

London, 27 May 2016

***Bank of Georgia signs a c.GEL 220 million 5-year loan agreement
with EBRD***

BGEO Group PLC (“**BGEO**” or the “**Group**”), the holding company of JSC Bank of Georgia (“**BOG**” or the “**Bank**”), Georgia’s leading bank, announces that the Bank and the European Bank for Reconstruction and Development (“**EBRD**”) have signed a c.GEL 220 million loan agreement, with a maturity of five-years. EBRD obtained the local currency funds through a private placement of GEL-denominated bonds arranged by Galt&Taggart, a wholly owned subsidiary of BGEO.

This is the largest and the longest maturity local currency loan granted to a Georgian bank. The loan will enable BOG to issue longer-term local currency loans, providing essential support for micro, small and medium sized enterprises to converge to DCFTA requirements, as well as underserved women entrepreneurs.

“I want to congratulate EBRD, BOG and Galt & Taggart with the successful closure of this landmark transaction. The transaction reflects our longstanding co-operation with EBRD and is of a great importance not only for Bank of Georgia but for the entire financial sector in the country as it enables BOG to provide long term loans in local currency, meeting existing strong demand for such funding. Bank of Georgia is committed to further extending its financing to small and medium size businesses. Furthermore, we are keen to develop financial products and lending practices, to service specifically women-led SMEs, which will ultimately increase their involvement in developing Georgia’s private sector”, said **Irakli Gilauri**, CEO of BGEO Group PLC.

About BGEO Group PLC

BGEO Group PLC is a UK incorporated holding company of a Georgia-based banking group with an investment arm. Its primary business is the leading Georgian bank JSC Bank of Georgia, which has a market share of 33.5% (based on total assets), 32.3% (based on total loans) and 33.2% (based on client deposits). The banking business offers a broad range of retail banking, corporate banking, investment management and P&C insurance services. As of 31 March 2016, the bank served approximately 2.0 million client accounts through one of the largest distribution networks in Georgia, with 266 branches, the country’s largest ATM network, comprising 753 ATMs, 2,627 Express pay (self-service) terminals and a full-service remote banking platform and a modern call center. The investment business primarily consists of the largest healthcare group in Georgia (Georgia Healthcare Group), real estate business (m2) and utility business (Georgia Global Utilities).

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

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

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