



The **Banker**



Bank of the Year 2007
GEORGIA

The **Banker**



Bank of the Year 2006
Georgia

Standard & Poor's: 'B+/B' Stable
Moody's: 'B3/NP' (FC) & 'Ba1/NP' (LC); Stable
Fitch Ratings: 'B+/B' Stable

LSE: BGEO

GSE: GEB

Berlin-Bremen Boerse: B7D1

Reuters: BGEO.L

Bloomberg: BGEO.LI

Bank of Georgia 2007 Results Overview



საქართველოს ბანკი
BANK OF GEORGIA

April 2008

Introduction To Bank of Georgia

The leading universal bank in Georgia

Market Leader In All Six Business Lines

- Retail Banking
- Corporate & Investment Banking
- Insurance
- Wealth Management
- Asset Management
- Securities

- ☞ No.1 by assets (circa 35.4%),⁽¹⁾ loans (circa 32.7%),⁽¹⁾ deposits (circa 31.4%)⁽¹⁾ and equity (circa 34.6%)⁽¹⁾
 - ☞ 7.0% 2007 market share gain in total assets (+10.2 % in 2006)
 - ☞ 6.1% 2007 market share gain in gross loans (+8.2 % in 2006)
 - ☞ 6.8% 2007 market share gain in total deposits (+5.5 % in 2006)

- ☞ Leadership in **retail banking**, with

	March 2008	YE 2007	YE 2006
☞ Retail Accounts	770,000+	705,000+	425,000+
☞ Cards Outstanding	740,000+	640,000+	285,000+
☞ Branches	131	117	100
☞ ATMs	310	250	124

- ☞ Top brand, best distribution network and broadest range of services of any bank in Georgia
- ☞ Leading **corporate and investment banking** franchise
 - ☞ Approximately 68,000 legal entities have opened accounts
 - ☞ Top broker-dealer with circa 63% market share in equities trading by December 2007
- ☞ Leading **card-processing, leasing, insurance, wealth management** and **asset management** services provider
- ☞ The only Georgian entity with credit ratings from all three global rating agencies
 - ☞ S&P: 'B+/B'; Stable – at the sovereign ceiling
 - ☞ Moody's: 'B3/NP (FC)' & 'Ba1/NP (LC)'; Stable
 - ☞ Fitch Ratings: 'B+/B'; Stable
- ☞ Listed on the London Stock Exchange (GDRs) and Georgian Stock Exchange
 - ☞ Market Cap (LSE) US\$749 mln as of 31 January 2008
 - ☞ Approximately 95% free float
 - ☞ 2006 share price performance 383%, 2007 share performance 31%
- ☞ Issue of the first ever Eurobonds in Georgia
 - ☞ Bloomberg: BKGE0; 5 year, 9%, US\$200 mln
 - ☞ B+/Ba2/B+ (composite BB-)

Notes: (1) As of 31 December 2007; based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www/nbg.gov.ge

Investment Highlights

- ☞ A 'leveraged play' on Georgia's economic growth
- ☞ Diversified revenue streams and disciplined capital management
- ☞ Domestic universal banking strategy driving profitable growth
- ☞ Domestic sector consolidator and aspirations for regional expansion
- ☞ Sophisticated management team with Western banking & finance background and education
- ☞ Transparency and good governance, circa 85%+ institutionally owned, majority of the Board seats held by large shareholders and an independent director

Strategy

- ☞ Consolidate leading position in the domestic banking market
- ☞ Promote the future growth of the retail banking business
- ☞ Further diversify the business, including funding base and loan portfolio
- ☞ Continue improving risk management policies and procedures
- ☞ Actively pursue sensible regional expansion opportunities



Bank of Georgia 2007 Results Overview

2007 Results Highlights

Millions, unless otherwise noted

Bank of Georgia (Consolidated, IFRS Based)

	2007		2006		Growth, Y-O-Y ¹
	GEL	US\$	GEL	US\$	
	<i>Unaudited</i>		<i>Unaudited</i>		
Net Interest Income	133.1	83.6	66.7	38.9	99%
Net Non-Interest Income	84.6	53.2	45.3	26.4	87%
Total Operating Income (Revenue) ²	217.7	136.8	112.0	65.4	94%
Recurring Operating Costs	87.2	54.8	52.5	30.7	66%
Normalized Net Operating Income ³	130.4	82.0	59.5	34.7	119%
Pre-Bonus Result	119.2	74.9	45.9	26.8	160%
Net Income	75.4	47.4	26.8	15.6	182%
Consolidated EPS (Basic), GEL & US\$ ⁴	2.89	1.82	1.62	0.95	92%
Consolidated EPS (Fully Diluted), GEL & US\$ ⁵	2.77	1.74	0.98	0.57	203%
ROAA ⁶	3.8%		3.4%		
ROA	2.5%		2.2%		
ROAE ⁷	17.7%		16.5%		
ROE	13.5%		7.1%		
Net Loans	1,684	1,058	693.9	405.0	143%
Total Assets	2,981	1,873	1,213	708.1	146%
Total Deposits	1,393	875.0	560.5	327.1	148%
Total Liabilities	2,422	1,521	838.5	489.3	189%
Shareholders' Equity	559.8	351.8	374.9	218.8	49%
Book Value Per Share	20.62	12.96	14.87	8.68	39%

**Increasing
Operating
Leverage**

**Despite Tier I
CAR of 21.4%**

¹ Compared to the same period in 2006; growth calculations based on GEL except for the EPS.

² Revenue includes Net Interest Income and Net Non-Interest Income.

³ Normalized for Net Non-Recurring Costs.

⁴ Basic EPS equals Net Income of the period divided by weighted average outstanding shares for the period.

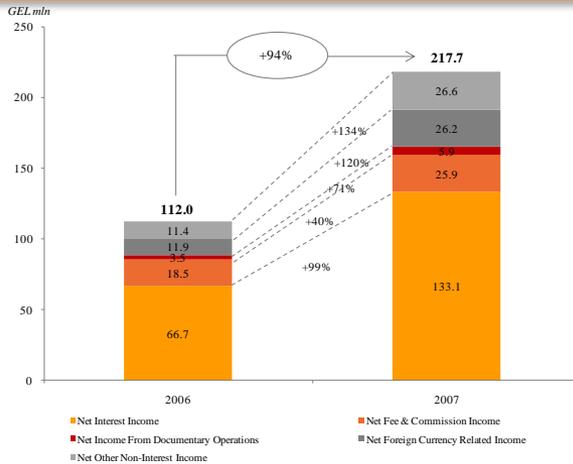
⁵ Fully Diluted EPS equals Net Income of the period divided by the number of outstanding ordinary shares as of the period end plus number of ordinary shares in contingent liabilities.

⁶ Return on Average Total Assets equals Net Income for the period divided by the average Total Assets for the period.

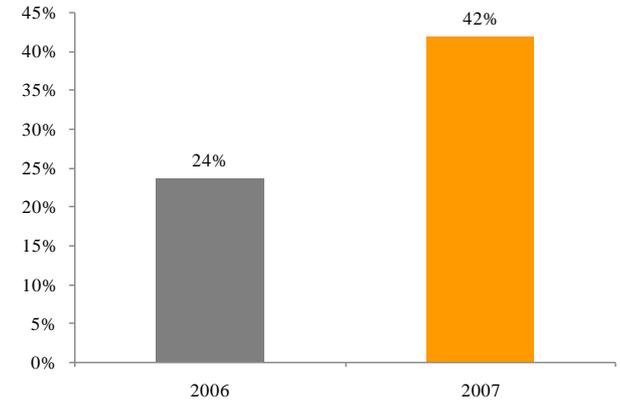
⁷ Return on Average Total Shareholders' Equity equals Net Income for the period divided by the average Total Shareholders' Equity for the period.

2007 Performance

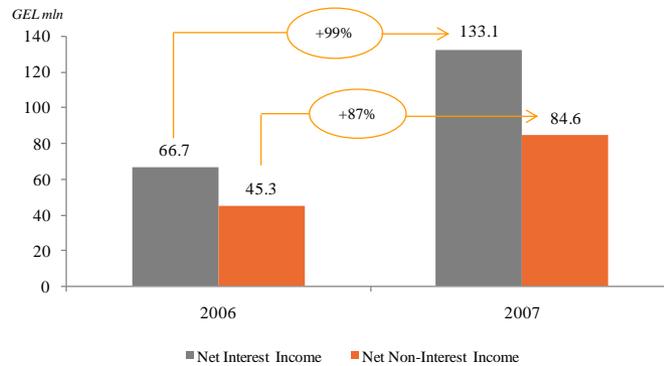
Composition of Revenue (GEL mln)



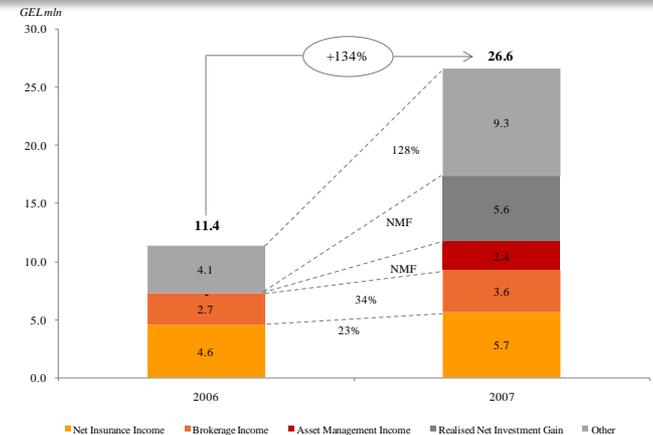
Revenue Market Share*



Net Interest Income vs. Net Non-Interest Income (GEL mln)



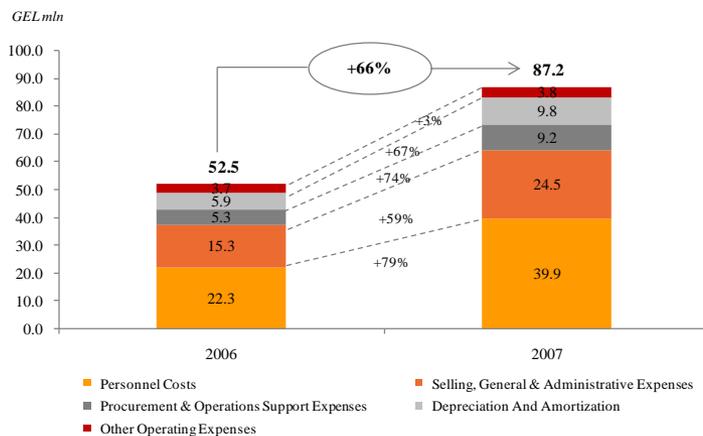
Net Other Non-Interest Income (GEL mln)



