



საქართველოს ბანკი
BANK OF GEORGIA



Fitch Ratings: 'B-'/Stable

Concorde Capital's 2nd Annual Spring Conference

Kiev, Ukraine

April 18, 2006

The Georgian Economy cont'd

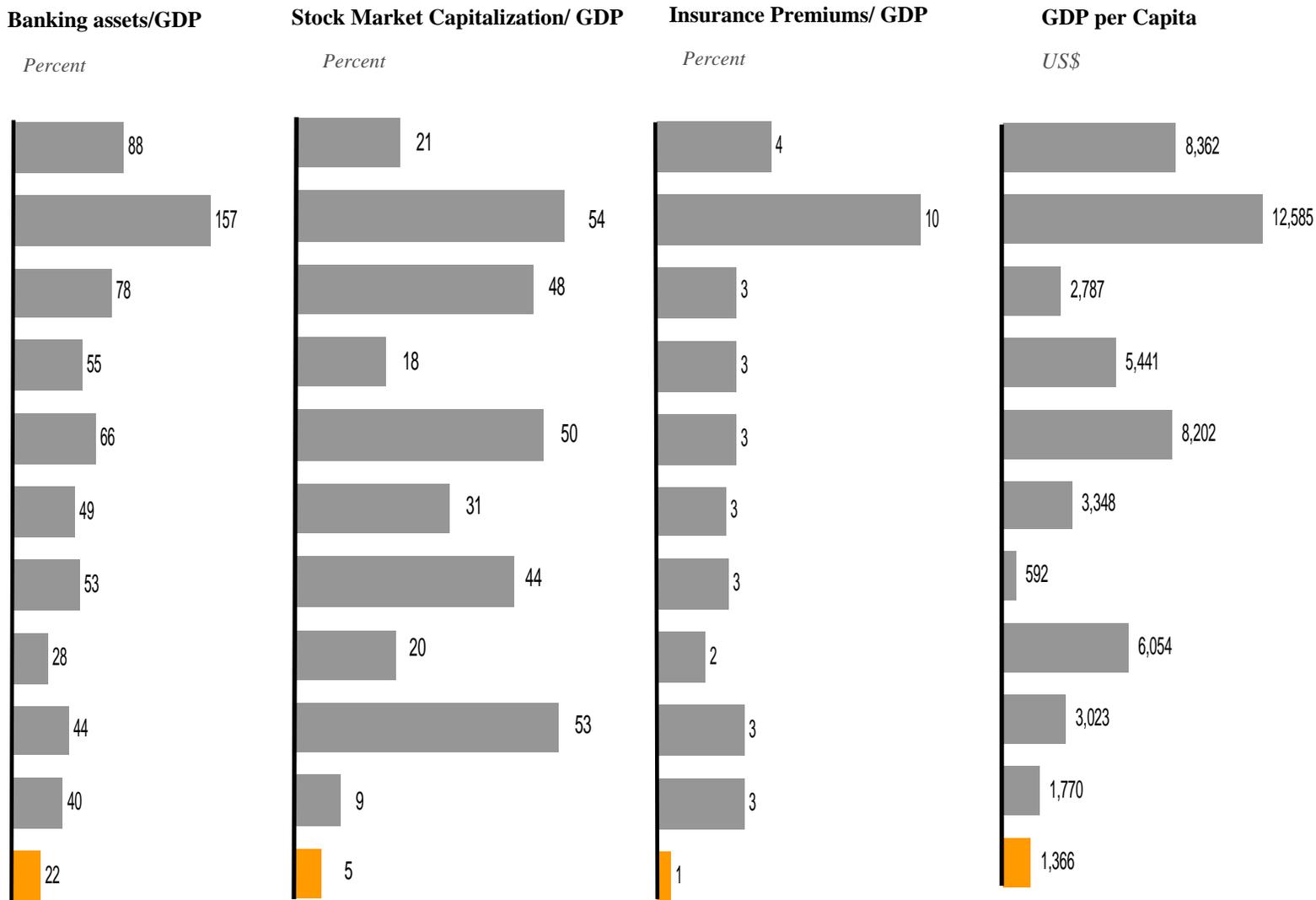
- High GDP growth
- Stable currency
- Strong fiscal performance
- Increasing consumer spending with very low levels of consumer indebtedness
- Unprecedented government spending on infrastructure, resulting in increased productivity
- Reasonable interest rate environment
- Increased foreign investor activity
- Progressive new tax code
- Massive deregulation and liberalization
- Dramatically reduced corruption
- Improving corporate governance practices
- No currency or capital controls since the mid-1990s
- Abolition of all customs duties by 2008

The Georgian Economy At A Glance

<i>In GEL mln, unless otherwise noted</i>	2003A	2004A	2005E	2006F	2007F	CAGR 04-07
Demographic Parameters						
Population, thousand people, of which	4.55	4.54	4.56	4.58	4.60	0.5%
Economically active	2.11	2.11	2.13	2.14	2.16	0.7%
% of Total Population	46.5%	46.6%	46.7%	46.8%	46.9%	
Number of Households, thousands	1,220	1,200	1,212	1,231	1,239	
Macroeconomic Parameters						
Nominal GDP	8,560	9,506	11,149	12,412	14,649	15.5%
Real GDP Growth, %	11.1	6.2	9.3	10.2	10.5	
GDP Per Capita (GEL)	1,883	2,096	2,446	2,710	3,182	14.9%
CPI, GEL, e-o-p, %	6.9	7.5	6.1	5.1	8.7	
GDP Deflator, y-o-y, %	3.2	5.9	5.5	4.5	7.1	
GEL/US\$, avg	2.14	1.91	1.81	1.79	1.80	-2.0%
GEL/US\$, e-o-p	2.05	1.83	1.79	1.78	1.79	-0.7%
Consolidated State Budget Revenues	1,320	2,282	2,507	3,029	3,807	18.6%
Consolidated State Budget Deficit	202	130	524	385	425	48.4%
<i>As % of GDP</i>	2.36%	1.37%	4.70%	3.10%	2.90%	
Debt to GDP Ratio	44.42	33.17	27.71	N.A.	N.A.	
Debt to Exports Ratio	143.27	112.22	89.1	N.A.	N.A.	
Exports, FOB (US\$ mln)	465.3	648.4	867.1	N.A.	N.A.	36.5%
NBG Currency Reserves, (US\$ mln)	190.9	382.9	474.2	N.A.	N.A.	57.6%

Source: State Statistics Department; National Bank of Georgia; Galt & Taggart Securities' estimates

STILL A LAGGARD AMONG EMERGING MARKETS



Note: Estimated real GPW to GDP in Russia was only about 1,7% in 2003; 2005 data for Georgia; 2003 data for all other countries
 Source: Global Insight; Global Stock Market Factbook 2004; National Banks; McKinsey

The Georgian Financial Services Sector At A Glance

- 21 banking licenses, but sector consolidation in progress

	2005	Y-O-Y Growth	Top 5 Banks	Bank of Georgia
Total Assets	GEL 2,548 mln	50.2%	78.4%	17.8%
Loans	GEL 1,730 mln	79.3%	81.8%	18.2%
Deposits	GEL 1,538 mln	56.5%	78.1%	19.0%
Shareholders' Equity	GEL 479 mln	28.7%	68.1%	18.7%
Net Income	GEL 62 mln	124.7%	74.0%	20.7%

- Bank-owned insurance companies account for approximately 62% market share
 - Bank of Georgia has an approximately 20% market share (BCI/EuroPace)
- Bank-owned leasing companies account for 100% of the leasing assets
 - Bank of Georgia (GLC) has an approximately 25% market share
- Bank-owned broker-dealers account for more than 70% of trading volume on the GSE
 - Bank of Georgia (Galt & Taggart) has an approximately 35% market share
- 2nd, 3rd and 4th largest banks are foreign-controlled
 - Bank of Georgia (70% non-resident institutional investor ownership)
 - United Georgian Bank (51% owned by VneshtorgBank)
 - ProCredit Bank Georgia (majority controlled by the ProCredit network)

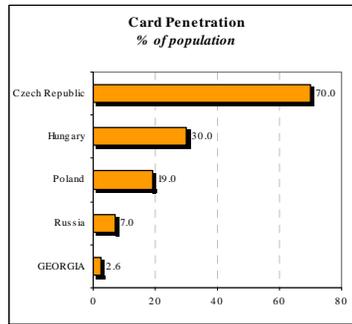
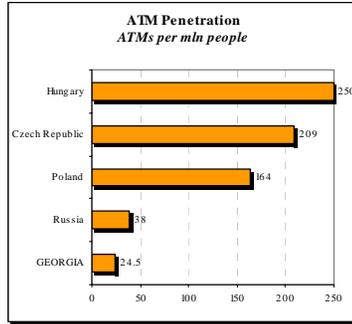
The Georgian Banking Sector – Significant Growth Potential

