-	-	(9,709)	-	NMF	(10,008)	-3.0%	-	-	-
Gross utility profit	17,444	-	NMF	21,600	-19.2%	-	-	-	-	-	17,527	-	NMF	21,671	-19.1%	(83)	-	(71)
Gross other investment profit	3,993	3,606	10.7%	9,697	-58.8%	-	-	-	-	-	3,981	3,675	8.3%	9,391	-57.6%	12	(69)	306
Revenue	299,534	219,214	36.6%	305,471	-1.9%	221,361	184,135	20.2%	232,483	-4.8%	80,797	37,667	114.5%	78,873	2.4%	(2,624)	(2,588)	(5,885)
Salaries and other employee benefits	(67,531)	(47,413)	42.4%	(64,754)	4.3%	(46,257)	(39,806)	16.2%	(50,052)	-7.6%	(22,051)	(8,250)	167.3%	(15,459)	42.6%	777	643	757
Administrative expenses	(42,733)	(25,016)	70.8%	(40,729)	4.9%	(23,219)	(20,058)	15.8%	(25,714)	-9.7%	(20,151)	(5,346)	NMF	(16,132)	24.9%	637	388	1,117
Banking depreciation and amortisation	(9,759)	(9,138)	6.8%	(9,841)	-0.8%	(9,759)	(9,138)	6.8%	(9,841)	-0.8%	-	-	-	-	-	-	-	-
Other operating expenses	(951)	(1,675)	-43.2%	(2,034)	-53.2%	(761)	(861)	-11.6%	(1,462)	-47.9%	(190)	(814)	-76.7%	(572)	-66.8%	-	-	-
Operating expenses	(120,974)	(83,242)	45.3%	(117,358)	3.1%	(79,996)	(69,863)	14.5%	(87,069)	-8.1%	(42,392)	(14,410)	194.2%	(32,163)	31.8%	1,414	1,031	1,874
Operating income before cost of credit risk / EBITDA	178,560	135,972	31.3%	188,113	-5.1%	141,365	114,272	23.7%	145,414	-2.8%	38,405	23,257	65.1%	46,710	-17.8%	(1,210)	(1,557)	(4,011)
Profit from associates	514	1,866	-72.5%	254	102.4%	514	-	NMF	-	NMF	-	1,866	-100.0%	254	-100.0%	-	-	-
Depreciation and amortization of investment business	(11,236)	(4,910)	128.8%	(9,615)	16.9%	-	-	-	-	-	(11,236)	(4,910)	128.8%	(9,615)	16.9%	-	-	-
Net foreign currency gain from investment business	6,955	(766)	NMF	(6,065)	NMF	-	-	-	-	-	6,955	(766)	NMF	(6,065)	NMF	-	-	-
Interest income from investment business	1,420	956	48.5%	1,551	-8.4%	-	-	-	-	-	2,298	964	138.4%	540	NMF	(878)	(8)	1,011
Interest expense from investment business	(10,309)	(1,382)	NMF	(8,673)	18.9%	-	-	-	-	-	(12,397)	(2,947)	NMF	(11,673)	6.2%	2,088	1,565	3,000
Operating income before cost of credit risk	165,904	131,736	25.9%	165,565	0.2%	141,879	114,272	24.2%	145,414	-2.4%	24,025	17,464	37.6%	20,151	19.2%	-	-	-
Impairment charge on loans to customers	(41,341)	(32,218)	28.3%	(69,920)	-40.9%	(41,341)	(32,218)	28.3%	(69,920)	-40.9%	-	-	-	-	-	-	-	-
Impairment charge on finance lease receivables	(139)	(513)	-72.9%	3,124	NMF	(139)	(513)	-72.9%	3,124	NMF	-	-	-	-	-	-	-	-
Impairment charge on other assets and provisions	(7,765)	(3,412)	127.6%	(3,171)	144.9%	(6,782)	(2,281)	197.3%	(4,077)	66.3%	(983)	(1,131)	-13.1%	906	NMF	-	-	-
Cost of credit risk	(49,245)	(36,143)	36.3%	(69,967)	-29.6%	(48,262)	(35,012)	37.8%	(70,873)	-31.9%	(983)	(1,131)	-13.1%	906	NMF	-	-	-
Net operating income before non-recurring items	116,659	95,593	22.0%	95,598	22.0%	93,617	79,260	18.1%	74,541	25.6%	23,042	16,333	41.1%	21,057	9.4%	-	-	-
Net non-recurring items	(3,371)	1,366	NMF	698	NMF	(1,695)	(1,419)	19.5%	(1,056)	60.5%	(1,676)	2,785	NMF	1,754	NMF	-	-	-
Profit before income tax	113,288	96,959	16.8%	96,296	17.6%	91,922	77,841	18.1%	73,485	25.1%	21,366	19,118	11.8%	22,811	-6.3%	-	-	-
Income tax expense	(5,115)	(9,912)	-48.4%	(7,553)	-32.3%	(5,045)	(8,178)	-38.3%	1,830	NMF	(70)	(1,734)	-96.0%	(9,383)	-99.3%	-	-	-
Profit	108,173	87,047	24.3%	88,743	21.9%	86,877	69,663	24.7%	75,315	15.4%	21,296	17,384	22.5%	13,428	58.6%	-	-	-
Attributable to:																		
– shareholders of BGEO	100,431	80,836	24.2%	87,136	15.3%	86,390	68,620	25.9%	75,871	13.9%	14,041	12,216	14.9%	11,265	24.6%	-	-	-
– non-controlling interests	7,742	6,211	24.6%	1,607	381.8%	487	1,043	-53.3%	(556)	NMF	7,255	5,168	40.4%	2,163	235.4%	-	-	-
Earnings per share basic	2.64	2.10	25.7%	2.29	15.3%													
Earnings per share diluted	2.55	2.10	21.4%	2.21	15.4%													