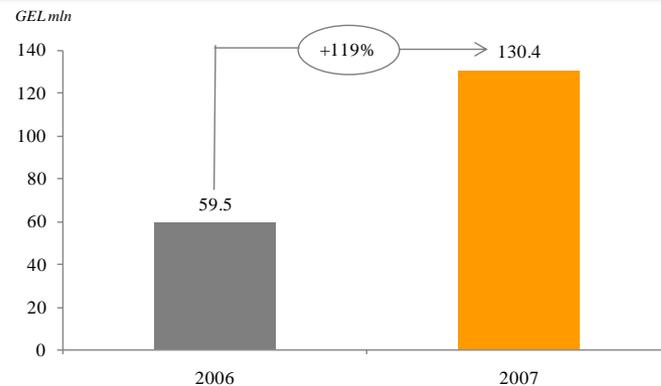
*Based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

2007 Performance cont'd

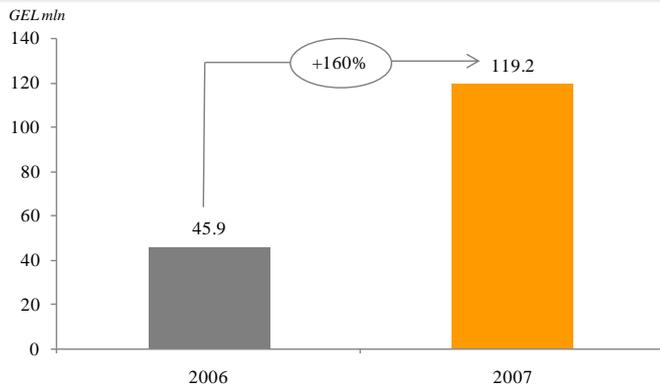
Operating Cost Structure



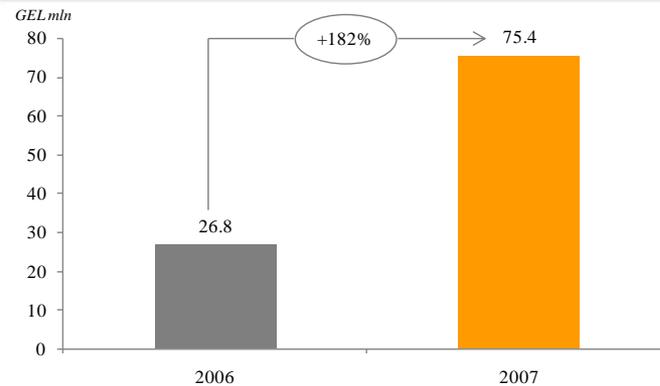
Normalised Net Operating Income



Pre-Bonus Result

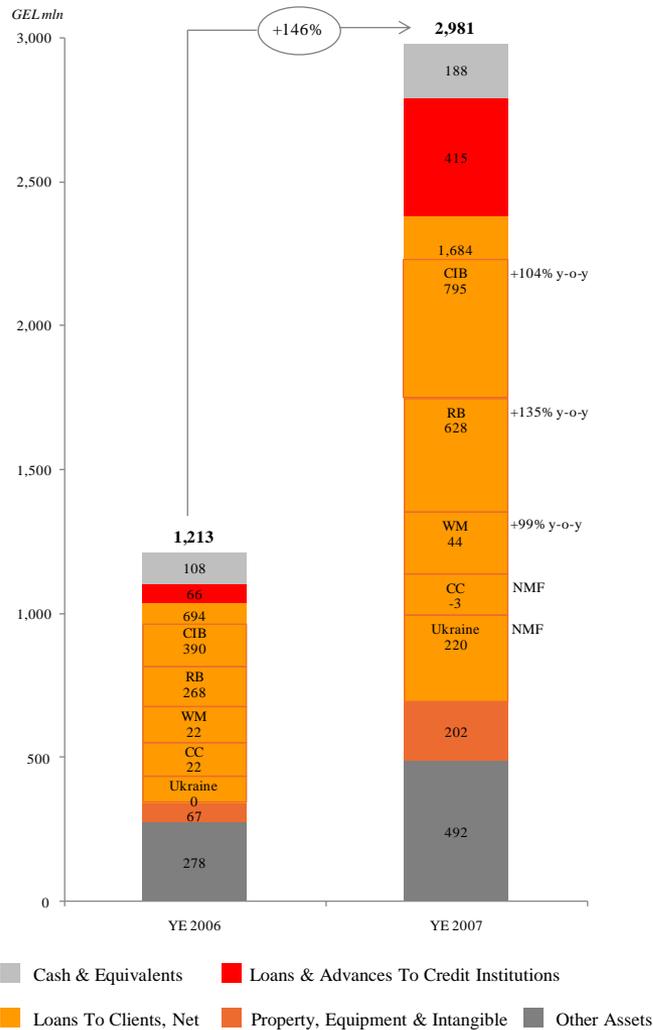


Net Income

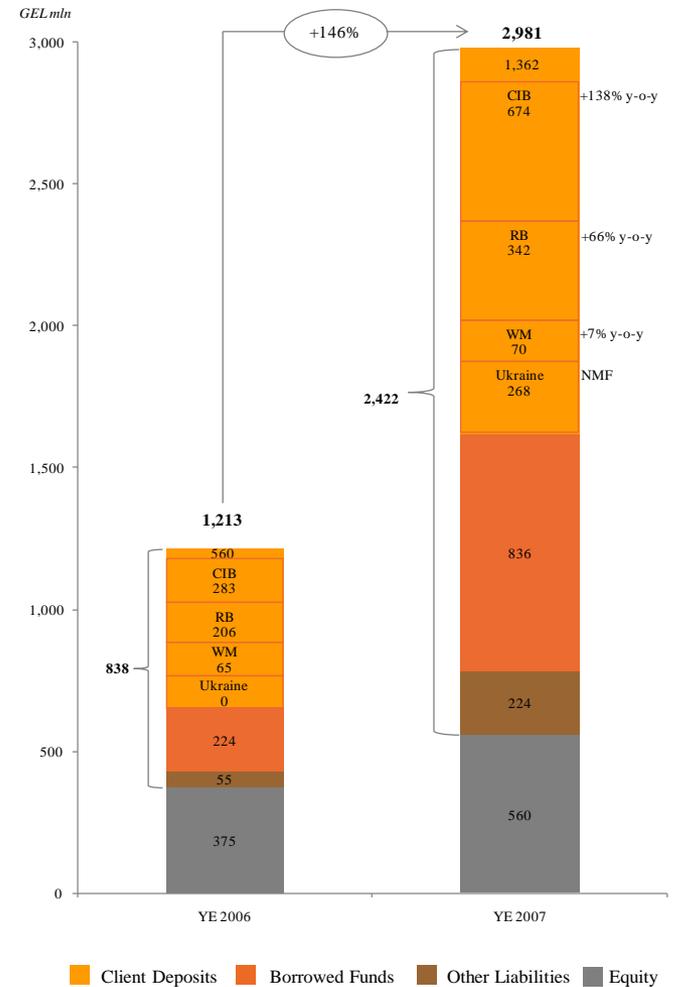


Composition of the Balance Sheet

Assets, +146% y-o-y



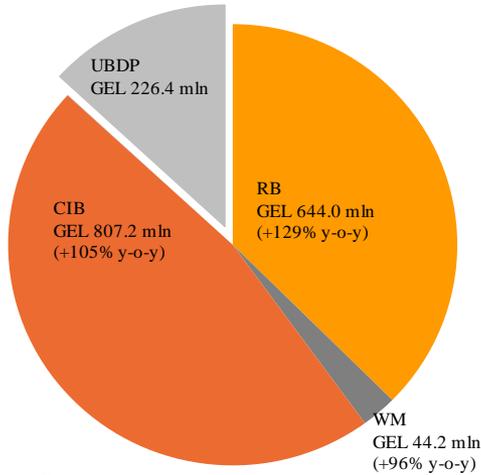
Liabilities & Shareholders' Equity



Diversified Loan Book...

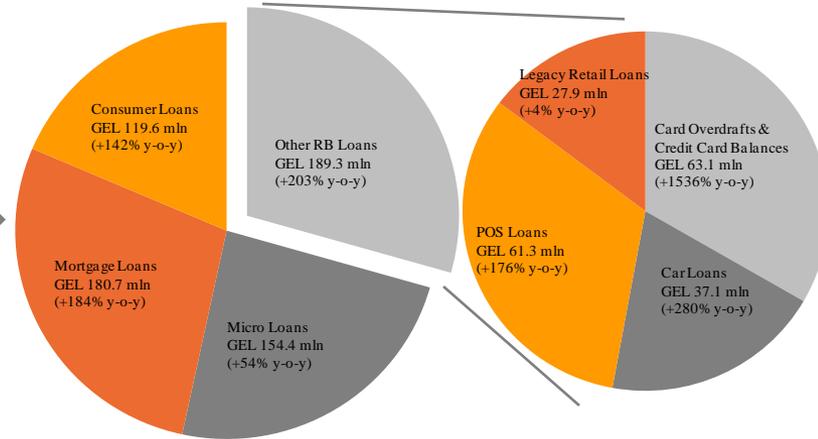
RB & WM
Account for 46%
of Gross Loans
excluding UBDP

Gross Loans, YE 2007 (+141% y-o-y)