As consumer demand for financial services becomes more sophisticated

2004/2005

Basic products

- Current Accounts
- Transfers
- Cards/ATMs
- Internet banking
- Branch banking



Intermediated
Retail Financial
Assets

GEL 745 mln

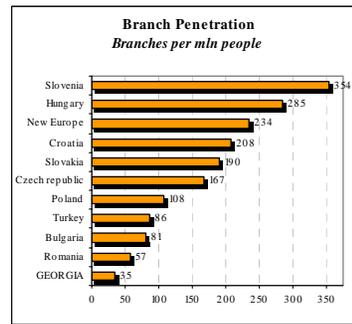
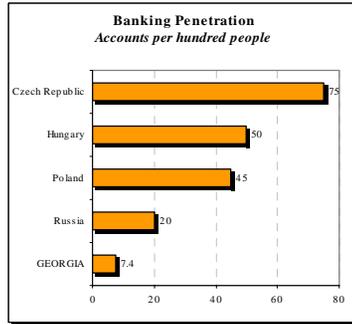
Total Retail
Financial Assets

GEL 1,854 mln

2005/2006

Credit products

- Mortgages
- Consumer loans
- Credit cards



Total Consumer
Loan Stock Per
Capita (including
mortgages)

GEL 108

2007/2008

Savings products/ Deposit substitution

- Asset management
- Pensions/Life insurance

Cards in
circulation

Under 200,000

Source: GFK, Pentor, McKinsey, Galt & Taggart Securities' estimates;
Georgia 2005 1H data

	Georgia (2005E)	Georgia (2004)	CIS (2002)	Balkans (2002)	CEE (2002)	EU (2001)
Total Loans/GDP (%)	13.02%	9.85%	17%	14%	32%	172%
Total Deposits/GDP (%)	10.93%	10.03%	22%	25%	53%	186%
Banking Assets per capita (EUR)	169	151	628	695	4,336	64,535
Banking Assets/No. of Banks (EUR mln)	36.5	32.5	92	173	1,375	5,288

Source: ECB, EBRD, NBG, Galt & Taggart

GEL/EUR as Dec 31 03	2.592
GEL/EUR as Dec 31 04	2.485
GEL/EUR as Dec 31 05	2.125

- **Increasing adoption of the universal banking business model, following the lead of Bank of Georgia**
- **Significant IT/infrastructure and marketing spend drives increasing retail banking penetration**
- **Increasing foreign investment in small banks**
 - Salford/Standard Bank (December 2004)
 - TuranAlem/SilkRoad bank (March 2005)
 - Cascade Holdings/Emporiki Bank Georgia (January 2006)
- **Increasing availability of non-deposit funding**
 - Driven by the S&P sovereign B+ rating
 - IFIs: EBRD, IFC, DEG, OPIC, BSTDB
 - Syndicated loans (TBC Bank US\$ 21 mln from EBRD-arranged A/B loan)
 - Unsecured term loans (Bank of Georgia US\$25 mln from Citigroup)
 - Long-tenor mortgage facilities (Bank of Georgia US\$10 mln 10-year facility from WBC)
 - Domestic bonds (Bank of Georgia, ProCredit Bank Georgia)
 - CLNs/Eurobonds (expected Q4 2006/1H 2007)
- **Significant sector-wide growth triggers expected (2006-2008)**
 - Gradual relaxation of the tough NBG capital adequacy & liquidity ratios
 - Strengthened and improved bank supervision and strict AML/KYC regime improve confidence in the banking sector
 - Financial sector liberalization under way, dramatically facilitating non-residents' access to Georgian financial assets
 - Introduction of the deposit insurance scheme following the consolidation of the sector further (in 2008)

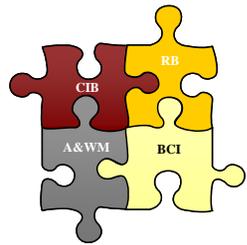
Bank of Georgia - Our Vision & Mission

Our **vision** is to be recognized as *the best financial services company in Georgia.*

Our **mission** is to create long-term value and deliver by 2007 ROAE of 20%+ by building a relationship-driven, client-facing integrated financial services company based on the core values of *excellence in execution, teamwork, integrity and trust.*

Retail Banking	The largest Georgian retail bank, offering consumers the broadest range of services through multiple channels	✓ Achieved
Corporate & Investment Banking	A leader in corporate banking, bank of choice for inbound foreign corporates	✓ Achieved
	The undisputed leader in investment banking	✓ Achieved
	Integrated offering to large corporates through strong client coverage culture	✓ Achieved
Insurance	A leading player in the non-life sector, cross-selling insurance to corporates	✓ Achieved
	A leading life insurance and pensions provider	✓ In Progress
Asset & Wealth Management	A leading share of the domestic institutional business	✓ In Progress
	The undisputed domestic leader in wealth management, with niche appeal to sophisticated non-resident investors	✓ Achieved
	A player in private equity and venture capital	✓ Planning Stage

Bank of Georgia – An Integrated Business Model



Bank of Georgia Group

	BCI/Europace	CIB	RB	A&WM	
	2	2	1	1	Market Position (March 31, 2006)
	N/A	US\$ 117.6 mln	US\$ 82.3 mln	AUM/Custody US\$ 46.5 mln	Earning Assets (March 31, 2006)
	US\$ 5.8 mln	N/A	N/A	US\$ 7.2mln	Total Assets (March 31, 2006)
	US\$ 2.2 mln US\$ 6.9 mln	US\$ 3.2 mln US\$ 13.9 mln	US\$ 3.8 mln US\$ 14.5 mln	US\$ 0.3 mln US\$ 1.1 mln	Revenue Q1 '06 2005
	US\$ 0.4 mln US\$ 1.0 mln	US\$ 2.4 mln US\$ 10.6 mln	US\$ 1.3 mln US\$ 5.9 mln	US\$ 0.2 mln N/A	NNOI Q1 '06 2005
	US\$ 0.3 mln US\$ 0.7 mln	US\$ 2.6 mln US\$ 8.1 mln	US\$ 0.9 mln US\$ 4.2 mln	US\$ 0.2 mln US\$ 0.4 mln	PBR Q1 '06 2005
	US\$ 0.2 mln US\$ 0.4 mln	US\$ 1.6 mln US\$ 4.4 mln	US\$ 0.6 mln US\$ 2.3 mln	US\$ 0.1 mln US\$ 0.3 mln	Net Income Q1 '06 2005
	8.0% 5.4%	64.0% 59.5%	24.0% 31.1%	4.0% 4.1%	Contribution to Group Net Income Q1 '06 2005

One Firm

Strong management

Shared expertise

Cross-sell synergies

Shared services & infrastructure

Cost efficiency

Bank of Georgia - Development Milestones

New Management Team Takes Over

The bank has doubled in size under new management

US\$ 151.7 mln
US\$ 93.3 mln
US\$ 96.4 mln
US\$ 26.4 mln

US\$ 198.0.4 mln
US\$ 105.3 mln
US\$ 137.8 mln
US\$ 29.7 mln

US\$ 253.5 mln
US\$ 176.0 mln
US\$ 151.5 mln
US\$ 50.3 mln

US\$ 331.9 mln
US\$ 216.4 mln
US\$ 177.2 mln
US\$ 54.5 mln

Total Assets (e-o-p)
Total Loan Book (e-o-p)
Deposits (e-o-p)
Equity (e-o-p)

Unique management team composition for a CIS bank

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Number of Western-Trained Professionals

Stellar acquisition and integration track record

TUB (US\$ 6.2 mln)
BCI (US\$ 2.1 mln)
Georgian Card (increased from 19% to 51%, US\$ 343 K)

Galt & Taggart (increased from 35% to 90%, US\$ 206K)
GLC (increased from 60% to 87.3%, US\$ 350 K)
Europace, 100% acquisition by BoG and BCI (US\$ 1.4 mln)

IntellectBank, acquisition of assets & liabilities

Key Acquisitions

Increasingly diversified revenue stream

Retail Banking
Corporate Banking
Trade Finance
Foreign Exchange
Investment Banking

Retail Banking
Corporate Banking
Trade Finance
Foreign Exchange
Investment Banking
Insurance

Retail Banking
Corporate Banking
Trade Finance
Foreign Exchange
Investment Banking
Insurance
Leasing
Pensions
Private Banking

Retail Banking
Corporate Banking
Trade Finance
Foreign Exchange
Investment Banking
Insurance
Leasing
Pensions
Private Banking

Key Business Lines

An established borrower in international markets

BSTDB US\$ 4 mln
DEG EUR 6.5 mln
AKA Bank EUR 5 mln
EBRD US\$ 11 mln
IFC US\$ 8 mln

KfW US\$ 3.5 mln guarantee facility
EBRD US\$ 10 mln
GEL 2.0 mln Bond Placement
Commerzbank US\$ 3.8 mln

World Business Capital US\$ 10 million/10 year loan with OPIC guarantee
Citibank N.A.London US\$ 25 mln 18 month unsecured term loan facility

Key Lenders

Unprecedented level of institutional interest. Institutional ownership >60% unique for a CIS bank.