STATEMENT OF FINANCIAL POSITION	BGEO Consolidated					Banking Business					Investment Business					Eliminations		
	Mar-17	Mar-16	Change y-o-y	Dec-16	Change q-o-q	Mar-17	Mar-16	Change y-o-y	Dec-16	Change q-o-q	Mar-17	Mar-16	Change y-o-y	Dec-16	Change q-o-q	Mar-17	Mar-16	Dec-16
Cash and cash equivalents	1,285,483	1,359,219	-5.4%	1,573,610	-18.3%	1,198,457	1,330,094	-9.9%	1,482,106	-19.1%	353,485	288,512	22.5%	397,620	-11.1%	(266,459)	(259,387)	(306,116)
Amounts due from credit institutions	1,090,111	764,435	42.6%	1,054,983	3.3%	973,787	720,442	35.2%	943,091	3.3%	146,798	47,936	206.2%	153,497	-4.4%	(30,474)	(3,943)	(41,605)
Investment securities	1,231,332	825,045	49.2%	1,286,003	-4.3%	1,231,993	825,821	49.2%	1,287,292	-4.3%	3,306	1,154	186.5%	3,075	7.5%	(3,967)	(1,930)	(4,364)
Loans to customers and finance lease receivables	6,408,711	5,359,718	19.6%	6,648,482	-3.6%	6,470,771	5,394,565	19.9%	6,681,672	-3.2%	-	-	-	-	-	(62,060)	(34,847)	(33,190)
Accounts receivable and other loans	143,417	84,715	69.3%	128,506	11.6%	4,081	5,144	-20.7%	56,495	-92.8%	139,787	81,955	70.6%	125,964	11.0%	(451)	(2,384)	(53,953)
Insurance premiums receivable	51,595	54,879	-6.0%	46,423	11.1%	22,751	16,567	37.3%	24,152	-5.8%	29,773	39,347	-24.3%	24,284	22.6%	(929)	(1,035)	(2,013)
Prepayments	101,297	67,633	49.8%	76,277	32.8%	28,468	24,649	15.5%	19,607	45.2%	73,055	42,984	70.0%	57,270	27.6%	(226)	-	(600)
Inventories	205,132	125,466	63.5%	188,344	8.9%	9,395	9,686	-3.0%	9,009	4.3%	195,737	115,780	69.1%	179,335	9.1%	-	-	-
Investment property	285,996	254,224	12.5%	288,227	-0.8%	155,463	134,310	15.7%	153,442	1.3%	130,533	119,914	8.9%	134,785	-3.2%	-	-	-
Property and equipment	1,388,938	835,651	66.2%	1,323,870	4.9%	342,495	333,243	2.8%	339,442	0.9%	1,046,443	502,408	108.3%	984,428	6.3%	-	-	-
Goodwill	157,824	73,192	115.6%	106,986	47.5%	49,592	49,592	0.0%	49,592	0.0%	108,232	23,600	358.6%	57,394	88.6%	-	-	-
Intangible assets	63,121	43,074	46.5%	58,907	7.2%	43,851	37,609	16.6%	41,350	6.0%	19,270	5,465	252.6%	17,557	9.8%	-	-	-
Income tax assets	11,277	36,712	-69.3%	24,043	-53.1%	8,214	27,321	-69.9%	20,638	-60.2%	3,063	9,391	-67.4%	3,405	-10.0%	-	-	-
Other assets	182,290	193,626	-5.9%	184,792	-1.4%	139,440	121,012	15.2%	140,338	-0.6%	47,809	75,515	-36.7%	56,312	-15.1%	(4,959)	(2,901)	(11,858)
Total assets	12,606,524	10,077,589	25.1%	12,989,453	-2.9%	10,678,758	9,030,055	18.3%	11,248,226	-5.1%	2,297,291	1,353,961	69.7%	2,194,926	4.7%	(369,525)	(306,427)	(453,699)
Client deposits and notes	5,294,462	4,698,558	12.7%	5,382,698	-1.6%	5,591,720	4,962,432	12.7%	5,730,419	-2.4%	-	-	-	-	-	(297,258)	(263,874)	(347,721)
Amounts due to credit institutions	3,133,422	1,719,920	82.2%	3,470,091	-9.7%	2,662,909	1,630,299	63.3%	3,067,651	-13.2%	532,573	124,468	327.9%	435,630	22.3%	(62,060)	(34,847)	(33,190)
Debt securities issued	1,157,082	1,033,758	11.9%	1,255,643	-7.8%	827,024	957,474	-13.6%	858,037	-3.6%	338,292	81,116	317.0%	407,242	-16.9%	(8,234)	(4,832)	(9,636)
Accruals and deferred income	131,372	142,766	-8.0%	130,319	0.8%	30,307	25,685	18.0%	25,242	20.1%	101,065	117,081	-13.7%	158,387	-36.2%	-	-	(53,310)
Insurance contracts liabilities	71,620	71,565	0.1%	67,871	5.5%	43,607	34,630	25.9%	41,542	5.0%	28,013	36,935	-24.2%	26,329	6.4%	-	-	-
Income tax liabilities	17,228	128,667	-86.6%	27,791	-38.0%	16,219	93,765	-82.7%	23,937	-32.2%	1,009	34,902	-97.1%	3,854	-73.8%	-	-	-
Other liabilities	348,585	131,506	165.1%	231,622	50.5%	71,391	47,520	50.2%	72,547	-1.6%	279,167	86,860	221.4%	168,917	65.3%	(1,973)	(2,874)	(9,842)
Total liabilities	10,153,771	7,926,740	28.1%	10,566,035	-3.9%	9,243,177	7,751,805	19.2%	9,819,375	-5.9%	1,280,119	481,362	165.9%	1,200,359	6.6%	(369,525)	(306,427)	(453,699)
Share capital	1,153	1,154	-0.1%	1,154	-0.1%	1,153	1,154	-0.1%	1,154	-0.1%	-	-	-	-	-	-	-	-
Additional paid-in capital	177,793	240,962	-26.2%	183,872	-3.3%	38,474	101,467	-62.1%	45,072	-14.6%	139,319	139,495	-0.1%	138,800	0.4%	-	-	-
Treasury shares	(40)	(29)	37.9%	(54)	-25.9%	(40)	(29)	37.9%	(54)	-25.9%	-	-	-	-	-	-	-	-
Other reserves	84,162	42,101	99.9%	102,269	-17.7%	(27,031)	(55,166)	-51.0%	(31,116)	-13.1%	111,193	97,267	14.3%	133,385	-16.6%	-	-	-
Retained earnings	1,945,830	1,650,094	17.9%	1,878,945	3.6%	1,416,885	1,212,492	16.9%	1,393,117	1.7%	528,945	437,602	20.9%	485,828	8.9%	-	-	-
Total equity attributable to shareholders of the Group	2,208,898	1,934,282	14.2%	2,166,186	2.0%	1,429,441	1,259,918	13.5%	1,408,173	1.5%	779,457	674,364	15.6%	758,013	2.8%	-	-	-
Non-controlling interests	243,855	216,567	12.6%	257,232	-5.2%	6,140	18,332	-66.5%	20,678	-70.3%	237,715	198,235	19.9%	236,554	0.5%	-	-	-
Total equity	2,452,753	2,150,849	14.0%	2,423,418	1.2%	1,435,581	1,278,250	12.3%	1,428,851	0.5%	1,017,172	872,599	16.6%	994,567	2.3%	-	-	-
Total liabilities and equity	12,606,524	10,077,589	25.1%	12,989,453	-2.9%	10,678,758	9,030,055	18.3%	11,248,226	-5.1%	2,297,291	1,353,961	69.7%	2,194,926	4.7%	(369,525)	(306,427)	(453,699)
Book value per share	58.00	50.21	15.5%	57.52	0.8%													