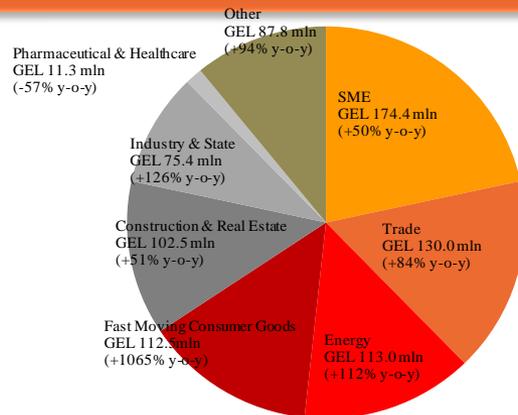
Total Gross Loans
GEL 1,721mln

Gross RB Loans excluding UBDP, YE 2007 (+129% y-o-y)



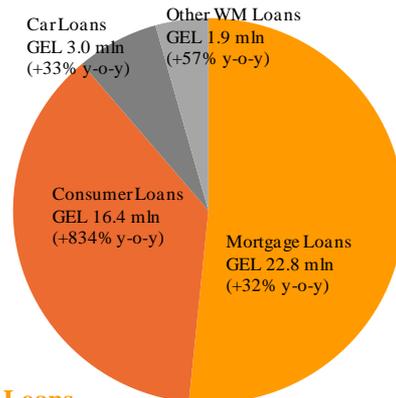
Total Gross RB Loans
GEL 644.0 mln

Gross CIB Loans excluding UBDP, YE 2007 (+105% y-o-y)



Total Gross CIB Loans
GEL 807.2 mln

Gross WM Loans excluding UBDP, YE 2007 (+96% y-o-y)

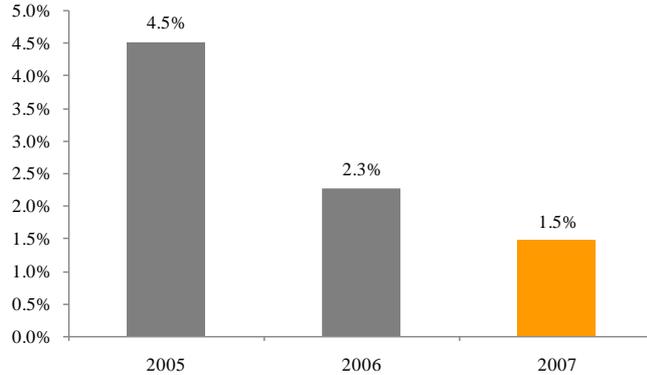


Total Gross WM Loans
GEL 44.2 mln

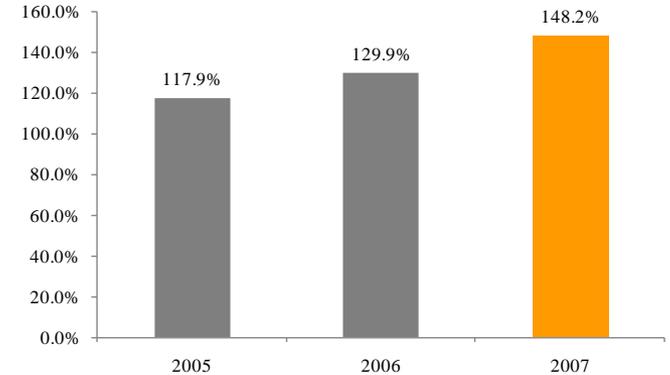
And Conservative Provisioning Policy

Loan Book
Collateralisation
89.0% in 2007

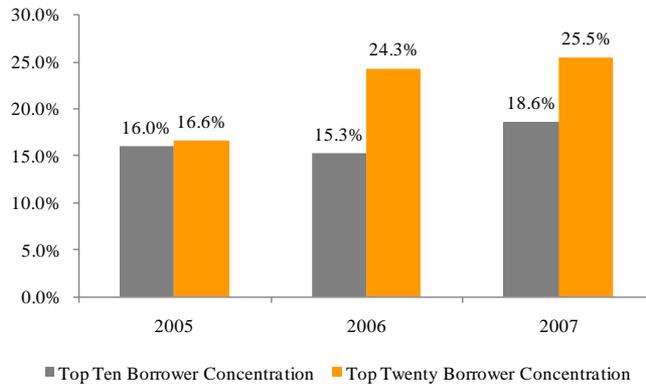
NPLs/Gross Loans To Clients



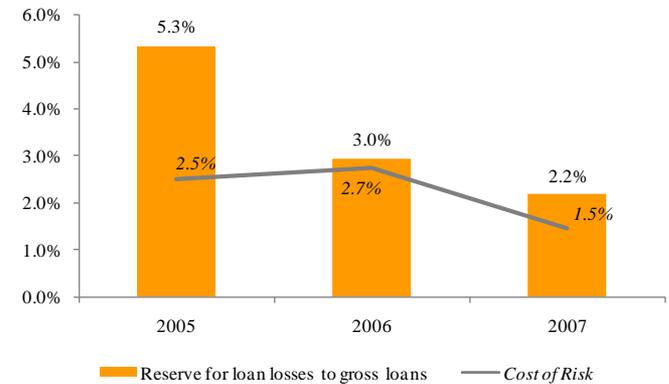
NPL Coverage Ratio



Top Ten & Top 20 Borrower Concentration



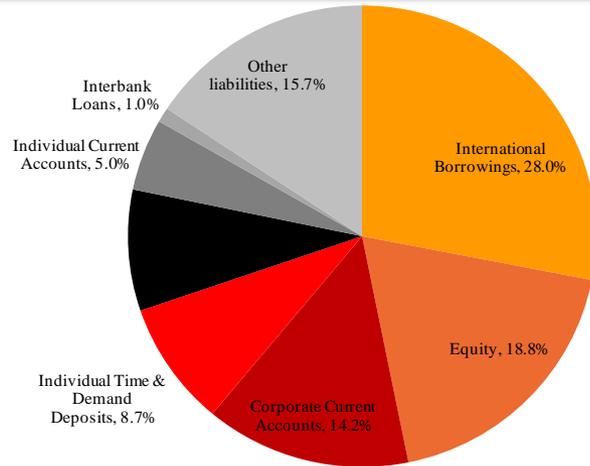
Reserve For Loan Losses To Gross Loans



Note: NPLs include 90 days overdue loans

Diversified Funding Base

Funding Sources, YE 2007

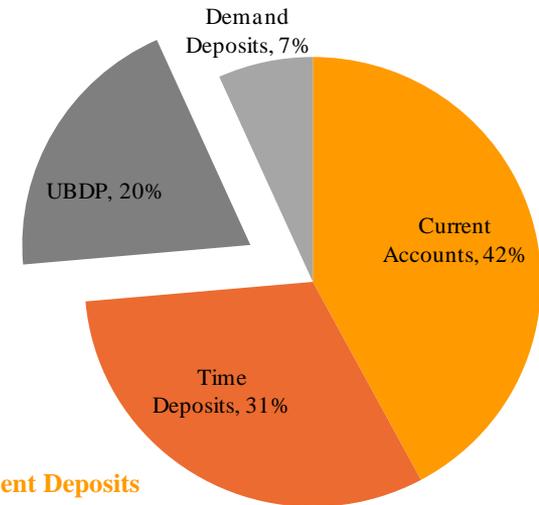


Total Liabilities GEL 2,422 mln

Total Equity GEL 560 mln

Note: Other Liabilities include Client Deposits of UBDP (GEL 268 mln)

Client Deposits, YE 2007 (+143% y-o-y)



Total Client Deposits

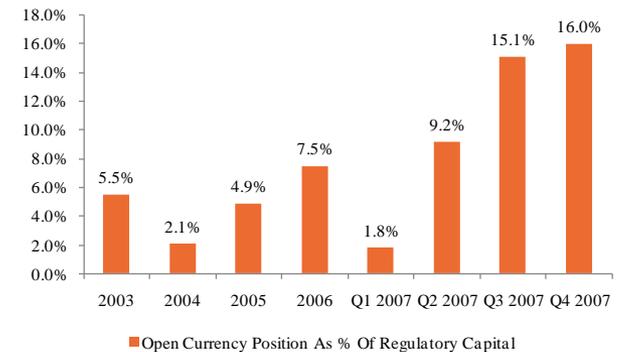
GEL 1,362 mln

Liquidity Risk Management, YE 2007



Note: Liquidity & Currency Risk Management calculations are based on the National Bank of Georgia requirements

Currency Risk Management, YE 2007



Business Overview

Bank of Georgia 2007 Business Unit Results

(GEL, '000)	Total Operating Income (Revenue)			Pre-Bonus Result			Net Income		
	2007	Y-O-Y Growth	2006	2007	Y-O-Y Growth	2006	2007	Y-O-Y Growth	2006
CIB	71,519	78%	40,184	42,875	80%	23,834	28,763	95%	14,784
RB	93,255	105%	45,549	40,268	155%	15,805	26,951	178%	9,697
WM	5,128	104%	2,518	2,810	164%	1,065	1,930	191%	663
Ukraine	6,981	NMF	N/A	2,209	NMF	N/A	1,656	NMF	N/A
Corporate Centre/Eliminations	(8,993)	NMF	14,360	(1,741)	NMF	4,523	(8,598)	NMF	1,628
Subtotal	167,889	64%	102,611	86,420	91%	45,227	50,703	89%	26,772
Galt & Taggart Securities	20,906	633%	2,851	15,768	619%	2,193	10,598	502%	1,760
AM	23,029	3316%	674	17,412	NMF	(1,128)	14,829	NMF	(1,133)
Insurance	5,855	-0.2%	5,868	(386)	-4%	(403)	(714)	14%	(627)
Subtotal	49,790	430%	9,393	32,794	4856%	662	24,713	NMF	(0.04)
Total	217,679	94%	112,005	119,215	160%	45,889	75,416	182%	26,772

In 2007 non-banking
Total Operating
Income contribution of
22.9% vs. 8.4% in 2006