EBRD (since 1998)
DEG invests

Post-Communist Opportunities Fund,
Firebird Avrova Fund,
Firebird Republics Fund,
Firebird Global Master Fund invest

Ostinvestor clients invest
The Firebird funds and East Capital Bering Fund increase their respective stakes
Several hedge funds invest
East Capital Holding increases its stake
East Capital Bering Ukraine Fund invests
Bank Austria Creditanstalt purchases a large block on behalf of institutional client and issues Call Warrants against BoG stock tradable on the Vienna Stock Exchange
SEB Vilniaus Bankas purchases a large block on behalf of Finasta

Hedge funds continue investing

Institutional Shareholders

2000 - Q3 2004

Q4 2004

2005

Q1 2006



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Supportive Shareholders & Lenders

BoG Shareholder Structure

Bank of Georgia Shareholding

31-Mar-06	Shares	%
Victor Gelovani	1,944,840	12.6%
EBRD	1,797,509	11.6%
Bank Austria Creditanstalt (nominees)	1,499,993	9.7%
Firebird Avrova Fund	1,356,219	8.8%
Firebird Republics Fund	1,355,706	8.8%
Galt & Taggart Securities (nominees)	815,796	5.3%
East Capital Holding	846,864	5.5%
East Capital Bering Fund	771,172	5.0%
East Capital Bering Ukraine Fund	670,000	4.3%
Firebird Global Master Fund	637,999	4.1%
Lado Gurgenidze	361,243	2.3%
SEB Vilniaus Bankas (nominees)	331,200	2.1%
Sulkhan Gvalia	257,835	1.7%
Tariel Gvalia	243,095	1.6%
Subtotal	12,889,471	83.3%
Free float	2,590,087	16.7%
Total	15,479,558	100.0%

Key Lenders



Key Institutional Shareholders



Custodians/Nominees



- Management currently owns approximately 741,685 shares and approximately 541,665 options/share grant entitlements
- New management share ownership plan has been introduced and 40 professionals equitized
- 40 non-resident individual shareholders
- Approximately 1,800 domestic retail shareholders

2006 YTD Accomplishments

- Total assets grew to GEL 606.3 mln (US\$ 331.9 mln) from GEL 453.6 mln (US\$ 253.5 mln) at the YE 2005
- Acquisition of IntellectBank
 - 25,000 retail clients
 - Approximately 7,000 active cardholders, sole distributor of AmEx Cards, 49% equity interest in UFC
 - Active partner of Anelik, MoneyGram, WesternUnion and other money transfer businesses
 - 14 additional service centers, bringing our total to 72
 - Estimated 2006 pre-tax post-synergies earnings contribution of GEL2.6 mln
- Ahead of schedule on the annual debt funding plan (US\$ 100 mln)
 - GEL 20 mln (US\$ 11 mln) 2 year, 6.2% bullet loan
 - US\$10 mln 10-year loan at 2.75% over LIBOR loan partially guaranteed by OPIC
 - US\$ 25 mln 18-month unsecured term loan from Citigroup partially hedged by purchasing CDS
 - Proposals received to arrange a debut US\$ 15-30 mln syndicated loan
 - Proposals received for US\$ 5-10 mln subordinated debt
 - Proposals received for a EUR 50 mln debut Eurobond issue
- Introduced monthly account maintenance fees (GEL 1.5 per month) on all non-payroll retail client accounts with no pushback from clients – additional estimated fee income of GEL 1.0 mln in 2006

2006 YTD Accomplishments



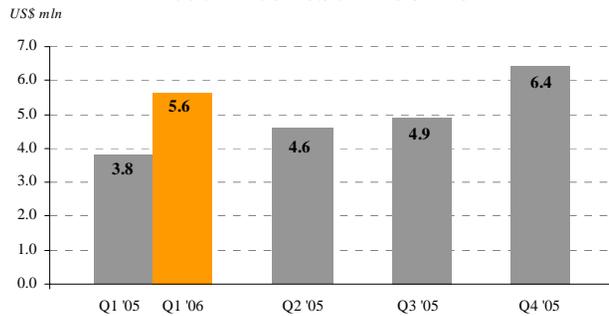
- Good progress on co-branded retail initiatives
 - **Chemebi** – launched a new consumer insurance brand – no less than 20,000 additional clients expected in 2006
 - Property, car, health, travel and life insurance packages
 - Co-branded loyalty/discount cards (BoG/*Chemebi*/Aversi)
 - **GeoCell** (a mobile operator with 800,000+ active subscribers 50% market share) – acquisition of up to 5,000 retail clients expected in 2006
 - Co-branded cards distributed to GeoCell's post-paid client base, loyalty program, other projects under development
 - **Populi** (the largest supermarket chain with 13 outlets, 9% owned by BoG, 23% owned by Firebird) – acquisition of up to 3,000 retail clients expected in 2006
 - Exclusive POS acquiring, in-store promotion of BoG products, ATMs in most stores, co-branded cards/cashback
 - **Aversi** – (the leading pharmacy chain with 80 outlets) – acquisition of up to 20,000 retail clients expected in 2006
 - Co-branded cards/loyalty program, exclusive POS acquiring, ATMs at selected locations, in-store distribution of the *Chemebi* consumer insurance products
- The sole servicing bank of Millennium Challenge Georgia (US\$295 mln committed US funding over the next five years)
- The servicing bank and the sole financial advisor to TAV-Urban the Tbilisi and Batumi airports BOT operator (a US\$77 mln project)
- Announced as the winner in the tender for the sole servicing bank of the Tbilisi Metro (subway, circa 100 mln passenger trips per year)
- Announced the winner in the tender for the sole servicing bank of the Tbilisi Municipality (annual budget circa GEL 380 mln)
- Fitch rates Bank of Georgia at B-; Stable Outlook

Income Statement Highlights In GEL

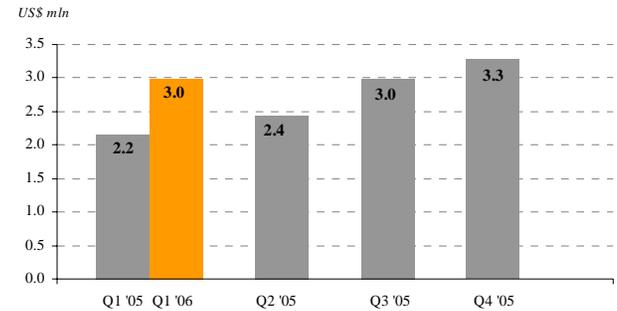
INCOME STATEMENT	Q1 '06	Q1' 05	Change y-o-y	Q1 '06	Q1 '05	Change y-o-y
	(US\$ mln)		(%)	(GEL mln)		(%)
Interest Income	8.4	5.4	55.1	15.2	9.8	54.6
Interest Expenses	2.7	1.6	75.4	5.0	2.8	74.9
Net Interest Income	5.6	3.8	46.8	10.2	7.0	46.4
Net Non-Interest Income	3.0	2.2	37.7	5.4	3.9	37.3
Total Operating Income	8.6	6.0	43.5	15.6	10.9	43.1
Recurring Operating Costs	4.2	3.2	35.0	7.6	5.7	32.1
Normalized Net Operating Income	4.4	2.9	52.7	8.0	5.2	52.3
Profit (Pre-Bonus) Before Provisions	4.4	2.5	76.7	8.0	4.5	76.2
Net Provisions	0.9	1.3	-30.4	1.6	2.3	-30.6
Pre-Bonus Result	3.6	1.6	118.4	6.5	3.0	117.8
Bonus (Paid & Accrued)	0.7	0.4	86.6	1.3	0.7	86.1
Pre-Tax Income	2.6	1.2	111.1	4.7	2.2	110.5
Estimated Profit Tax	0.3	0	NMF	0.6	0	NMF
Net Income	2.2	1.2	82.6	4.1	2.2	82.1
EPS (Basic)	0.14	0.11	30.0	0.26	0.20	30.9