GEL thousands; unless otherwise noted	Healthcare services					Medical insurance					Pharmacy			Eliminations			GHG				
	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q	1Q17	4Q16	Change q-o-q	1Q17	1Q16	4Q16	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q
Revenue, gross	66,528	60,451	10.1%	67,604	-1.6%	13,965	13,830	1.0%	16,312	-14.4%	111,399	56,586	96.9%	(5,265)	(1,705)	(4,471)	186,627	72,576	157.1%	136,031	37.2%
Corrections & rebates	(623)	(410)	52.0%	(790)	-21.1%	-	-	-	-	-	-	-	-	-	-	-	(623)	(410)	52.0%	(790)	-21.1%
Revenue, net	65,905	60,041	9.8%	66,814	-1.4%	13,965	13,830	1.0%	16,312	-14.4%	111,399	56,586	96.9%	(5,265)	(1,705)	(4,471)	186,004	72,166	157.7%	135,241	37.5%
Costs of services	(37,957)	(32,998)	15.0%	(34,802)	9.1%	(12,734)	(12,847)	-0.9%	(14,997)	-15.1%	(84,408)	(44,498)	89.7%	5,173	1,694	4,671	(129,926)	(44,151)	194.3%	(89,626)	45.0%
Cost of salaries and other employee benefits	(23,095)	(19,752)	16.9%	(21,042)	9.8%	-	-	-	-	-	-	-	-	855	565	1,534	(22,240)	(19,187)	15.9%	(19,508)	14.0%
Cost of materials and supplies	(10,647)	(9,613)	10.8%	(10,616)	0.3%	-	-	-	-	-	-	-	-	1,363	275	761	(9,284)	(9,338)	-0.6%	(9,855)	-5.8%
Cost of medical service providers	(372)	(428)	-13.1%	(550)	-32.4%	-	-	-	-	-	-	-	-	14	12	39	(358)	(416)	-13.9%	(511)	-29.9%
Cost of utilities and other	(3,843)	(3,205)	19.9%	(2,594)	48.1%	-	-	-	-	-	-	-	-	142	92	189	(3,701)	(3,113)	18.9%	(2,405)	53.9%
Net insurance claims incurred	-	-	-	-	-	(11,812)	(11,953)	-1.2%	(13,911)	-15.1%	-	-	-	2,799	750	2,148	(9,013)	(11,203)	-19.5%	(11,763)	-23.4%
Agents, brokers and employee commissions	-	-	-	-	-	(922)	(894)	3.1%	(1,086)	-15.1%	-	-	-	-	-	-	(922)	(894)	3.1%	(1,086)	-15.1%
Cost of pharmacy – wholesale	-	-	-	-	-	-	-	-	-	(22,496)	(13,700)	64.2%	-	-	-	-	(22,496)	-	-	(13,700)	64.2%
Cost of pharmacy - retail	-	-	-	-	-	-	-	-	-	(61,912)	(30,797)	101.0%	-	-	-	-	(61,912)	-	-	(30,797)	101.0%
Gross profit	27,948	27,043	3.3%	32,012	-12.7%	1,231	983	25.2%	1,315	-6.4%	26,991	12,088	123.3%	(92)	(11)	200	56,078	28,015	100.2%	45,615	22.9%
Salaries and other employee benefits	(7,179)	(6,115)	17.4%	(6,676)	7.5%	(1,048)	(819)	28.0%	(1,320)	-20.6%	(9,616)	(4,561)	110.8%	116	11	(200)	(17,728)	(6,923)	156.1%	(12,757)	39.0%
General and administrative expenses	(4,082)	(2,483)	64.4%	(4,212)	-3.1%	(507)	(719)	-29.5%	(580)	-12.6%	(8,762)	(4,678)	87.3%	-	-	-	(13,352)	(3,202)	317.0%	(9,470)	41.0%
Impairment of healthcare services, insurance premiums and other receivables	(980)	(858)	14.2%	145	NMF	(113)	(122)	-7.4%	(89)	27.0%	(28)	-	-	-	-	-	(1,121)	(980)	14.4%	56	NMF
Other operating income	1,112	241	361.4%	269	313.4%	(7)	(21)	-66.7%	31	NMF	101	545	-81.5%	(24)	-	-	1,182	220	437.3%	845	39.9%
EBITDA	16,819	17,828	-5.7%	21,538	-21.9%	(444)	(698)	-36.4%	(643)	-30.9%	8,686	3,394	155.9%	-	-	-	25,059	17,129	46.3%	24,289	3.2%
EBITDA margin	25.3%	29.5%		31.9%		-3.2%	-5.0%		-3.9%		7.8%	6.0%					13.4%	23.6%		17.9%	
Depreciation and amortisation	(4,939)	(4,261)	15.9%	(5,292)	-6.7%	(222)	(204)	8.8%	(226)	-1.8%	(711)	202	NMF	-	-	-	(5,872)	(4,465)	31.5%	(5,316)	10.5%
Net interest income (expense)	(4,116)	(2,259)	82.2%	(3,815)	7.9%	(210)	603	NMF	(242)	-13.2%	(2,793)	(548)	409.7%	-	-	(168)	(7,119)	(1,656)	329.9%	(4,773)	49.2%
Net gains/(losses) from foreign currencies	695	(411)	NMF	(2,053)	NMF	(12)	151	NMF	(189)	-93.7%	2,095	(928)	-NMF	-	-	-	2,778	(260)	NMF	(3,170)	NMF
Net non-recurring income/(expense)	(1,276)	1,968	NMF	2,704	NMF	(200)	-	-	(704)	-71.6%	(316)	(17)	NMF	-	-	-	(1,792)	1,968	NMF	1,982	NMF
Profit before income tax expense	7,183	12,865	-44.2%	13,082	-45.1%	(1,088)	(149)	NMF	(2,004)	-45.7%	6,961	2,103	231.0%	NMF	-	(168)	13,054	12,716	2.7%	13,012	0.3%
Income tax benefit/(expense)	(11)	(712)	NMF	(5,439)	NMF	-	19	NMF	(845)	NMF	(8)	(398)	NMF	-	-	-	(19)	(693)	NMF	(6,682)	NMF
of which: Deferred tax adjustments	-	-	-	(4,321)	-	-	-	-	(798)	-	-	(200)	-	-	-	-	-	-	-	(5,319)	-
Profit for the period	7,172	12,153	-41.0%	7,643	-6.2%	(1,088)	(130)	NMF	(2,849)	-61.8%	6,953	1,705	307.8%	-	-	(168)	13,035	12,023	8.4%	6,330	105.9%
Attributable to:																					
- shareholders of the Company	5,764	10,051	-42.7%	6,714	-14.1%	(1,088)	(130)	NMF	(2,849)	-61.8%	4,157	1,705	143.8%	-	-	(168)	8,832	9,921	-11.0%	5,401	63.5%
- non-controlling interests	1,408	2,102	-33.0%	929	51.6%	-	-	-	-	-	2,796	-	-	-	-	-	4,203	2,102	100.0%	929	352.4%
of which: Deferred tax adjustments	-	-	-	(516)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(516)	-