In 2007 non-banking
Pre-Bonus
contribution of 27.5%
vs. 1.4% in 2006

In 2007 non-banking
Net Income
contribution of 32.8%

(US\$ '000)	Total Operating Income (Revenue)			Pre-Bonus Result			Net Income		
	2007	Y-O-Y Growth	2006	2007	Y-O-Y Growth	2006	2007	Y-O-Y Growth	2006
CIB	44,935	92%	23,451	26,938	94%	13,909	18,072	109%	8,628
RB	58,592	120%	26,583	25,300	174%	9,224	16,933	199%	5,659
WM	3,222	119%	1,470	1,765	184%	622	1,212	214%	387
Ukraine	4,386	NMF	N/A	1,388	NMF	N/A	1,041	NMF	N/A
Corporate Centre/Eliminations	(5,651)	NMF	8,381	(1,094)	NMF	2,640	(5,402)	NMF	950
Subtotal	105,484	76%	59,884	54,298	106%	26,395	31,857	104%	15,624
Galt & Taggart Securities	13,135	689%	1,664	9,907	674%	1,280	6,659	548%	1,027
AM	14,469	3578%	393	10,940	NMF	(658)	9,317	NMF	(661)
Insurance	3,679	7.4%	3,425	(243)	3%	(235)	(448)	23%	(366)
Subtotal	31,283	471%	5,482	20,605	5235%	386	15,527	NMF	(0.02)
Total	136,768	109%	65,366	74,902	180%	26,781	47,384	203%	15,624

Bank of Georgia 2007 Business Unit Results cont'd

In 2007 6.9% of Total Assets attributed to non-banking Assets vs. 6.6% in 2006

In 2007 4.4% of Total Liabilities attributed to non-banking liabilities vs. 4.7% in 2006

(GEL '000)	Total Assets			Total Liabilities		
	YE '07	Y-O-Y Growth	YE '06	YE '07	Y-O-Y Growth	YE '06
CIB	1,421,870	166%	535,026	1,137,858	150%	455,616
RB	1,125,152	201%	373,462	709,797	170%	263,057
WM	84,422	612%	11,858	94,867	64%	57,829
Ukraine	350,250	NMF	N/A	283,457	NMF	N/A
Corporate Centre/Eliminations	(204,639)	NMF	212,402	88,206	289%	22,671
Subtotal	2,777,055	145%	1,132,748	2,314,185	190%	799,173
Galt & Taggart Securities	62,184	211%	19,975	28,490	329%	6,642
AM	78,580	254%	22,196	33,519	320%	7,973
Insurance	63,545	65%	38,408	45,324	84%	24,680
Subtotal	204,309	154%	80,578	107,333	173%	39,295
Total	2,981,364	146%	1,213,326	2,421,518	189%	838,468

(US\$ '000)	Total Assets			Total Liabilities		
	YE '07	Y-O-Y Growth	YE '06	YE '07	Y-O-Y Growth	YE '06
CIB	893,359	186%	312,242	714,915	169%	265,898
RB	706,931	224%	217,953	445,964	190%	153,520
WM	53,042	666%	6,920	59,605	77%	33,749
Ukraine	220,062	NMF	N/A	178,096	NMF	N/A
Corporate Centre/Eliminations	(128,574)	NMF	123,958	55,420	319%	13,231
Subtotal	1,744,820	164%	661,073	1,453,999	212%	466,398
Galt & Taggart Securities	39,070	235%	11,657	17,900	362%	3,876
AM	49,372	281%	12,953	21,060	353%	4,653
Insurance	39,925	78%	22,415	28,477	98%	14,403
Subtotal	128,367	173%	47,025	67,437	194%	22,933
Total	1,873,187	165%	708,098	1,521,436	211%	489,331

Business Unit Highlights

Corporate & Investment Banking (CIB)

- Major new corporate client acquisitions include 15 subsidiary companies of State Oil Company of Azerbaijan (“SOCAR”), Sheraton Metekhi Palace Hotel, Kaztransgaz (Tbilisi natural gas distribution company) and Wissol, a leading Georgian gasoline retail chain.
- Increased the number of corporate clients using the bank’s payroll services from 480 at the end of 2006 to over 700 by the end of 2007. By 31 December 2007, the number of individual clients serviced through the corporate payroll programs administered by the bank increased from approximately 83,500 at the beginning of the year to over 150,000.
- More than 16,000 legal entities opened accounts at the bank during 2007, bringing the total to over 64,000.

Retail Banking (RB)

- Launched a co-branded student card (Bali Card) with Magti, Georgia’s leading Mobile Operator. Bali is Magti’s sub-brand targeting the young population segment. Bali Card combines debit chip card and transport contactless application (a so called hybrid card), which can be used at Tbilisi Metro (subway) for transit passes.
- Acquired a 51% equity interest in JSC Nova Technology, which operates a network of approximately 1,000 POS and 200 self-service terminals offering a range of payment services, including, *inter alia*, mobile top-up and utility payments. Other services are expected to be added in the near future.
- Increased the number of retail current accounts from approximately 420,000 at the beginning of the year to more than 700,000 by 31 December 2007.
- Increased the number of branches (service centers) in Georgia from 100 at the beginning of the year to 117 by 31 December 2007.
- Purchased commercial space previously rented for seven existing branches, which resulted in cost savings of GEL 0.3 million per annum.
- Bought and leased premises for 34 new branches, which are expected to be fully renovated and operational by the end of 2008.
- Stepped up the issuance of credit cards, as the number of credit cards issued reached approximately 108,538 by the end of 2007 since the launch in Q4 2006. As of 31 December 2007, the number of credit cards outstanding amounted to 108,616, up from 356 at the beginning of the year.
- Increased the issuance of debit cards, with over 320,000 debit cards issued in 2007, compared to approximately 240,000 debit cards issued during 2006. The number of debit cards outstanding increased from approximately 285,000 at the beginning of the year to approximately 538,000 by the end of December 2007.
- Continued to make gains in merchant acquiring as the installed POS terminal footprint grew to 1,594 compared to 471 at year end 2006.
- Total number of cards serviced by Georgian Card grew from 370,000 at the beginning of the year to 876,263 by 31 December 2007, while the number of transaction authorisations processed by Georgian Card in 2007 grew 157.5% y-o-y to approximately 18.7 million. The volume of transactions processed grew to GEL 1,202 million, up 134.6% y-o-y.
- Continued investing in the electronic banking channels, as the number of ATMs grew to 250 by 31 December 2007 (up from 124 at the beginning of the year), number of mobile banking users reached 39,703, and number of registered Internet banking users grew 206.6% to over 114,612.
- POS express consumer lending, commenced by the bank in 2006 to complement its branch-based general-purpose consumer lending, resulted in the 969 express loan POS contracts signed with merchants (of which 640 outlets were served by 31 December 2007). POS express loan originations have reached GEL 106.6 million in 2007 (up 244.6% y-o-y), while POS express loans outstanding amounted to GEL 61.3 million at the end of December 2007, up 176.4% y-o-y.
- Increased mortgage loan originations to GEL 169.0 million in 2007 (up 227.8% y-o-y) resulting in mortgage loans outstanding by 31 December 2007 of GEL 180.7 million, up 183.8% y-o-y.
- Car loan originations of GEL 38.9 million (up 298.6% y-o-y) resulted in car loans outstanding by 31 December 2007 of GEL 37.1 million, up 279.6% y-o-y.

Business Unit Highlights cont'd

Insurance

-  Nikoloz Gamkrelidze appointed as Chief Executive Officer of Aldagi BCI (formerly the CEO of My Family Clinic, Aldagi BCI's wholly-owned subsidiary).
-  Major new corporate client acquisitions include two mobile operators GeoCell and Mobitel (Beeline) and Batumi International Cargo Terminal for liability insurance.
-  Opened an additional branch of My Family Clinic in Tbilisi.

Wealth Management (WM)

-  The number of Private Banking Clients grew from 873 at the beginning of the year to 1,291 at the end of December 2007.
-  Private Banking mortgage loan originations of GEL 15.2 million (up 9.4% y-o-y) during 2007 resulted in mortgage loans outstanding of GEL 22.8 million as at 31 December 2007, up 32.1% y-o-y.
-  Private Banking car loan originations of GEL 2.4 million, down by 15.5% y-o-y during 2007 resulted in car loans outstanding of GEL 3.0 million as at 31 December 2007, up 33.1% y-o-y.

Galt & Taggart Securities

-  Proprietary book grew 90.8% y-o-y to GEL 14.5 million as at 31 December 2007.
-  Galt & Taggart Securities continued to hold the leading position in equities trading in Georgia, with an approximately 63% market share in terms of trading volume.
-  Galt & Taggart Securities Georgia successfully introduced Teliani Valley, a leading Georgian winery, to the Georgian Stock Exchange (GSE: WINE) and acted as sole placement agent on a GEL 6 million capital increase for JSC Populi, the leading Georgian supermarket chain.
-  In its first full year of operation, Galt & Taggart Securities Ukraine ranked #19 among broker-dealers with an approximately 1.2% market share by equities trading volume in Ukraine.
-  Galt & Taggart Securities Ukraine increased its staff to 35 full time employees.
-  Advised on five successful M&A transactions, including the acquisition of UBDP by Bank of Georgia.

Ukraine

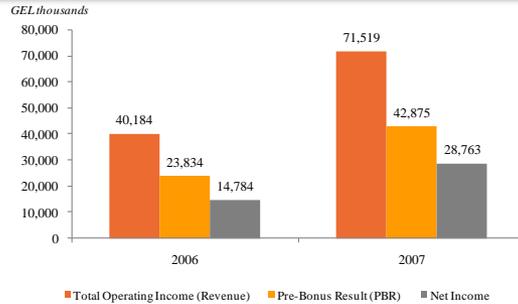
-  Transition Team commenced work, with Sul Khan Gvalia, Deputy CEO and Chief Risk Officer of Bank of Georgia, seconded to UBDP to spearhead the integration process.
-  New hires include Giorgi Vakhtangishvili, Deputy CFO of Bank of Georgia responsible for Ukraine and based in Kiev, and Ognjen Nastic, Head of IT.
-  On 31 December 2007 UBDP had 40 branches and service centers, over 15,000 retail clients and 804 full-time employees.
-  Acquired real estate for two branches in Kharkiv *Oblast* and Ivano-Frankivsk *Oblast*, purchase price for both real estates was approximately US\$1.6 million.