Q1 '06 Results Overview

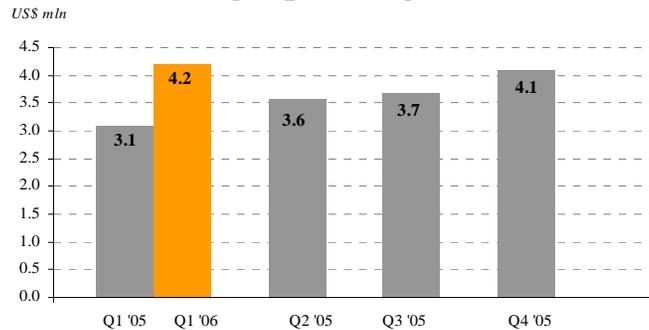
Net Interest Income



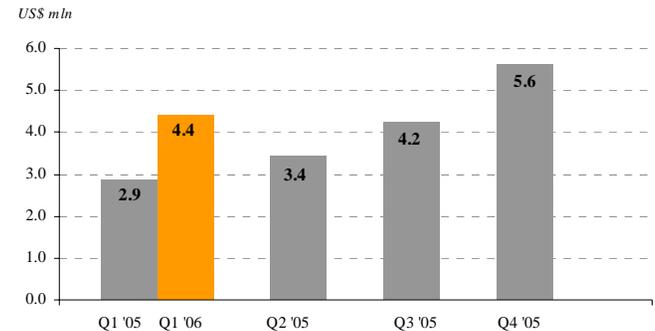
Net Non-Interest Income



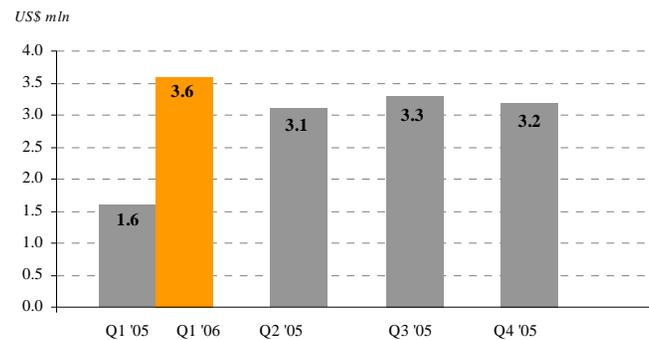
Recurring Operating Costs



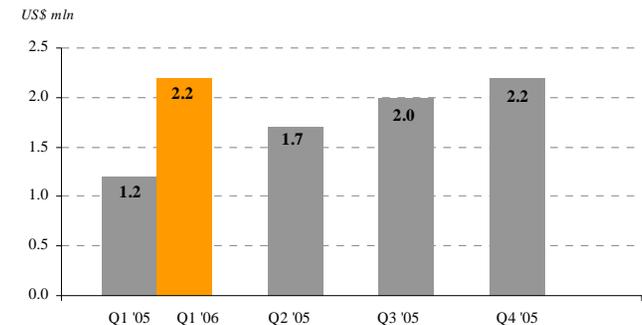
Normalized Net Operating Income



Pre-Bonus Result



Net Income



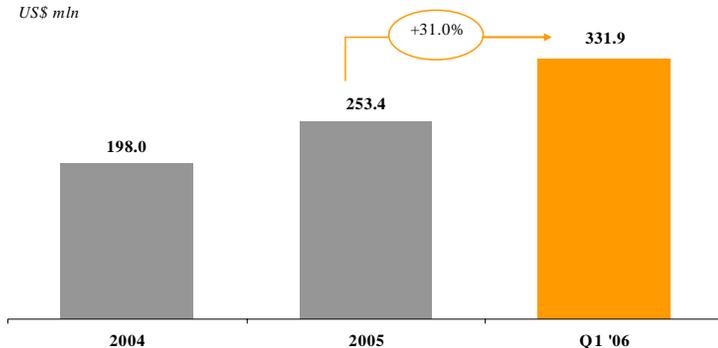
Balance Sheet Highlights

BALANCE SHEET	US\$ mln		Change	GEL mln		Change
	Q1 '06	YE 2005	YTD (%)	Q1 '06	YE 2005	YTD (%)
TOTAL ASSETS	331.9	253.4	33.7	606.3	453.7	31.1
Cash & Due From Banks	69.0	48.9	44.1	126.0	87.5	41.3
Securities	2.8	5.3	-46.9	5.0	9.5	-47.9
Net Loans	196.8	166.1	20.9	359.6	297.4	18.6
TOTAL LIABILITIES	277.4	203.2	39.4	506.8	363.6	36.7
Deposits	175.5	151.5	18.3	320.7	271.1	16.1
Borrowed Funds	70.7	30.6	136.1	129.2	54.7	131.6
TOTAL EQUITY	54.5	50.3	10.6	99.5	90.0	8.3

Balance Sheet Highlights

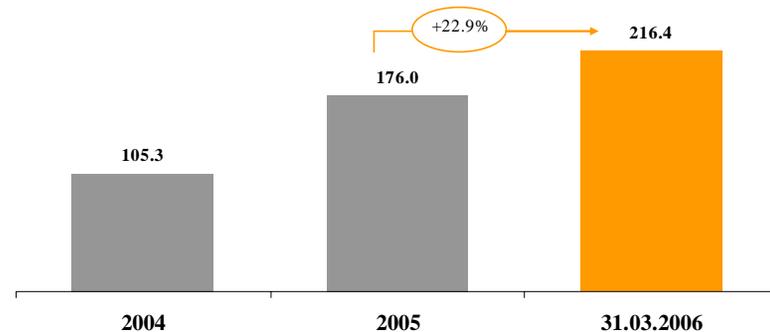
Total Assets (e-o-p)

US\$ mln



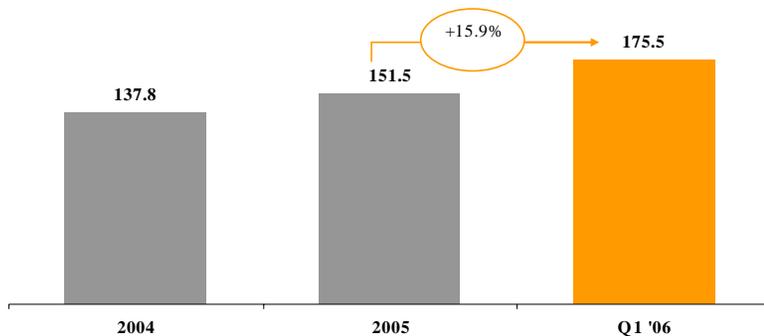
Gross Loans (e-o-p)

US\$ mln



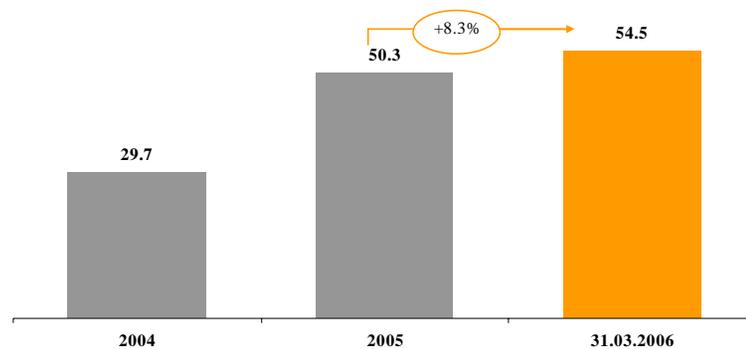
Client Deposits (e-o-p)

US\$ mln



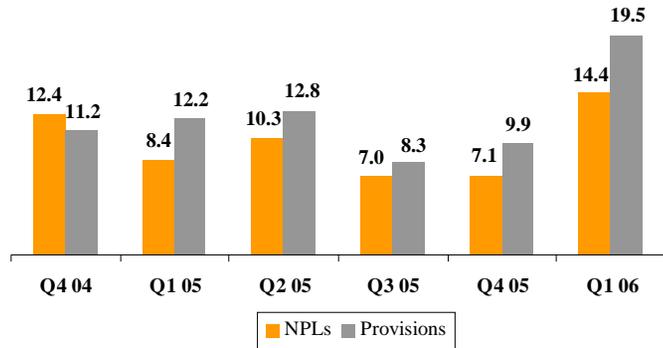
Shareholders' Equity (e-o-p)