INCOME STATEMENT, HIGHLIGHTS

	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q
<i>GEL thousands, unless otherwise stated</i>					
Net banking interest income	8,702	7,903	10.1%	8,043	8.2%
Net fee and commission income	2,350	1,862	26.2%	1,993	17.9%
Net banking foreign currency gain	1,798	2,481	-27.5%	2,696	-33.3%
Net other banking income	109	167	-34.7%	(1,064)	NMF
Revenue	12,959	12,413	4.4%	11,668	11.1%
Operating expenses	(6,400)	(4,490)	42.5%	(6,483)	-1.3%
Operating income before cost of credit risk	6,559	7,923	-17.2%	5,185	26.5%
Cost of credit risk	(5,634)	(2,516)	123.9%	(9,163)	-38.5%
Net non-recurring items	(57)	(3)	NMF	(1,402)	-95.9%
Profit before income tax	868	5,404	-83.9%	(5,380)	NMF
Income tax (expense) benefit	(199)	(1,144)	-82.6%	1,289	NMF
Profit	669	4,260	-84.3%	(4,091)	NMF

BALANCE SHEET, HIGHLIGHTS

	Mar-17	Mar-16	Change y-o-y	Dec-16	Change q-o-q
<i>GEL thousands, unless otherwise stated</i>					
Cash and cash equivalents	66,619	93,904	-29.1%	70,211	-5.1%
Amounts due from credit institutions	3,981	3,986	-0.1%	3,560	11.8%
Loans to customers and finance lease receivables	335,538	319,740	4.9%	362,100	-7.3%
Other assets	126,727	49,825	154.3%	113,261	11.9%
Total assets	532,865	467,455	14.0%	549,132	-3.0%
Client deposits and notes	235,877	230,848	2.2%	233,501	1.0%
Amounts due to credit institutions	193,494	139,801	38.4%	212,495	-8.9%
Debt securities issued	25,512	15,906	60.4%	24,126	5.7%
Other liabilities	5,254	5,409	-2.9%	5,202	1.0%
Total liabilities	460,137	391,964	17.4%	475,324	-3.2%
Total equity attributable to shareholders of the Group	72,728	62,908	15.6%	59,205	22.8%
Non-controlling interests	-	12,583	-100.0%	14,603	-100.0%
Total equity	72,728	75,491	-3.7%	73,808	-1.5%
Total liabilities and equity	532,865	467,455	14.0%	549,132	-3.0%