Asset Management (AM)

-  Bidzina Bejuashvili, formerly a Vice President at JP Morgan responsible for the equity research coverage of an oil & gas sector in CEEMEA and LATAM, appointed as Chief Executive Officer of Galt & Taggart Asset Management ("GTAM").
-  Launched Georgia's first ever Endowment Fund. GTAM will manage the funds raised by Bank of Georgia and International Charity Fund *Iavnana* for the benefit of the Fund.
-  The market capitalisation of Galt & Taggart Capital reached GEL 78.6 million as at 31 December 2007, an increase of 46.4% y-o-y and an increase of 138.9% since the company was admitted to trading on the Georgian Stock Exchange in November 2006.
-  Assets Under Management at the Aldagi BCI Pension Fund grew 142.4% y-o-y to GEL 1.2 million at the end of 2007, while the number of Aldagi BCI Pension Fund members stood at 3,820 at the end of December 2007, up from 2,154 members at the end of 2006.

Bank of Georgia 2007 Business Unit Results cont'd

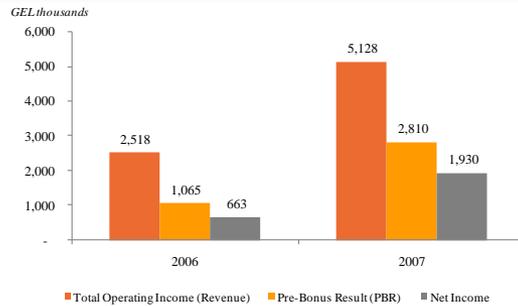
CIB Revenue, PBR & Net Income



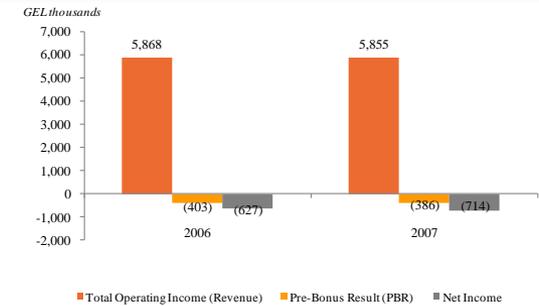
RB Revenue, PBR & Net Income



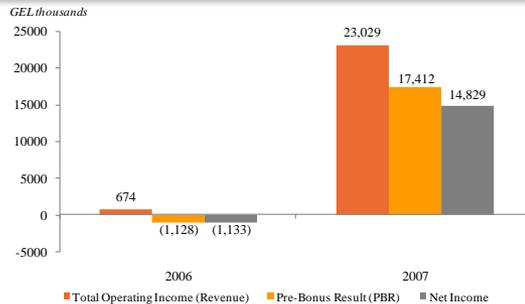
WM Revenue, PBR & Net Income



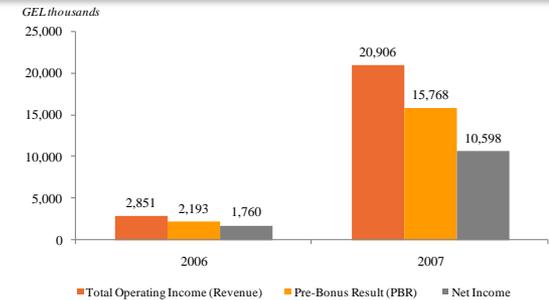
Insurance Revenue, PBR & Net Income



AM Revenue, PBR & Net Income



Galt & Taggart Securities Revenue, PBR & Net Income

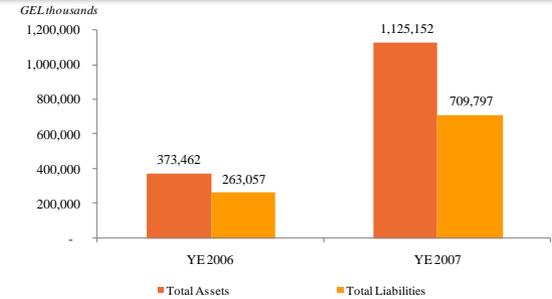


Bank of Georgia 2007 Business Unit Results

CIB Total Assets & Liabilities



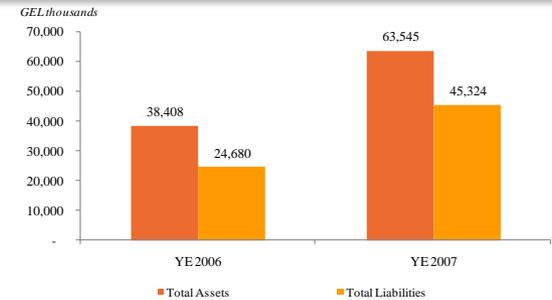
RB Total Assets & Liabilities



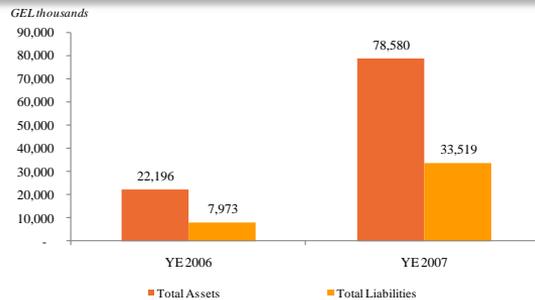
WM Total Assets & Liabilities



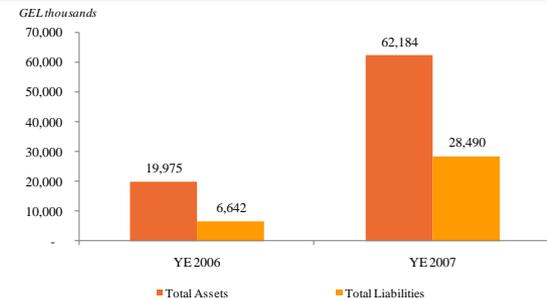
Insurance Total Assets & Liabilities



AM Total Assets & Liabilities



Galt & Taggart Securities Total Assets & Liabilities



Corporate & Investment Banking

Integrated client coverage in the following key sectors

- Construction & Real Estate
- Energy
- Fast Moving Consumer Goods
- Financial Institutions
- Foreign Organizations & Diplomatic Missions
- Pharmaceuticals & Healthcare
- Retail & Wholesale Trade
- State & Industry
- Telecommunications, Media & Technology
- Transport & Logistics
- SME

Overview

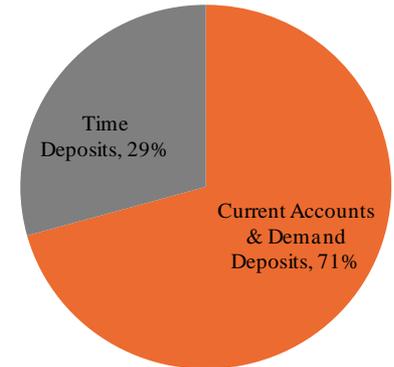
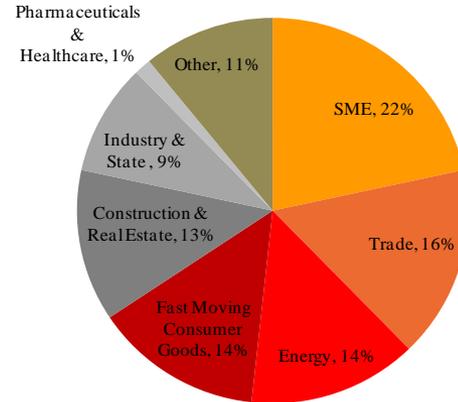
- No.1 corporate and investment bank in Georgia
- Circa 40% market share based on customer deposits⁽¹⁾
- Circa 30% market share based on corporate loans⁽²⁾
- Integrated client coverage in key sectors
- 64,000+ clients of which 4,659 served by dedicated relationship bankers
- High-profile clients include
 - Tbilisi Municipality
 - Millennium Challenge Georgia
 - Tbilisi Metro
 - Romp petrol
 - TAV Urban
 - Lukoil
 - Georgian Railway
 - Magti GSM
 - Geocell
 - Port of Poti
 - Port of Batumi
 - Iberia Refreshments (Pepsi Bottler),
 - Madneuli
 - Beeline
 - Saqcementi (Heidelberg Cement Georgia)
 - GOGC
 - Coca-Cola Bottlers Georgia Group Companies
 - Rakeen Development
 - EnergoPro
 - Sheraton Metechi Palace Hotel
 - Kaztransgaz
 - Wissol
- Circa 45% market share in trade finance and documentary operations⁽²⁾
- Second largest leasing company in Georgia⁽²⁾ – Georgian Leasing Company (GLC)
- Galt & Taggart Securities – investment banking relationship platform for key corporate clients

Notes:

- (1) As of June 2007, source: National Bank of Georgia
- (2) Management estimates (based on the NBG data)



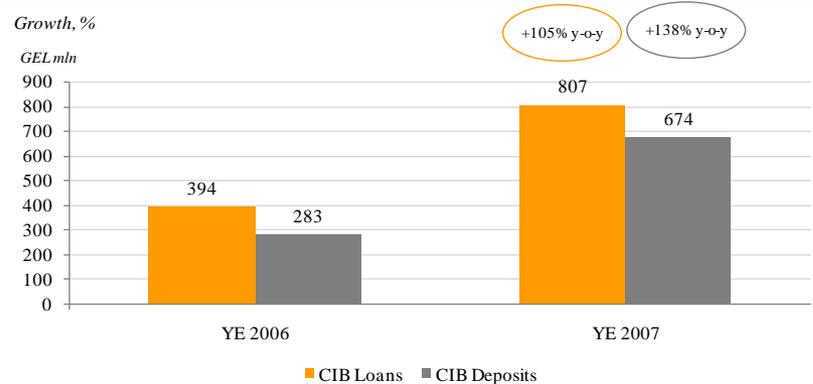
Corporate Loan Portfolio & Client Deposits (31 December 2007)



Total corporate loans **GEL 807 mln**

Total corporate deposits **GEL 674 mln**

Corporate Loan Portfolio & Client Deposits Growth⁽¹⁾



Note: (1) Client Deposits include current accounts, demand deposits and time deposits