US\$ mln

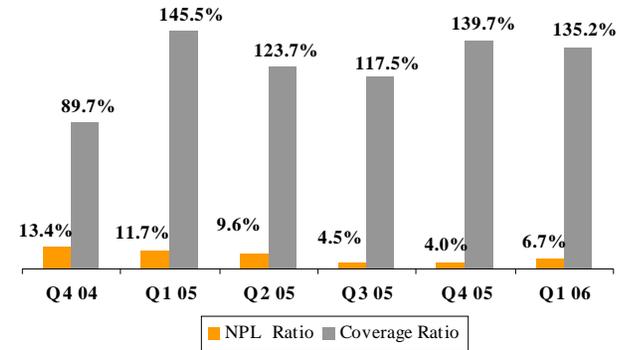


Diversified Loan Book And Conservative Provisioning Policy

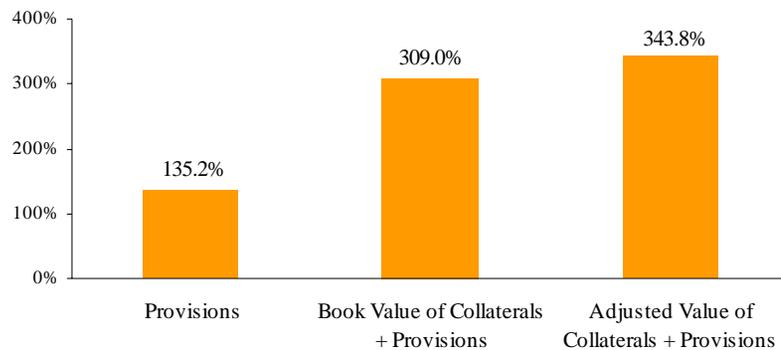
NPLs vs Provisions (e-o-p, US\$ mln)



NPL Ratio vs Coverage

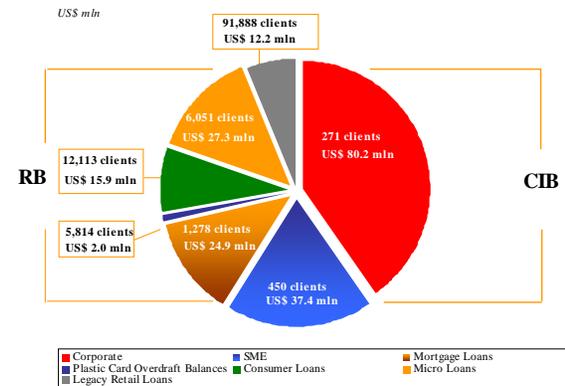


Provisions as % of NPLs Q1 '06



Loan Portfolio Diversification Q1 '06

(by volume and number of clients)



NPL=Overdue more than 90 days (except for 2004 and 2003); NPL Ratio = NPLs/Total Loans;
Coverage Ratio=Provisions/NPLs

Improving Asset Quality While Expanding The Loan Book

Asset Quality

GEL mln, unless otherwise noted

	Q1 04	Q2 04	Q3 04	Q4 04	Q1 05	Q2 05	Q3 05	Q4 05	Q1 06
Overdues*	14.6	11.7	11.9	14.7	11.5	7.0	9.7	13.5	29.5
NPLs**	9.9	9.9	12.7	22.7	15.4	18.7	12.6	12.7	26.4
NPLs/Total Loans	6.4%	6.3%	7.5%	13.4%	7.9%	9.2%	4.5%	4.0%	6.7%
NPL coverage ratio (Provisions/NPLs)	94.0%	87.2%	86.4%	89.7%	145.5%	123.7%	117.5%	139.7%	135.2%
Provisions/Total Loans	6.1%	5.5%	6.4%	12.1%	11.7%	9.6%	5.3%	5.6%	9.0%

*Overdue more than 30 days but less than 90 days ** Overdue more than 90 days in 2005

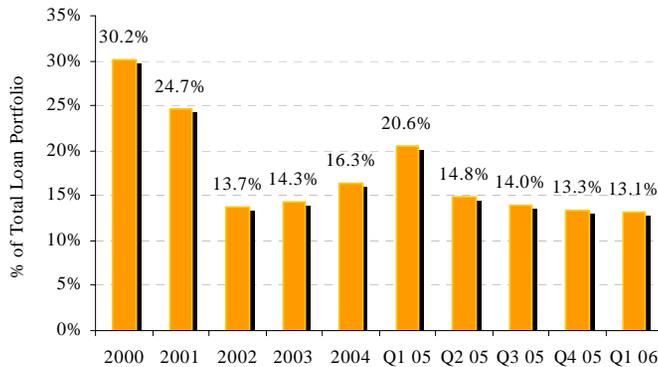
Loan Portfolio Risk by Loan Categories

GEL mln, unless otherwise noted

	Dec-04	Dec-04	Mar-05*	Mar-05*	Jun-05	Jun-05	Sep-05	Sep-05	Dec-05	Dec-05	Mar-06	Mar-06
Standard (2% provision)	131.6	78%	176.2	81%	202.6	84.4%	252.5	90.2%	281.9	89.5%	339.1	85.8%
Watch (10% provision)	14.7	9%	14.8	7%	11.3	4.7%	11.8	4.2%	13.2	4.2%	21.0	5.3%
Substandard (30% provision)	4.2	3%	6.9	3%	8.2	3.4%	8.5	3.0%	9.0	2.8%	6.3	1.6%
Doubtful (50%-70% provision)	8.2	5%	5.9	3%	6.1	2.6%	2.3	0.8%	6.1	2.0%	7.9	2.0%
Loss (100% provision)	10.3	6%	12.8	6%	11.8	4.9%	4.9	1.7%	4.9	1.6%	21.0	5.3%
Total	169.0	100%	216.6	100%	240.0	100%	279.9	100%	315.1	100%	395.3	100.0%