INCOME STATEMENT HIGHLIGHTS

GEL thousands, unless otherwise stated

	1Q17	1Q16	Change y-o-y	4Q16	Change q-o-q
Net banking interest income	767	725	5.8%	761	0.8%
Net fee and commission income	99	100	-1.0%	128	-22.7%
Net banking foreign currency gain	(425)	(47)	NMF	809	NMF
Net other banking income	223	131	70.2%	495	-54.9%
Gross insurance profit	7,122	5,665	25.7%	6,477	10.0%
Revenue	7,786	6,574	18.4%	8,670	-10.2%
Operating expenses	(3,157)	(2,767)	14.1%	(3,641)	-13.3%
Operating income before cost of credit risk and non-recurring items	4,629	3,807	21.6%	5,029	-8.0%
Cost of credit risk	(242)	(173)	39.9%	(265)	-8.7%
Profit before income tax	4,387	3,634	20.7%	4,764	-7.9%
Income tax (expense) benefit	(637)	(545)	16.9%	(953)	-33.2%
Profit	3,750	3,089	21.4%	3,811	-1.6%

BANKING BUSINESS KEY RATIOS	1Q17	1Q16	4Q16
Profitability			
ROAA, Annualised	3.2%	3.0%	2.9%
ROAE, Annualised	23.5%	21.2%	20.1%
<i>RB ROAE</i>	27.2%	24.3%	35.8%
<i>CIB ROAE</i>	18.3%	17.6%	6.1%
Net Interest Margin, Annualised	7.4%	7.5%	7.6%
<i>RB NIM</i>	8.8%	9.2%	9.3%
<i>CIB NIM</i>	3.4%	3.7%	3.6%
Loan Yield, Annualised	14.0%	14.4%	14.4%
<i>RB Loan Yield</i>	15.9%	17.4%	16.4%
<i>CIB Loan Yield</i>	10.7%	10.3%	11.1%
Liquid assets yield, Annualised	3.4%	3.1%	3.3%
Cost of Funds, Annualised	4.6%	5.0%	4.6%
Cost of Client Deposits and Notes, annualised	3.5%	4.3%	3.5%
<i>RB Cost of Client Deposits and Notes</i>	3.0%	3.5%	3.1%
<i>CIB Cost of Client Deposits and Notes</i>	3.9%	4.5%	3.6%
Cost of Amounts Due to Credit Institutions, annualised	6.3%	6.0%	6.4%
Cost of Debt Securities Issued	6.0%	7.2%	6.1%
Operating Leverage, Y-O-Y	5.7%	-3.3%	-6.8%
Operating Leverage, Q-O-Q	3.3%	-6.6%	-0.3%
Efficiency			
Cost / Income	36.1%	37.9%	37.5%
<i>RB Cost / Income</i>	37.6%	43.3%	38.8%
<i>CIB Cost / Income</i>	30.1%	27.0%	28.7%
Liquidity			
NBG Liquidity Ratio	37.4%	47.3%	37.7%
Liquid Assets To Total Liabilities	36.8%	37.1%	37.8%
Net Loans To Client Deposits and Notes	115.7%	108.7%	116.6%
Net Loans To Client Deposits and Notes + DFIs	96.1%	91.6%	95.3%
Leverage (Times)	6.4	6.1	6.9
Asset Quality			
NPLs (in GEL)	311,940	251,959	294,787
NPLs To Gross Loans To Clients	4.6%	4.5%	4.2%
NPL Coverage Ratio	87.1%	86.0%	86.7%
NPL Coverage Ratio, Adjusted for discounted value of collateral	126.9%	122.6%	132.1%
Cost of Risk, Annualised	2.4%	2.3%	4.2%
<i>RB Cost of Risk</i>	3.4%	2.5%	2.0%
<i>CIB Cost of Risk</i>	0.3%	2.1%	6.6%
Capital Adequacy			
New NBG (Basel 2/3) Tier I Capital Adequacy Ratio ²	11.2%	10.1%	10.1%
New NBG (Basel 2/3) Total Capital Adequacy Ratio ²	16.3%	15.8%	15.4%

¹Note: for the description of Key ratios, refer to slide 107

²Note: Capital adequacy ratios include GEL 99.5mIn distributed as dividend from the Bank to the holding level on 29 December 2016. These funds are earmarked for regular dividends in respect of the 2016 financial year and will be paid on 7 July 2017, subject to approval by the shareholders at BGEO's AGM. Excluding this amount, NBG (Basel 2/3) Tier I and Total CAR would be 10.1% and 15.2%, respectively at 31 March 2017 and 9.1% and 14.4%, respectively, at 31 December 2016.