Retail Banking – No. 1 Retail Bank In Georgia

New Retail Sub-brand



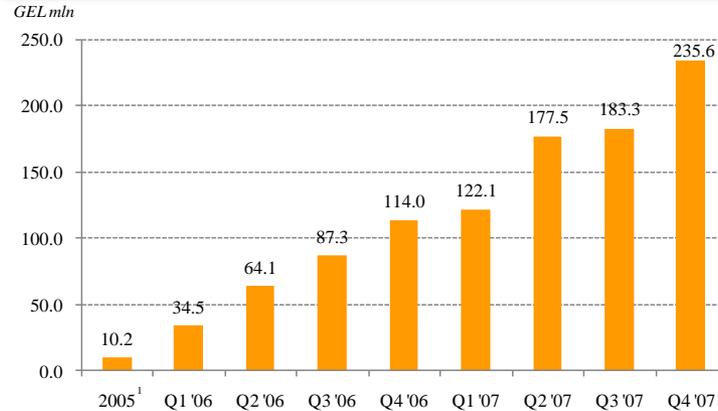
www.sb24.ge



www.kandidati.ge



Retail Loans Originated



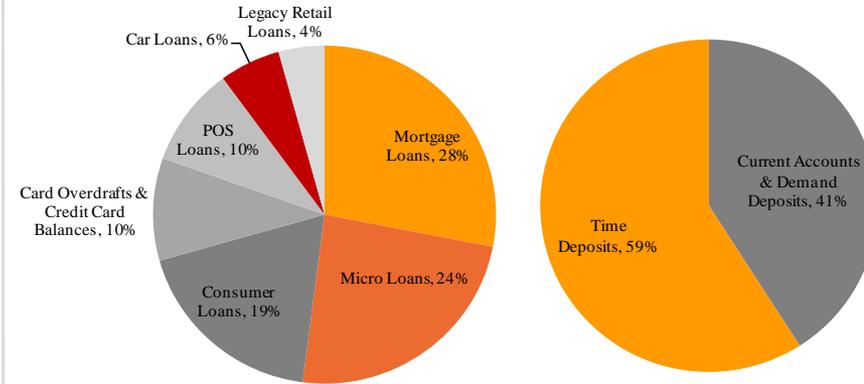
(1) Monthly average

Leadership in Consumer Lending

	Feb-08	YE 2007	YE 2006
POS Contracts Signed	1,075	969	454
Exclusive	631	870	310
Outlets Operating	300	278	89
Outlets Served	682	640	251
Number of Consumer Loans Outstanding*	52,551	50,120	23,338
Volume of Consumer Loans Outstanding (GEL mln)*	126.3	119.6	49.5
Relationship With Car Dealers	31	30	21
Exclusive	12	12	10
Presence In Outlets	9	8	4
Credit Cards Outstanding	132,177	108,616	356

* data does not includes WM Consumer Loans

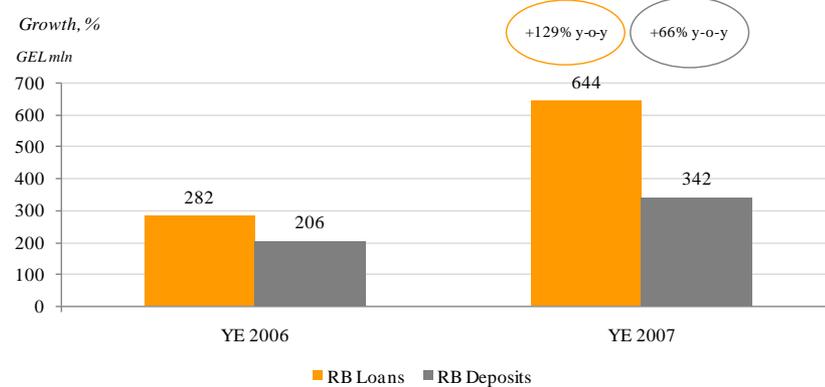
RB Loan Portfolio & Client Deposits (31 December 2007)



Total retail loans GEL 644 mln

Total retail deposits GEL 342 mln

Retail Loan Portfolio & Client Deposits Growth⁽¹⁾

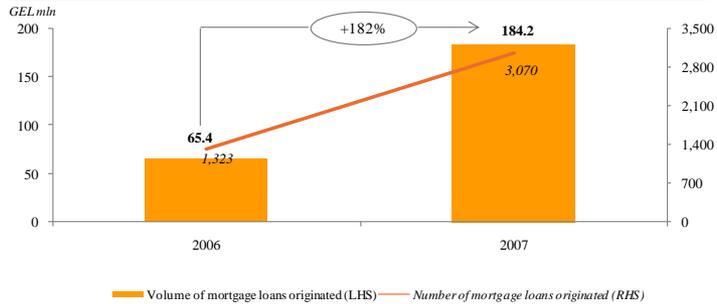


Notes:

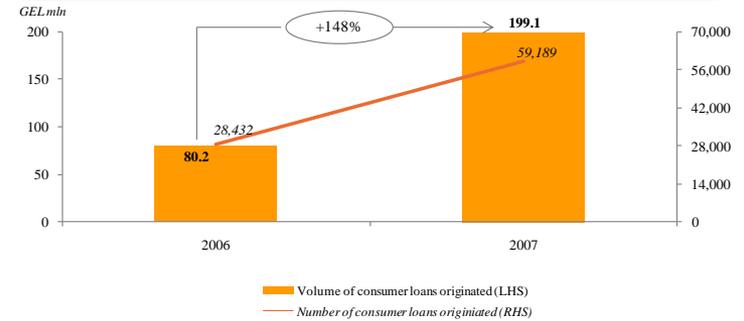
(1) Deposits include current accounts, demand deposits and time deposits

RB & WM - Continuous Increase In Loan Origination Capacity

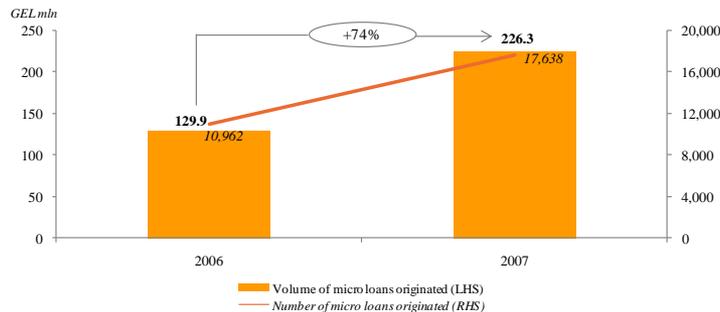
Mortgage Loans Originated



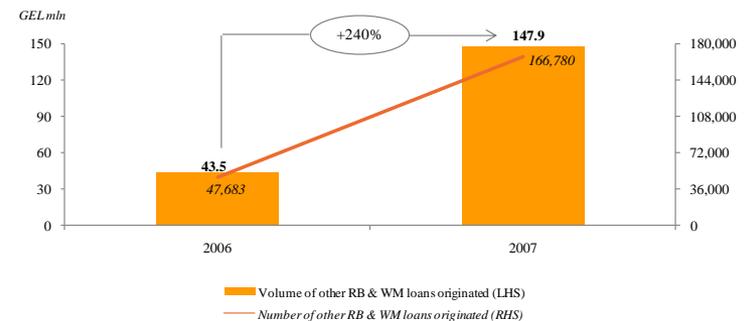
Consumer Loans Originated



Micro Loans Originated



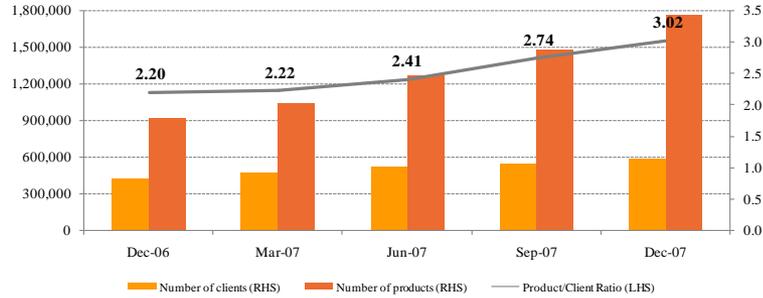
Other Retail And WM Loans Originated*



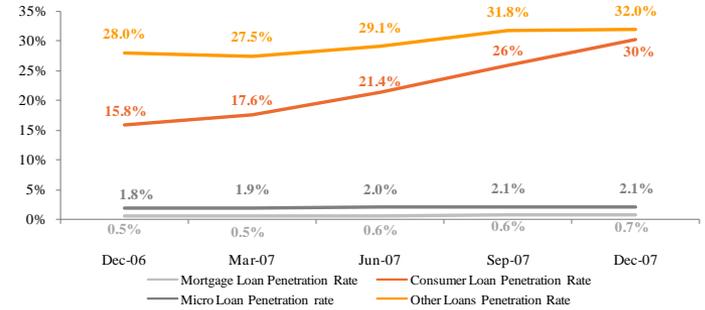
* Does not include Legacy Retail Loans and Card Overdrafts

RB Cross-Selling Gaining Momentum

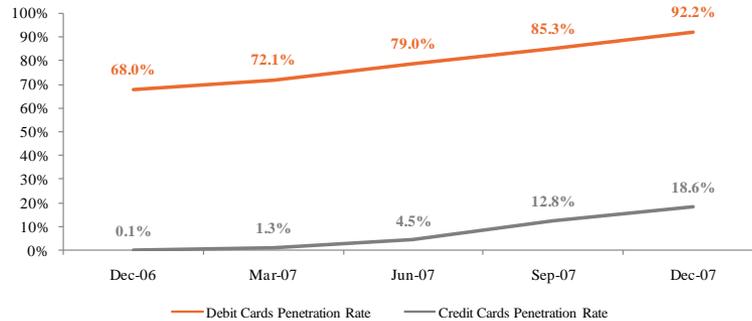
Product/Client Ratio



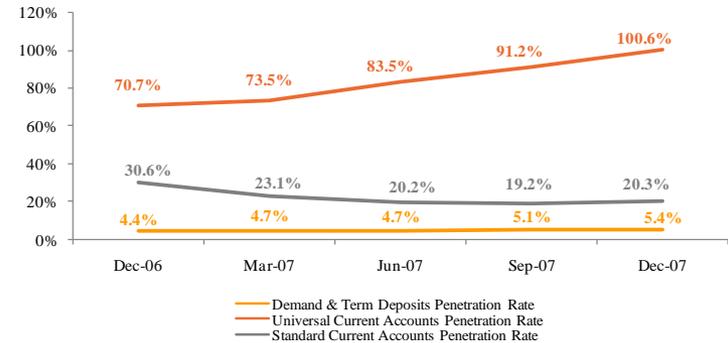
RB Loans Penetration Rate



Cards Penetration Rate



Current Accounts & Deposits Penetration Rate



Leadership In Card Processing



- 56% ownership of Georgian Card
- Migration to TietoEnator Transmaster in 2005
- Enhanced functionality and new product support