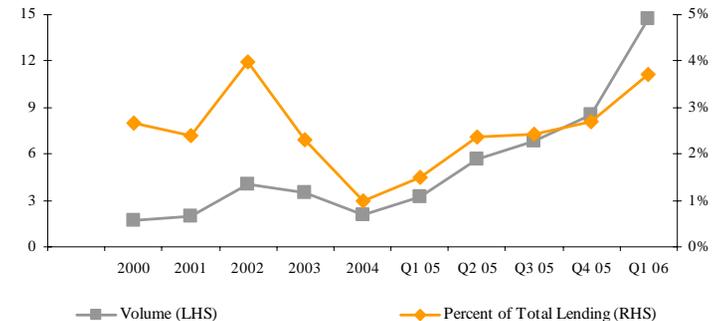
* March 05 includes TUB

Top Ten Borrower Concentration



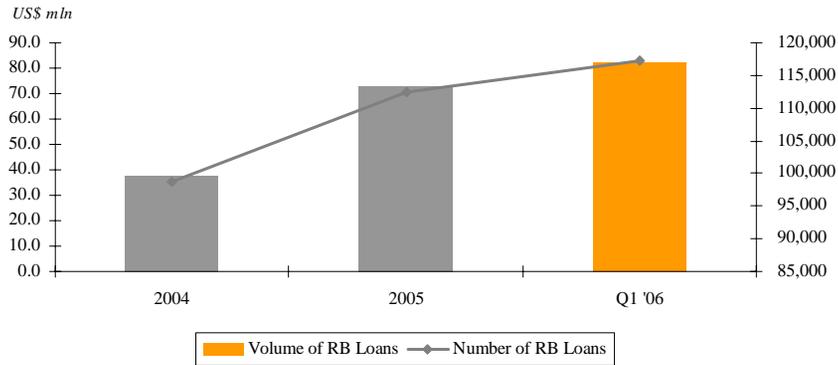
Insider Loans

GEL mln



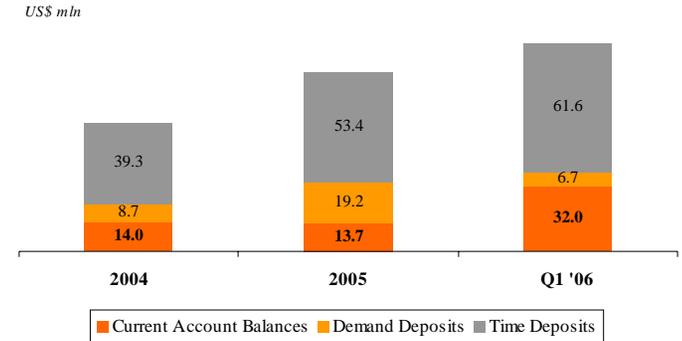
Retail Banking Overview

RB Loans

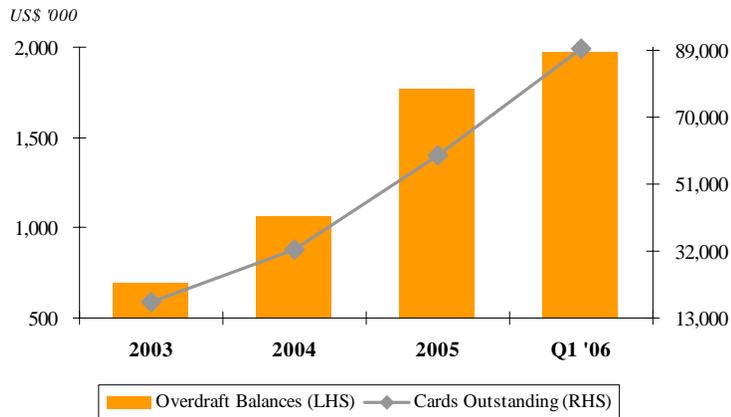


RB Client Funds

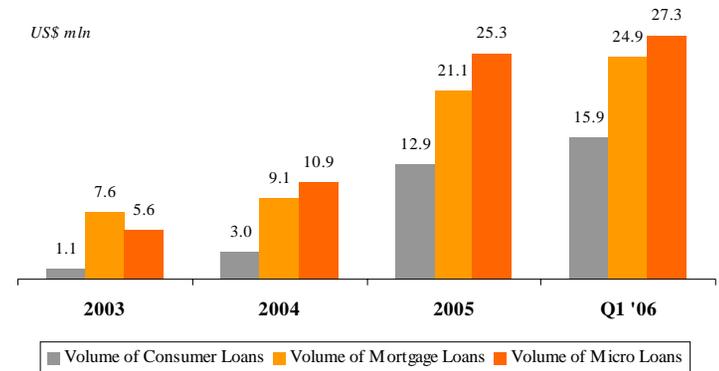
Over 190,000* current accounts as at March 31, 2006



Plastic Cards



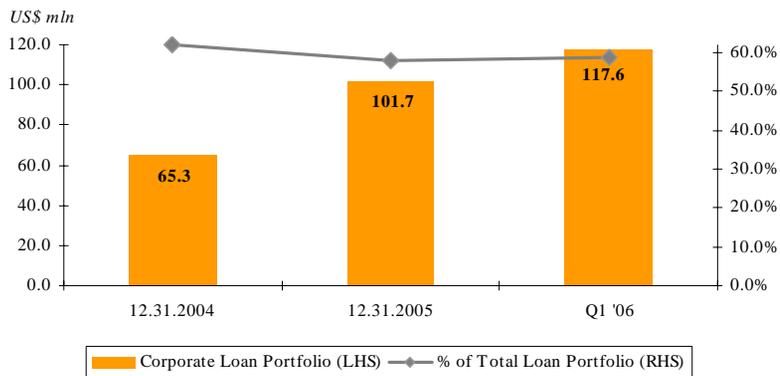
Consumer, Mortgage & Micro Loans



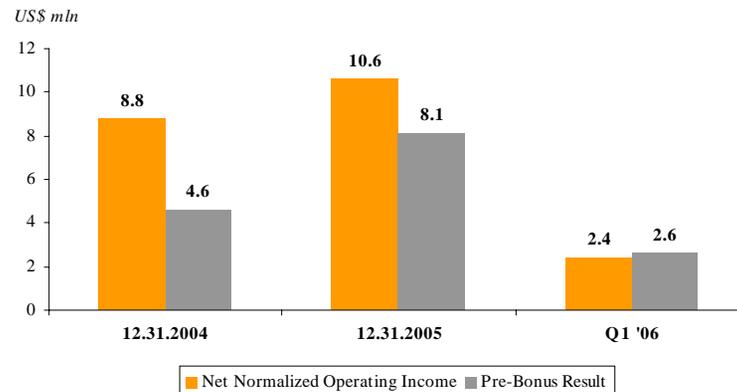
* including Intellectbank

Overview Of Other SBUs

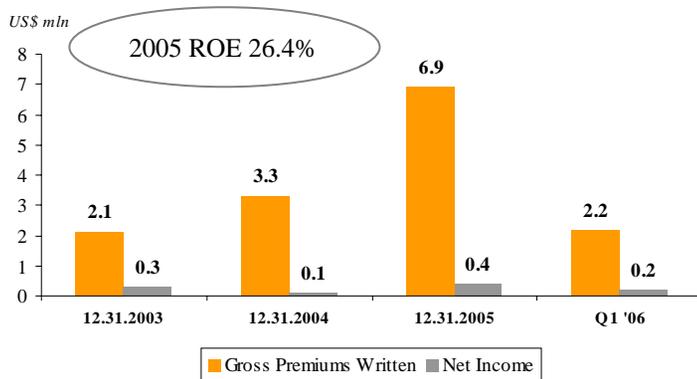
CIB Loan Portfolio



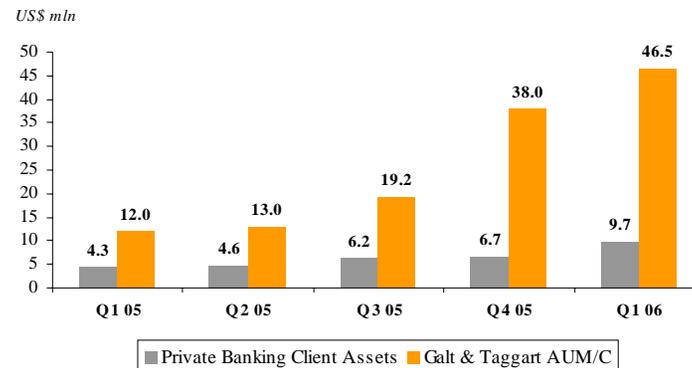
CIB NNOI & PBR



BCI



PB Clients & Galt & Taggart AUM/C



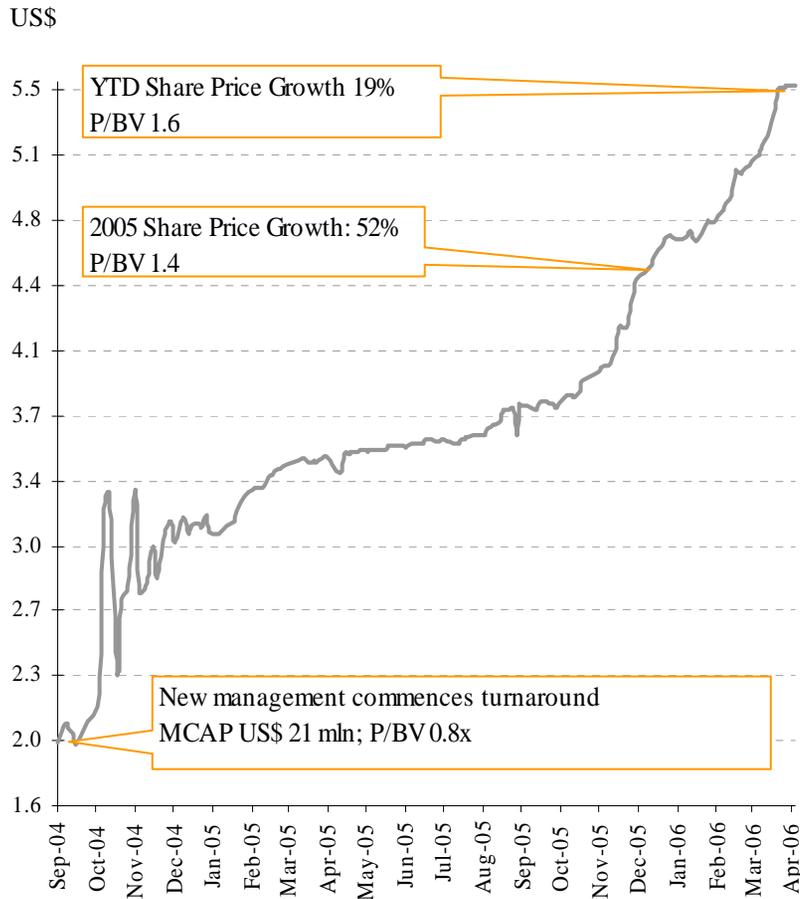
* 2005 & Q1 '06 includes Europace



Leadership In Innovation

- The first Georgian bank to adopt a CIB integrated client coverage model
- The first Georgian bank to introduce packaged Retail Banking products
- The first Georgian bank to introduce *bancassurance*
- The first Georgian bank to launch Private Banking
- The first successful live migration to a new card processing platform in Georgia
- The first co-branded cards in Georgia
- The first LBO transaction in Georgia
- The first cross-border M&A transaction advisory by a Georgian investment bank
- The first corporate bond issue in Georgia
- The first structured equity transaction in Georgia
- The first research coverage of a Georgian company by a non-resident brokerage house