Key operating data

Selected Operating Data:

	1Q17	1Q16	4Q16
Total Assets Per FTE, BOG Standalone	2,060	1,972	2,242
Number Of Active Branches, Of Which:	279	266	278
- Express Branches (including Metro)	130	114	128
- Bank of Georgia Branches	138	144	139
- Solo Lounges	11	8	11
Number Of ATMs	813	753	801
Number Of Cards Outstanding, Of Which:	2,099,488	1,943,175	2,056,258
- Debit cards	1,307,135	1,171,454	1,255,637
- Credit cards	792,353	771,721	800,621
Number Of POS Terminals	10,774	8,175	10,357
FX Rates:			
GEL/US\$ exchange rate (period-end)	2.4452	2.3679	2.6468
GEL/GBP exchange rate (period-end)	3.0418	3.4110	3.2579

Full Time Employees, Group, Of Which:

Total Banking Business Companies, of which:

	Mar-17	Mar-16	Dec-16
- Full Time Employees, BOG Standalone	5,183	4,580	5,016
- Full Time Employees, BNB	622	562	611
- Full Time Employees, Aldagi	293	259	289
- Full Time Employees, BB other	800	782	804

Total Investment Business Companies, of which:

	Mar-17	Mar-16	Dec-16
- Full Time Employees, Georgia Healthcare Group	14,510	9,675	12,720
- Full Time Employees, GGU	2,373	-	2,379
- Full Time Employees, m2	84	59	80
- Full Time Employees, IB Other	226	169	181

Shares Outstanding

	Mar-17	Mar-16	Dec-16
Ordinary Shares Outstanding	38,085,220	38,523,409	37,657,229
Treasury Shares Outstanding	1,384,100	976,911	1,843,091
Total Shares Outstanding	39,469,320	39,500,320	39,500,320

Risk Weighted Assets

Risk Weighted Assets breakdown

	31-Mar-17	31-Dec-16	31-Mar-16
Credit risk weighting	6,668,402	6,902,208	5,843,131
FX induced credit risk (market risk)	1,934,292	2,148,527	1,711,883
Operational risk weighting	864,442	739,547	739,547
Total RWA under NBG Basel 2/3	9,467,136	9,790,282	8,294,561

Change

	Y-O-Y, %	Q-O-Q, %
	14.1%	-3.4%
	13.0%	-10.0%
	16.9%	16.9%
	14.1%	-3.3%

Share price consensus – GBP 35.69

Bank	Target Price (GBP)	Analyst report date
BoAML	37.80	27-Mar-17
Citi	35.10	1-Dec-16
HSBC	36.00	28-Nov-16
Jefferies	40.00	20-Feb-17
KBW	32.30	20-Feb-17
Numis Securities	35.84	20-Feb-17
Peel Hunt	40.00	26-Apr-17
Renaissance Capital	33.60	6-Mar-17
Sberbank	38.00	15-Mar-17
UBS	29.60	20-Feb-17
VTB Capital	40.00	12-Apr-17
Wood & Company	34.50	20-Feb-17

1

130 Express Branches



- Opening accounts and deposits
- Issuing loans and credit cards
- Credit card and loan repayments
- Cash deposit into accounts
- Money transfers
- Utility and other payments

3

2,723 Express Pay Terminals



- Credit card repayments
- Loan repayments
- Cash deposit into accounts
- Loan activation
- Utility and other payments
- Mobile top-ups
- MetroMoney top-ups



