

Bank of Georgia announces the extension of contract of the Chief Executive Officer

Bank of Georgia Holdings PLC (“**BGH**”) announces that its Board of Directors and Irakli Gilauri, the CEO of JSC Bank of Georgia, have agreed on an extension of the current service contract of Irakli Gilauri for further three years starting from 1 May 2013. The new service contract, with the terms and conditions largely unchanged from Mr Gilauri’s current service contract which was due to expire in August 2013, has been extended until 1 May 2016.

Mr Gilauri, as Chief Executive Officer of JSC Bank of Georgia, is a participant of the Compensation Policy for top executives of JSC Bank of Georgia. Details of the Compensation Policy have been separately announced by BGH today.

“I am looking forward to another three years of working together with an excellent management team and Board of Directors, as we continue to further develop and grow Bank of Georgia, the country’s leading financial institution. Having spent more than eight years with the Bank, I have full confidence in the capabilities of this bank and the team to capitalise on the opportunities that lie ahead of us and deliver further value to shareholders.

Currently, my holdings in Bank of Georgia amount to 622,431 shares and nil-cost options, of which 323,000 will vest in next four years and 299,431 have already vested. After signing this new three-year commitment with the Bank, it is expected that I will be awarded at least an additional 270,000 nil-cost options that will vest over the next seven years. Having accumulated a significant stake in the Bank over the period of eight and a half years work, I have decided to sell 220,000 BGH shares over the coming weeks. We will notify the market when the sale is complete, in accordance with legal requirements.” commented *Irakli Gilauri*, Chief Executive Officer.

“Irakli’s contribution to the success of the Bank is clear and the Board is delighted to benefit from his vision and leadership to further increase value for shareholders over the next three years,” commented *Neil Janin*, Chairman of the Board of Directors of BGH.

About Bank of Georgia Holdings plc

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

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

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

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

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