Share Price Performance



	13-Apr 2006	31-Dec 2005	31-Dec 2004	30-Sep 2004
Shares Outstanding (mln)	15.5	14.7	11.3	9.9
Share Price (US\$)	5.52	4.66	3.10	2.10
Share Price (GEL)	10.05	8.35	5.60	3.80
MCAP (US\$ mln)	85.3	68.6	35.0	20.8
MCAP (GEL mln)	155.4	122.9	63.3	37.6
MCAP/BV	1.6	1.4	1.2	0.8

Regional peers trade at significantly higher multiples

2004 Share Price Appreciation 175%

2005 Share Price Appreciation 52%

2006 YTD Share Price Appreciation 19%

Annual Trading Volume (US\$ mln)	GSE	OTC
2004	11.2	3.6
2005	15.1	8.4
2006 YTD	1.0	3.0

Investment Case

- A “leveraged play” on Georgia’s economic growth
- Winning strategy for medium-term profitable growth
- Financial sector consolidator: seven acquisitions in the last 18 months
- Strong retail “pull” due to core franchise strength
- Diversified revenue streams being built through product innovation in the context of an integrated business model
- Disciplined capital management
- Sophisticated management team and strong staff, comprising more than 15 individuals with Western banking & finance background and education

Prior Employers of BoG Management Team Members



- Results-oriented corporate culture stressing teamwork, initiative and accountability
- Transparency and good governance
- Emphasis on investor relations, retail-lot liquidity and international stock exchange listing
- Zealous focus on creating attractive exit opportunities by 2008
- **The only investable banking stock in Georgia (and the Caucasus)**

Ample Exit Opportunities

Selected
Potential
Buyers



КАЗКОММЕРЦБАНК



AKBANK



Bank of Georgia vs. Ukrainian Banks

Publicly Traded Ukrainian Banks, US\$ mln

January 1, 2006

Name	MCap	Assets	BV	2005 Net Income	ROAE %	ROAA %	P/BV	P/E
Aval	1,585	3,814	346	4	1.27	0.12	4.9	NMF
UkrSotsBank	1,295	2,131	263	23	10.55	1.32	4.9	56.5
Forum	466.2	743	93	6	9.30	1.15	5.0	74.7
<i>Average</i>							4.8	65.6

Bank of Georgia, US\$ mln

March 31, 2006

	MCap	Assets	BV	2005 Net Income	ROAE %	ROAA %	P/BV	P/E
	84.6	331.9	54.5	7.6	16.7	3.0	1.6	11.1

- Still a **dramatic valuation gap** despite superior results, transparency, management sophistication and shareholder structure
- We expect the valuation gap to **narrow down significantly** in the context of the planned relisting on AiM

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Caution Regarding Forward-Looking Statements

This presentation contains statements that constitute “forward-looking statements”, including, but not limited to, statements relating to the implementation of strategic initiatives and other statements relating to our business development and financial performance.

While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, (1) general market, macroeconomic, governmental, legislative and regulatory trends, (2) movements in local and international currency exchange rates, interest rates and securities markets, (3) competitive pressures, (4) technological developments, (5) changes in the financial position or credit worthiness of our customers, obligors and counterparties and developments in the markets in which they operate, (6) management changes and changes to our group structure and (7) 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 those filed with the NSCG.

We are under no obligation (and expressly disclaim any such obligations to) update or alter our forward-looking statements whether as a result of new information, future events, or otherwise.

Unaudited 2005 and Q1 06 Financial Statements

Income Statement

	Unaudited US\$ Q1 '06	Y-O-Y Growth	Unaudited Q1 '06	Unaudited Q1 '05	Unaudited 12/31/2005	Audited 12/31/2004
<i>JSC Bank of Georgia Standalone, IFRS</i>						
<i>GEL, unless otherwise noted</i>						
GEL/US\$ average exchange rate	1.82		1.82	1.83	1.81	1.91
Operating Income						
Interest Income	8,368,175	55.1%	15,190,427	9,794,733	48,664,733	33,757,694
Interest Expense	2,736,299	75.4%	4,967,099	2,831,650	12,882,305	9,919,060
Net Interest Income	5,631,876	46.8%	10,223,328	6,963,083	35,782,428	23,838,634
Commission Income	2,010,318	37.4%	3,649,253	2,655,770	13,035,903	11,002,843
Commission Expenses	231,264	-7.3%	419,805	452,688	2,105,997	1,787,312
Net Commission Income	1,779,053	46.6%	3,229,447	2,203,082	10,929,905	9,215,531
Income from Documentary Operations	345,334	2.2%	626,872	613,163	2,807,882	2,209,396
Expense from Documentary Operations	144,291	59.1%	261,926	164,664	803,965	746,689
Net Income From Documentary Operations	201,043	-18.6%	364,946	448,499	2,003,918	1,462,707
Other Non-Interest Income	5,435	-85.1%	9,866	66,096	183,522	2,193,304
Other Non-Interest Expenses	195	2112.5%	354	16	1,780	391,474
Net Other Non-Interest Income	5,240	-85.6%	9,512	66,080	181,742	1,801,830
FX Trading Income	997,568	49.0%	1,810,846	1,215,697	6,542,241	4,848,068
Net Non-Interest Income	2,982,904	37.7%	5,414,751	3,933,358	19,657,806	17,328,136
Total Operating Income	8,614,780	43.5%	15,638,079	10,896,441	55,440,233	41,166,770
Recurring Operating Costs						
Personnel Costs	1,945,198	22.0%	3,540,261	2,901,939	12,442,922	11,313,359
Selling, General & Administrative Expenses	833,081	108.0%	1,516,207	728,818	4,714,949	3,920,334
Procurement & Operations Support Expenses	322,998	29.0%	587,855	455,561	1,989,900	2,050,793
Depreciation	563,480	28.5%	1,025,534	798,370	3,491,954	2,609,282
Other Operating Expenses	472,425	24.1%	859,814	692,804	2,925,812	2,991,103
Various Tax Expenses	59,007	35.8%	107,393	79,096	597,126	785,494
Total Recurring Operating Costs	4,207,143	35.0%	7,637,065	5,656,587	26,162,663	23,670,364
Normalized Net Operating Income	4,407,636	52.7%	8,001,013	5,239,854	29,277,571	17,496,405
Non-recurring costs	13,301	-96.7%	24,145	724,642	1,962,044	1,613,052
Profit (pre-bonus) Before Provisions	4,394,336	76.7%	7,976,869	4,515,212	27,315,526	15,883,353
Provisions	884,808	-30.4%	1,606,157	2,306,414	8,861,148	22,118,260
Gains on asset sale & recovery	75,329	-82.3%	136,742	770,543	1,840,501	49,272
Pre-Bonus Result	3,584,857	118.4%	6,507,453	2,979,341	20,294,879	-6,185,634
Guaranteed Compensation Expenses	112,032	222.8%	203,367	63,000	232,000	-
Bonuses	716,578	86.6%	1,300,776	697,022	6,000,001	1,944,016
Pre-Tax Income	2,580,790	111.1%	4,684,809	2,219,319	14,062,878	-8,129,650
Profit Tax	347,834	NMF	631,410	-	1,289,194	780,117
Net Income	2,232,956	82.6%	4,053,399	2,219,319	12,773,685	-7,349,533
EPS Basic	0.14	30.0%	0.26	0.20	0.87	NMF
EPS Fully Diluted	0.14	31.6%	0.25	0.19	0.84	NMF