2

1,315,489 Express Cards for Transport payments



- Acts as payments card in metro, buses and mini-buses

4

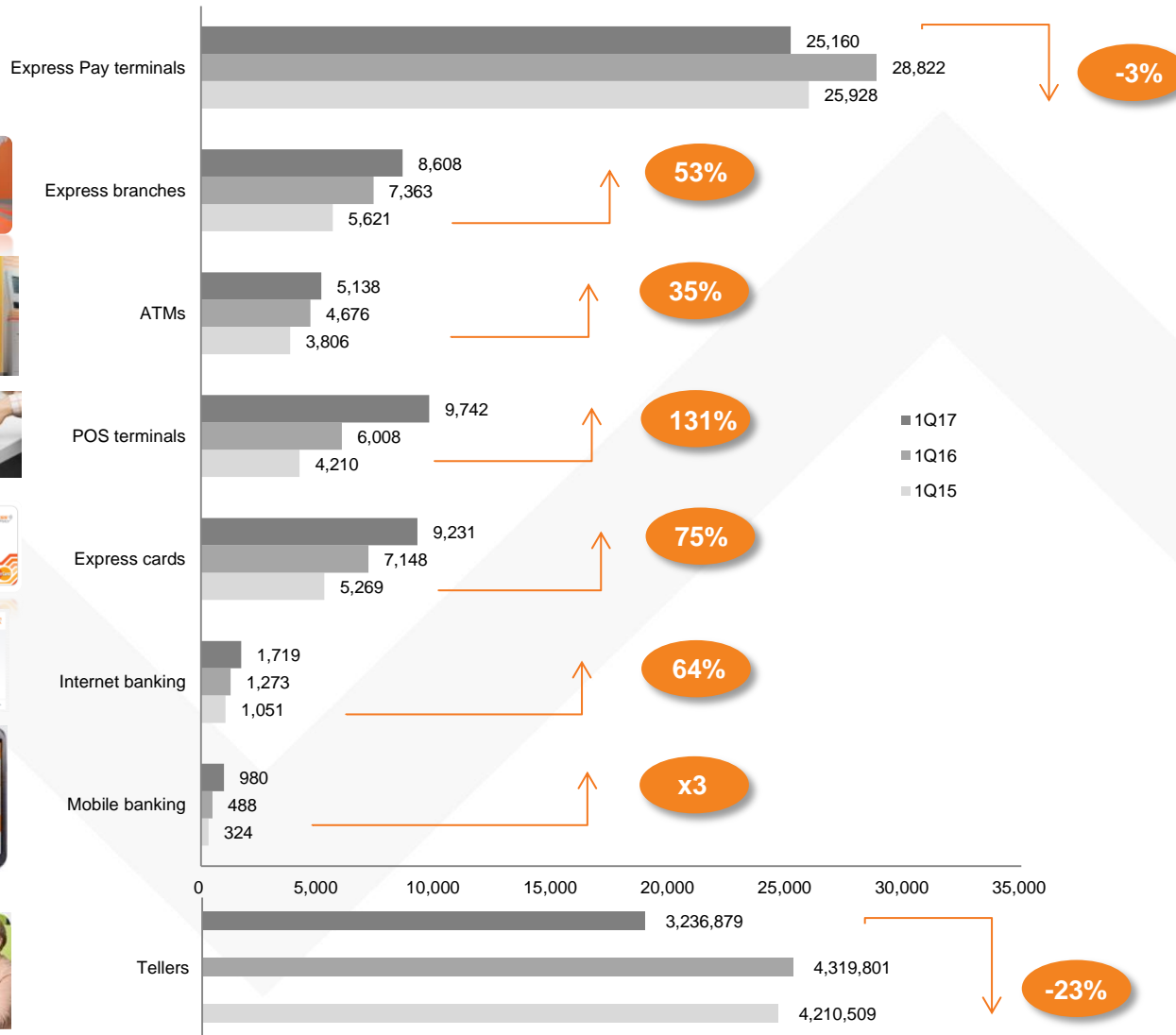
10,774 POS Terminals at 4,740 Merchants



- Payments via cards and Express points
- P2P transactions between merchant and supplier
- Credit limit with 0% interest rate

Capturing emerging mass market customers

No. of transactions '000s



Through the recently launched Solo, we target to **attract new clients** (currently 21,657) to significantly **increase market share** in **premium banking** from c.13% at the beginning of 2015

SOLO Lounges



New Solo offers:

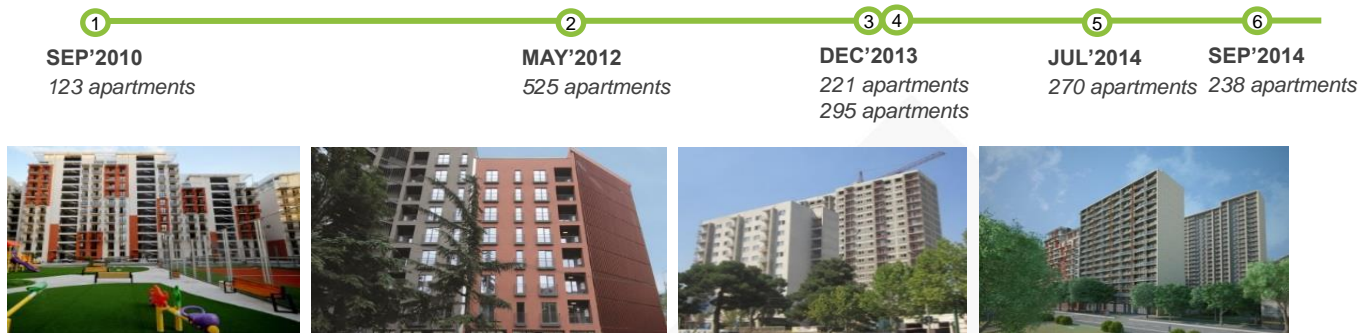
- Tailor made banking solutions
- New financial products such as bonds
- Concierge-style environment
- Access to exclusive products and events
- Lifestyle opportunities

3x higher new clients attracted per banker ratio, compared to the same period last year

Project timeline

Start date:

