

JSC Bank Of Georgia And Galt & Taggart Asset Management Announce The Establishment Of The First Georgian Endowment Fund

Bank of Georgia (LSE: BGEO; GSE: GEB), the leading Georgian universal bank announced today that it has signed a Memorandum and underlying agreements with Paata Burchuladze's International Charity Foundation *Iavnana* (the "Fund") on the creation of endowment. Pursuant to the Memorandum, the funds raised by Bank of Georgia for the Fund will be managed by Galt & Taggart Asset Management ("GTAM"), Bank of Georgia's wholly-owned subsidiary, for the benefit of the Fund.

International Charity Fund *Iavnana*, founded in 2004 by Paata Burchuladze, a world renown bass singer of Georgian origin, is dedicated to support children living in orphanages by raising sufficient funds to enable them to return home to their parents who have no financial means of supporting their children.

"I am delighted that this agreement marks the establishment of the first Georgian endowment fund and hope that *Iavnana* endowment will set an example for other Georgian institutions as an appropriate vehicle for using donated funds as a source of income", commented ***Bidzina Bejuashvili***, Chief Executive Officer of Galt & Taggart Asset Management.

About Bank of Georgia

Bank of Georgia, a leading universal Georgian bank with operations in Georgia and Ukraine, is the largest bank by assets, loans, deposits and equity in Georgia, with 34% market share by total assets (all data according to the NBG as of 30 September 2007). The major component of Galt & Taggart Index, the bank has 109 branches and over 595,000 retail and 60,000 corporate current accounts as at 30 September 2007. The bank offers a full range of retail banking and corporate and investment banking services to its customers across Georgia. The bank also provides a wide range of corporate and retail insurance products through its wholly-owned subsidiary, Aldagi BCI, as well as asset & wealth management services.

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

Standard & Poor's	'B+/B'	Stable
Moody's	'B3/NP' (FC) & Ba1/P-3 (LC)	Stable
Fitch Ratings	'B+/B'	Stable

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