Client Banks



საქართველოს ბანკი
BANK OF GEORGIA



STANDARD BANK
სტანდარტ ბანკი



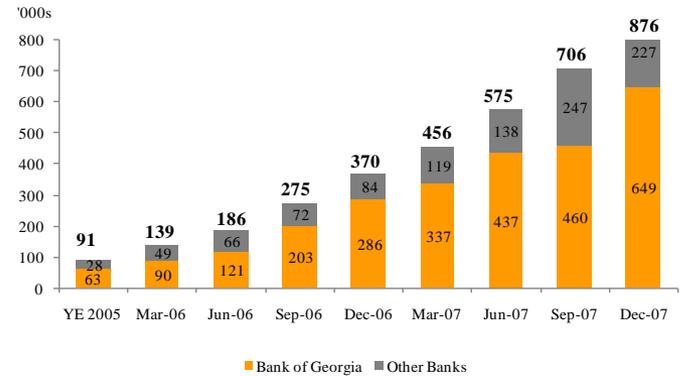
ბანკი რესპუბლიკა
BANK REPUBLIC
საქართველოს ბანკის დაფუძნებული



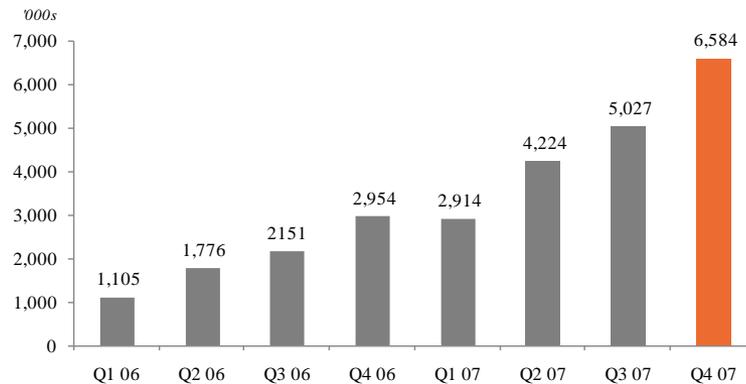
BankTuranAlem



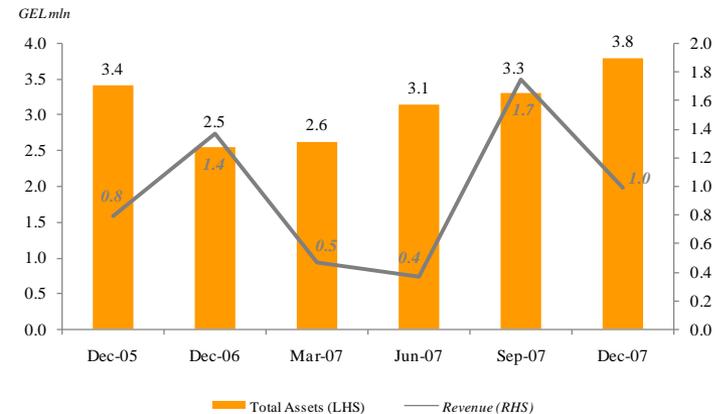
Number of Cards Serviced by Georgian Card



Transaction Authorisations By Georgian Card



Georgian Card's Revenue & Assets

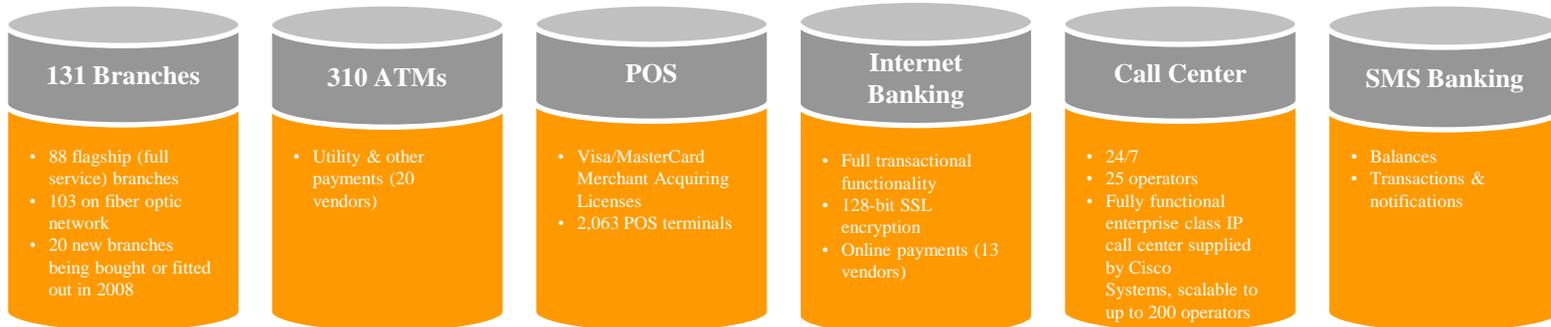


საქართველოს ბანკი
BANK OF GEORGIA

Superior Retail Footprint & Consumer Reach

2005/Ongoing
Investment Focus

Service Delivery
Channels



As of 31 March 2008:
590,000+ debit cards/770,000+ current accounts



2006/2007
Investment Focus

Alternative
Customer
Acquisition
Channels



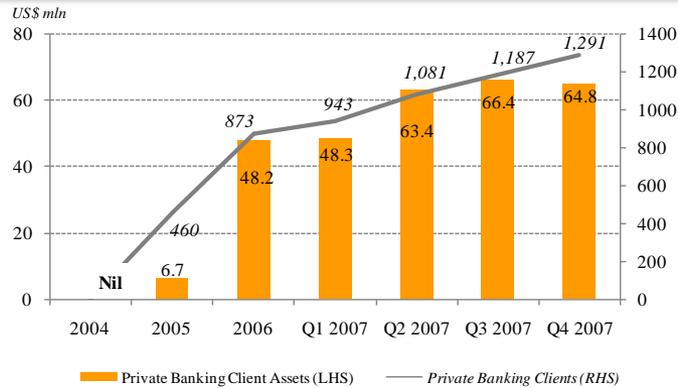
Extensive Distribution Network Of 131 Branches



As of March 31, 2008

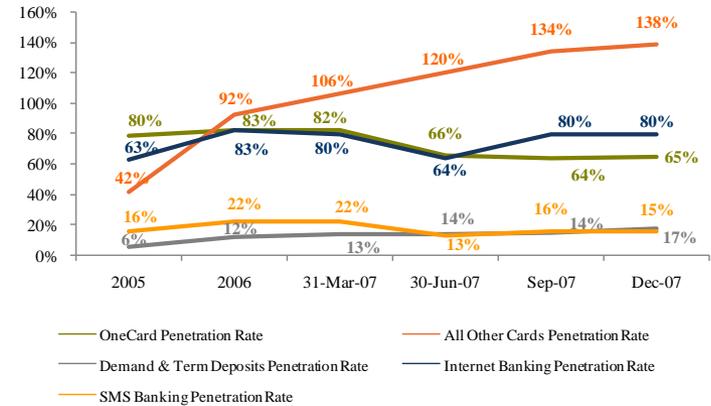
Wealth Management (WM) Performance Review

Private Banking Clients and Client Assets

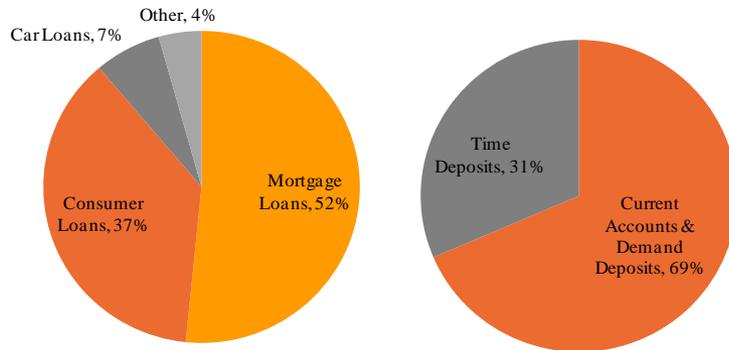


Notes: (1) Converted at exchange rates of GEL/US\$, 1.793 (2005), 1.714 (2006), 1.700 (Q1 2007), 1.670 (Q2 2007), 1.66 (Q3 2007) and 1.59 (Q4 2007)
 (2) PB Client Assets include: Balances on OneCard Accounts, Credit Balances on Other Cards, Credit Balances On Regular Current Accounts, Demand & Time Deposits, Brokerage & Asset Management Accounts, Pensions

Private Banking Products Penetration



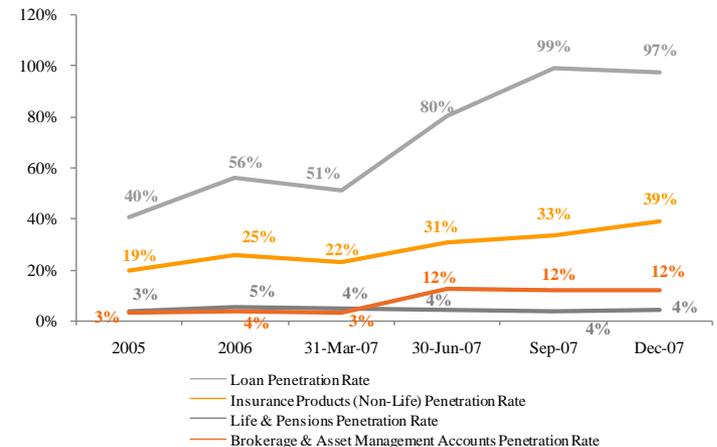
Private Banking Loans and Deposits (31 December 2007)