Completed projects: All projects were completed on budget and on schedule



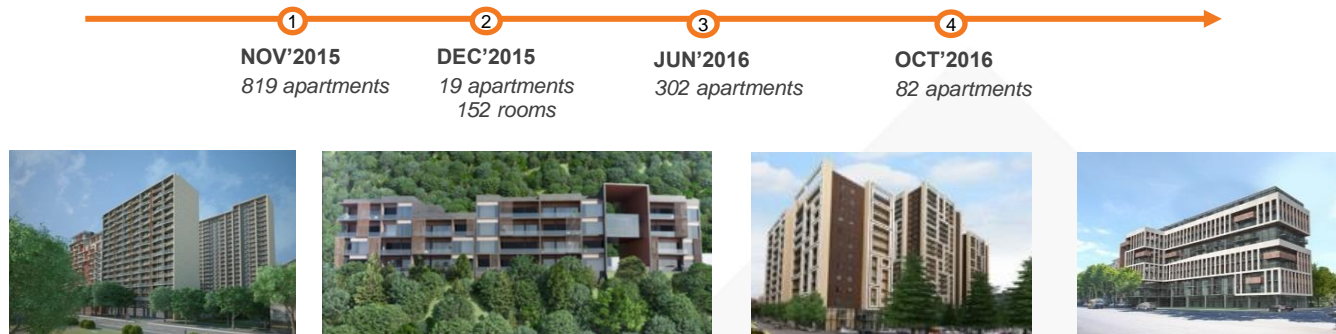
Project highlights

1,672 apartments completed with 98.1% sales

<p>1 Chubinishvili street</p> <ul style="list-style-type: none"> • 123 apartments • IRR: 47% • Equity multiple: x1.8 • Apartments sold: 123/123, 100% • Pre-sales¹ was: 91% • Start date: Sep'2010 • Completion: Aug'2012 • Sales: US\$ 9.9mln • Land value unlocked: US\$ 0.9mln 	<p>2 Tamarashvili street</p> <ul style="list-style-type: none"> • 525 apartments • IRR: 46% • Equity multiple: x2.4 • Apartments sold: 523/525, 99.6% • Pre-sales was: 97% • Start date: May'2012 • Completion: Jun'2014 • Sales: US\$ 48.5mln • Land value unlocked: US\$ 5.4mln 	<p>3 Nutsubidze street</p> <ul style="list-style-type: none"> • 221 apartments • IRR: 58% • Equity multiple: x1.5 • Apartments sold: 221/221, 100% • Pre-sales: 89% • Start date: Dec'2013 • Completion: Sep'2015 • Sales: US\$ 17.4mln • Land value unlocked: US\$ 2.2mln
<p>4 Kazbegi Street</p> <ul style="list-style-type: none"> • 295 apartments • IRR: 165% • Equity multiple: x2.3 • Apartments sold: 295/295, 100% • Pre-sales: 90% • Start date: Dec'2013 • Completion: Feb'2016 • Sales: US\$ 27.2mln • Land value unlocked: US\$ 3.6mln 	<p>5 Tamarashvili Street II</p> <ul style="list-style-type: none"> • 270 apartments • IRR: 71% • Equity multiple: x2.1 • Apartments sold: 266/270, 98.5% • Pre-sales: 76% • Start date: Jul'2014 • Completion: Jun'2016 • Sales: US\$ 24.3mln • Land value unlocked: US\$ 2.7mln 	<p>6 Moscow avenue</p> <ul style="list-style-type: none"> • 238 apartments • IRR: 31% • Equity multiple: x1.5 • Apartments sold: 212/238, 89.1% • Pre-sales: 69% • Start date: Sep'2014 • Completion: Jun'2016 • Sales: US\$ 10.7mln • Land value unlocked: US\$ 1.6mln

Ongoing projects: All projects are within the schedule

Start date:

1,222 apartments under construction with 45% pre-sales

1	2	3	4
<p>Kartozia Street</p> <ul style="list-style-type: none"> 819 apartments IRR: 60% Equity multiple: x1.7 Pre-sales: 383/819, 47% Pre-sales: US\$ 28.4mln Start date: Nov'2015 Completion exp.: Oct'2018 Construction progress: 45% completed Land value to be unlocked: US\$ 5.8mln 	<p>Skyline</p> <ul style="list-style-type: none"> 19 apartments IRR: 329% Equity multiple: x1.1 Pre-sales: 9/19, 47% Pre-sales: US\$ 4.1mln Start date: Dec'2015 Completion expected: May'2017 Construction progress: 85% completed Land value to be unlocked: US\$ 3.1mln 	<p>Kazbegi Street II</p> <p>Residential</p> <ul style="list-style-type: none"> 302 apartments IRR: 51% Equity multiple: x2.5 Pre-sales: 127/302, 42% Pre-sales: US\$ 10.7mln Start date: Jun'2016 Completion expected: Nov'2018 Construction progress: 18% completed Land value to be unlocked: US\$ 4.3mln <p>Ramada Encore (Hotel)</p> <ul style="list-style-type: none"> 152 rooms, 7000 sq.m (gross) Start: June-16 Completion: Nov-17 Total completion cost: US\$ 13.2mln Profit stabilized year: US\$ 1.6mln ADR (stabilized year): US\$ 115 	<p>50 Chavchavadze ave.</p> <ul style="list-style-type: none"> 82 apartments IRR: 75% Equity multiple: x1.6 Pre-sales: 31/82, 38% Pre-sales: US\$ 3.6mln Start date: Oct'2016 Completion exp.: Oct'2018 Construction progress: 13% completed Land value to be unlocked: US\$ 3.3mln

- 1 Return on average total assets (ROAA) equals Profit for the period divided by monthly average total assets for the same period;
- 2 Return on average total equity (ROAE) equals Profit for the period attributable to shareholders of BGEO divided by monthly average equity attributable to shareholders of BGEO for the same period;
- 3 Net Interest Margin equals Net Banking Interest Income of the period divided by monthly Average Interest Earning Assets Excluding Cash for the same period; Interest Earning Assets Excluding Cash comprise: Amounts Due From Credit Institutions, Investment Securities (but excluding corporate shares) and net Loans To Customers And Finance Lease Receivables;
- 4 Loan Yield equals Banking Interest Income From Loans To Customers And Finance Lease Receivables divided by monthly Average Gross Loans To Customers And Finance Lease Receivables;
- 5 Cost of Funds equals banking interest expense of the period divided by monthly average interest bearing liabilities; interest bearing liabilities include: amounts due to credit institutions, client deposits and notes and debt securities issued;
- 6 Operating Leverage equals percentage change in revenue less percentage change in operating expenses;
- 7 Cost / Income Ratio equals operating expenses divided by revenue;
- 8 NBG liquidity ratio equals daily average liquid assets (as defined by NBG) during the months divided by daily average liabilities (as defined by NBG) during the months;
- 9 Liquid assets include: cash and cash equivalents, amounts due from credit institutions and investment securities;
- 10 Leverage (Times) equals total liabilities divided by total equity;
- 11 NPL Coverage Ratio equals allowance for impairment of loans and finance lease receivables divided by NPLs;
- 12 NPL Coverage Ratio adjusted for discounted value of collateral equals allowance for impairment of loans and finance lease receivables divided by NPLs (discounted value of collateral is added back to allowance for impairment)
- 13 Cost of Risk equals impairment charge for loans to customers and finance lease receivables for the period divided by monthly average gross loans to customers and finance lease receivables over the same period;
- 14 New NBG (Basel 2/3) Tier I Capital Adequacy ratio equals Tier I Capital divided by total risk weighted assets, both calculated in accordance with the requirements the National Bank of Georgia instructions;
- 15 New NBG (Basel 2/3) Total Capital Adequacy ratio equals total capital divided by total risk weighted assets, both calculated in accordance with the requirements of the National Bank of Georgia instructions;
- 16 NMF – Not meaningful
- 17 Constant currency basis – changes assuming constant exchange rate

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Registered under number 7811410 in England and Wales
Incorporation date: 14 October 2011

Stock Listing

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Ticker: "BGEO.LN"

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Please note that Investor Centre is a free, secure online service run by our Registrar, Computershare, giving you convenient access to information on your shareholdings.

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Share price information

BGEO Group shareholders can access both the latest and historical prices via our website, www.bgeo.com