Balance Sheet

<i>JSC Bank of Georgia Standalone, IFRS GEL, unless otherwise noted</i>	Unaudited US\$ 3/31/2006	YTD Growth	Unaudited 3/31/2006	Unaudited 12/31/2005	Audited 12/31/2004
GEL/US\$ e-o-p exchange rate	1.83		1.83	1.79	1.83
Cash	20,345,552	49.2%	37,171,324	24,907,867	35,849,634
Balances with NBG	20,616,447	13.3%	37,666,249	33,249,739	39,665,998
Cash Balances with Banks	28,009,540	74.6%	51,173,430	29,314,610	46,700,386
Treasuries	2,159,109	-48.8%	3,944,692	7,700,513	19,455,949
Other fixed income instruments	598,831	-38.9%	1,094,063	1,791,329	0
Net Loans	196,819,509	20.9%	359,589,243	297,379,751	171,958,234
Accrued Interest and Dividends	2,027,605	9.8%	3,704,434	3,373,236	2,781,047
Net Investments	5,401,660	7.0%	9,868,834	9,221,425	5,399,517
Fixed Assets	20,565,267	1.4%	37,572,743	37,068,704	30,727,445
Other assets	34,288,673	709.7%	62,645,406	7,736,814	6,922,934
Goodwill	1,049,489	0.0%	1,917,416	1,917,416	1,892,010
TOTAL ASSETS	331,881,682	33.7%	606,347,834	453,661,404	361,353,155
Deposits	177,194,128	10.8%	323,733,673	292,167,823	252,280,910
Interbank deposits	1,669,069	-85.5%	3,049,389	21,062,794	790,817
Client deposits	175,525,060	18.3%	320,684,284	271,105,029	251,490,093
Borrowed Funds	70,691,493	136.1%	129,153,358	54,702,186	46,828,912
Payable Interest and Dividends	5,881,843	17.0%	10,746,126	9,188,107	3,069,630
Other Liabilities	23,645,939	469.1%	43,201,130	7,590,854	5,007,842
TOTAL LIABILITIES	277,413,402	39.4%	506,834,286	363,648,971	307,187,294
Ordinary Shares	8,464,454	5.0%	15,464,558	14,728,704	11,273,386
Retained Earnings and Revaluation Reserves	43,785,217	28.0%	79,995,591	62,510,045	50,347,143
Net Income for the Period	2,218,609	-68.3%	4,053,399	12,773,684	-7,454,668
SHAREHOLDERS' EQUITY	54,468,280	10.6%	99,513,548	90,012,434	54,165,861
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	331,881,683	33.7%	606,347,834	453,661,404	361,353,155
<i>Shares Outstanding</i>	<i>15,464,558</i>		<i>15,464,558</i>	<i>14,728,704</i>	<i>11,273,386</i>



Key Ratios

RATIOS	Unaudited Q1 '06*	Unaudited Q1 '05	Unaudited 12/31/2005	Audited 12/31/2004
<i>JSC Bank of Georgia Standalone</i>				
ROAE, %	16.7	15.9	19.5	N/A
ROAA, %	3.0	2.7	3.3	N/A
Net Interest Margin, % * (including Intellect) (Net Interest Income/Average Interest bearing assets)	11.2	12.6	13.2	11.4
Cost/Income Ratio (normalized)	60.5	58.9	58.4	62.2
Personnel Costs/Total Income, %	34.6	20.0	33.7	32.2
Net Income/Total Operating Income, %	25.9	19.0	23.0	N/A
Capital Adequacy Ratio (Tier I + Tier II, BIS), %	19.9	23.0	22.6	22.2
Net Loans/Total Assets, %	59.3	57.6	65.6	47.6
Net Loans/Total Liabilities, %	70.9	69.2	81.8	56.0
Net Loans/Client Deposits, %	112.1	85.7	109.7	68.4
Total Deposits/Total Liabilities, %	63.9	80.8	80.3	82.1
Time Deposits/Total Deposits, %	43.1	38.3	45.2	37.5
Demand Deposits/Total Deposits, %	13.2	10.2	12.9	6.3
Current Account Balances/Total Deposits, %	43.8	51.5	41.8	56.2
Provisions/Gross Loans, %	9.0	11.7	5.6	12.1
NPLs/Gross Loans, %**	6.7	11.7	4.0	13.4
Provisions/NPLs, %	135.2	145.5	139.7	89.7
Leverage (Total Liabilities/Equity)	5.1	5.0	4.0	5.7
Book Value per Share	6.4	5.0	6.1	4.8
Share Price***	10.0	6.4	8.3	5.6

* Includes Intellect Bank, unless otherwise noted

** NPLs includes loans classified as Substandard, Doubtful and Loss

*** GSE closing price on the last trading day of the period

2005 Consolidated Group Performance

	BOG Standalone	BOG Group		BOG Standalone	BOG Group
	Dec-05	Dec-05		Dec-05	Dec-05
<i>GEL, unless otherwise noted</i>			<i>GEL, unless otherwise noted</i>		
Operating Income			Cash	24,907,867	24,911,081
Interest Income	48,664,733	48,747,939	Balances with NBG	33,249,739	33,249,739
Interest Expense	(12,882,304)	(12,827,125)	Correspondent account	4,272,796	4,272,796
Net Interest Income	35,782,429	35,920,814	Regulatory fund	28,976,943	28,976,943
Commission Income	13,035,903	13,776,047	Cash Balances with Banks	29,314,610	30,105,322
Commission Expenses	(2,105,997)	(2,737,557)	In resident banks	15,323,750	16,092,952
Net Commission	10,929,906	11,038,490	In nonresident banks	13,990,860	14,012,370
Income from Documentary Operations	2,807,882	2,807,882	Treasuries	7,700,513	8,303,031
Expense from Documentary Operations	(803,964)	(803,964)	Other fixed income instruments	1,791,329	6,299,527
Net Income From Documentary Operations	2,003,918	2,003,918	Gross Loans, of which	315,078,584	311,905,611
Other Non-Interest Income	181,741	7,563,175	Loans to Banks	2,300,000	2,300,000
Other Non-Interest Expenses	-	(3,489,559)	Loans to Clients	312,778,584	309,605,611
Net Other Non-Interest Income	181,741	4,073,616	Provisions for Loan Losses	(17,698,833)	(17,635,373)
FX Trading Income	6,542,241	6,485,183	Net Loans	297,379,751	294,270,238
Non-Interest Income	19,657,806	23,601,207	Accrued Interest and Dividends	3,373,236	745,713
Total Operating Income	55,440,235	59,522,021	Gross Investments	9,501,124	4,174,702
Recurring Operating Costs			Provisions	(279,699)	(279,699)
Personnel Cost (excluding bonus)	(12,422,903)	(14,845,587)	Net Investments	9,221,425	3,895,003
Health Insurance & Pension Costs	(160,657)	-	Gross property owned	2,775,040	2,775,040
Consulting, TA & Development Costs	(311,648)	(323,966)	Provisions	(1,083,602)	(1,083,602)
Marketing, PR & Advertising	(999,056)	(999,597)	Net property owned	1,691,438	1,691,438
Depreciation	(3,491,954)	(3,753,894)	Fixed Assets	35,377,266	38,458,790
Other operating expenses	(8,776,448)	(8,557,010)	Property and equipment, Fixed & Intangible Assets	37,068,704	40,150,228
Total Recurring Operating Costs	(26,162,666)	(28,480,054)	Gross Other assets	7,832,312	13,117,721
Normalized Net Operating Income	29,277,569	31,041,967	Provisions	(95,498)	(865,894)
Non-recurring costs	(1,962,044)	(2,040,831)	Net Other Assets	7,736,814	12,251,826
Profit (pre-bonus) Before Provisions	27,315,525	29,001,136	Goodwill	1,917,416	6,438,952
Provisions	(8,861,148)	(9,372,406)	Total Assets	453,661,404	460,620,659
Gains on asset sale & recovery	1,840,501	1,840,501	Deposits	292,167,823	289,073,971
Pre-Bonus Result	20,294,879	21,469,231	Interbank deposits	21,062,794	20,861,444
Guaranteed Compensation Expenses	(232,000)	(232,000)	Client deposits	271,105,029	268,212,527
ESOP Expenses	-	-	- Deposits of Individuals	154,472,744	154,472,744
Bonus	(6,000,001)	(6,198,148)	- Deposits of Legal Entities	116,632,285	113,739,783
Pre-Tax Income	14,062,878	15,039,083	Borrowed Funds	54,702,186	56,584,055
Profit Tax	(1,289,194)	(1,606,552)	Residents	7,024,500	7,037,048
Net Income	12,773,684	13,432,532	Nonresidents	47,677,686	49,547,007
Minority interest	-	144,939	Payable Interest and Dividends	9,188,107	9,119,366
Consolidated Net income	12,773,684	13,577,471	Other Liabilities	7,590,854	13,758,696
			Total Liabilities	363,648,971	368,536,089
			Minority Interest		1,349,177
			Ordinary Shares	14,728,704	14,728,704
			Preferred Shares	-	-
			Treasury Shares	-	(80,827)
			Retained Earnings and Revaluation Reserves	62,510,045	62,510,045
			Net Income for the year	12,773,684	13,577,471
			Shareholders Equity	90,012,434	90,735,393
			Total Liabilities and Shareholders Equity	453,661,404	460,620,659