Total PB loans GEL 44 mln

Total PB deposits GEL 70 mln

Private Banking Products Penetration



UBDP Progress Review

Bank of Georgia Team Leading The Transition

Sulkhan Gvalia	Spearheading integration of UBDP with Bank of Georgia group; Deputy CEO of Bank of Georgia since January 2005; One of the founders of TbilisUniversalBank (“TUB”), acquired by Bank of Georgia in December 2004 Went through all aspects of integration of Bank of Georgia and TUB and Bank of Georgia and Intellectbank in February 2006.
Grigol Katamadze	Director of BOG International business development. Prior to joining BoG, Mr. Katamadze was an Ambassador of Georgia in Ukraine. Prior to this appointment, Mr. Katamadze served as the Deputy Minister of Defense of Georgia. Prior to that, Mr. Katamadze served in various positions at the Ministry of Foreign Affairs of Georgia, including as Ambassador of Georgia in Ukraine, Moldova and Romania in 2001-2003, as Deputy Ambassador of Georgia in Ukraine in 1995-1998 and Deputy Head of Foreign Economic Relations Department in 1993-1994. Mr. Katamadze obtained his graduate degree in International Law and International Relations from Taras Shevchenko University of Kyiv.
Dmytro Perepolkin	Led the acquisition of UBDP from Bank of Georgia side; Spearheaded the establishment of Galt & Taggart Ukraine in 2006-2007; Worked as a Senior Associate at Concorde Capital (Kyiv, Ukraine) prior to joining Galt & Taggart Ukraine
Tornike Gogichaishvili	CFO of UBDP. Prior to UBDP worked within BOG group as CEO of Aldagi BCI. Prior to that was employed as CFO at PA Consulting Group/United Energy Distribution Company (“UEDC”) of Georgia. Prior to joining UEDC in 2004, Mr. Gogichaishvili served in various positions at BCI, including as CFO in 2004, Operations Director in 2003 and 2004 and as legal counsel in 2002 and 2003. Mr. Gogichaishvili holds an MBA from Caucasus School of Business and an LLM from Tbilisi State University, Faculty of International Law and International Relations.
Giorgi Vakhtangishvili	Deputy CFO of Bank of Georgia responsible for Ukraine. Joined from Ernst & Young LLC, Kyiv Office; Spearheading of transformation of budgeting, management and IFRS reporting and audit functions of UBDP Head of IT Ukraine
Ognjen Nastic	Leads integration of IT systems
Ekaterina Kvantrishvili	Head of Retail Banking at UBDP. Joined from Investtrustbank, Russia. Prior to joining Investtrustbank, Russia Ms. Kvantrishvili served as the Head of Retail Banking at Bank of Georgia from July 2005 through September 2007. Prior to joining Bank of Georgia, Ekaterina Kvantrishvili was Head of Collections at Rusfinance (the Russian consumer lending joint venture between Sociiĭtiĭ Giĭnĭrale and Baring Vostok Capital Partners). Ekaterina Kvantrishvili holds an undergraduate degree from Boston University School of Management.

Key Tasks of UBDP Team in 2007/1H 2008

- ☒ Comprehensive understanding of UBDP business processes. Design and enhance organisation structure
- ☒ Implement corporate and investment banking coverage model. Establish close cooperation with Galt & Taggart
- ☒ Establish close cooperation with Bank of Georgia CIB team to service Georgia-Ukraine trade and investment flow
- ☒ Import retail banking and microfinance expertise from Georgia
- ☒ Rebranding
- ☒ Aggressive hiring

UBDP Q4 2007 Income Statement

Period Ended	Q4 2007	
IFRS Based	US\$	GEL
<i>Thousands, unless otherwise noted</i>	(Unaudited)	
Interest Income	7,048	11,217
Interest Expense	3,634	5,783
Net Interest Income	3,414	5,434
Fees & Commission Income	834	1,328
Fees & Commission Expense	156	248
Net Fees & Commission Income	679	1,080
Income From Documentary Operations	-	-
Expense On Documentary Operations	-	-
Net Income From Documentary Operations	-	-
Net Foreign Currency Related Income	286	455
Net Insurance Income	-	-
Brokerage Income	-	-
Asset Management Income	-	-
Realized Net Investment Gains (Losses)	-	-
Other	8	12
Net Other Non-Interest Income	8	12
Net Non-Interest Income	972	1,547
Total Operating Income (Revenue)	4,386	6,981
Recurring Operating Costs		
Personnel Costs	1,128	1,795
Selling, General & Administrative Expenses	772	1,229
Procurement & Operations Support Expenses	-	-
Depreciation And Amortization	173	276
Other Operating Expenses	933	1,484
Total Recurring Operating Costs	3,006	4,785
Normalized Net Operating Income (Loss)	1,380	2,196
Net Non-Recurring Income (Costs)	-	-
Profit Before Provisions And Bonuses	1,380	2,196
Provision For Loan Losses	98	156
Recovery Of Loans	-	-
Provisions For (Recovery Of) Other Assets	(106)	(169)
Net Provision Expense	(8)	(12)
Pre-Bonus Result	1,388	2,209
Guaranteed Compensation Expense	-	-
EECP Expenses	-	-
Cash Bonuses (Accrued)	-	-
Bonuses & Share-Based Compensation Expenses	-	-
Pre-Tax Income	1,388	2,209
Income Tax Expense (Benefit)	347	552
Net Income	1,041	1,656

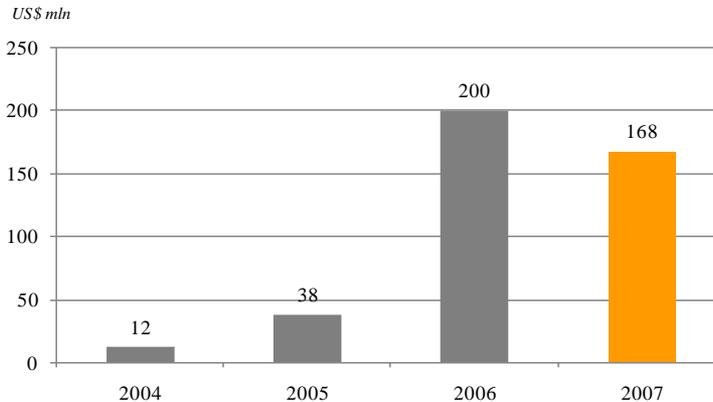
UBDP YE 2007 Balance Sheet

	31-Dec-07	
	US\$	GEL
IFRS Based		
<i>Thousands, unless otherwise noted</i>		(Unaudited)
Cash And Cash Equivalents	39,583	63,000
Loans And Advances To Credit Institutions	14,835	23,611
Mandatory Reserves With NBU	2,579	4,105
Other Accountns With NBU	7,098	11,298
Balances With And Loans To Other Banks	5,157	8,208
Available-For-Sale Securities	-	-
Treasuries And Equivalents	22,423	35,688
Other Fixed Income Instruments	-	-
Loans To Clients, Gross	142,242	226,393
Less: Reserve For Loan Losses	(4,070)	(6,478)
Net Loans To Clients	138,172	219,915
Investments In Other Business Entities, Net	-	-
Property And Equipment Owned, Net	3,972	6,322
Intangible Assets Owned, Net	237	377
Goodwill	-	-
Tax Assets, Current And Deferred	-	-
Prepayments And Other Assets	840	1,338
Total Assets	220,062	350,250
Client Deposits	2,753	4,382
Deposits And Loans From Banks	168,232	267,758
Borrowed Funds	-	-
Issued Fixed Income Securities	3,137	4,993
Insurance Related Liabilities	-	-
Tax Liabilities, Current And Deferred	2,890	4,599
Accruals And Other Liabilities	1,084	1,725
Total Liabilities	178,095	283,457
Share Capital - Ordinary Shares	29,070	46,268
Share Premium	-	-
Treasury Shares	-	-
Retained Earnings	8,836	14,064
Revaluation And Other Reserves	(103)	(164)
Net Income For The Period	4,163	6,626
Shareholders Equity Excluding Minority Interest	41,966	66,793
Minority Interest	-	-
Total Shareholders Equity	41,966	66,793
Total Liabilities And Shareholders Equity	220,062	350,250



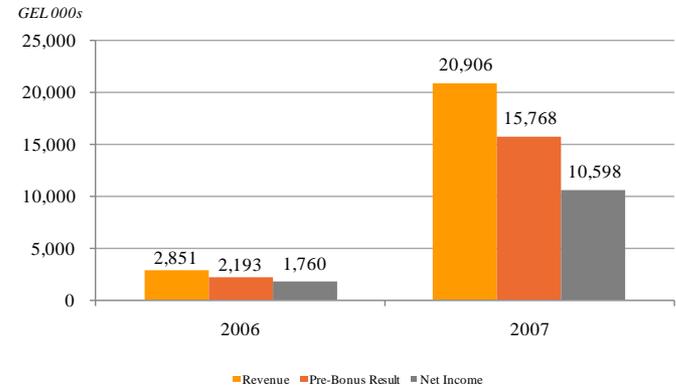
Galt & Taggart Securities

Client Assets Under Custody

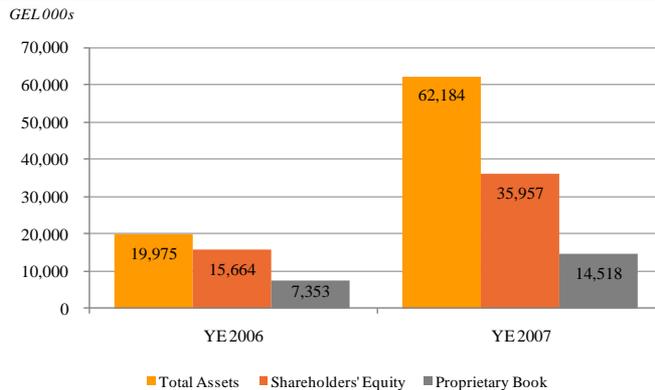


Note: (1) Converted at exchange rates of GEL/US\$ 1.825 (2004), 1.793 (2005), 1.714 (2006), 1.59 (2007)

Revenue, Pre-Bonus Result & Net Income



Total Assets, Proprietary Book & Equity



Galt & Taggart Securities Overview

- 🏠 Georgia & Ukraine
- 🏠 Agency brokerage, research, sales & trading
- 🏠 M&A and Corporate Finance advisory
- 🏠 DCM, ECM and corporate broking
- 🏠 Registrar and custody services
- 🏠 14 FTEs in Georgia and 35 FTEs in Ukraine



Placement of
12,495,519 shares
&
Introduction to the
Georgian Stock
Exchange

Sole Placement Agent



May 2007



GEL 1,800,000

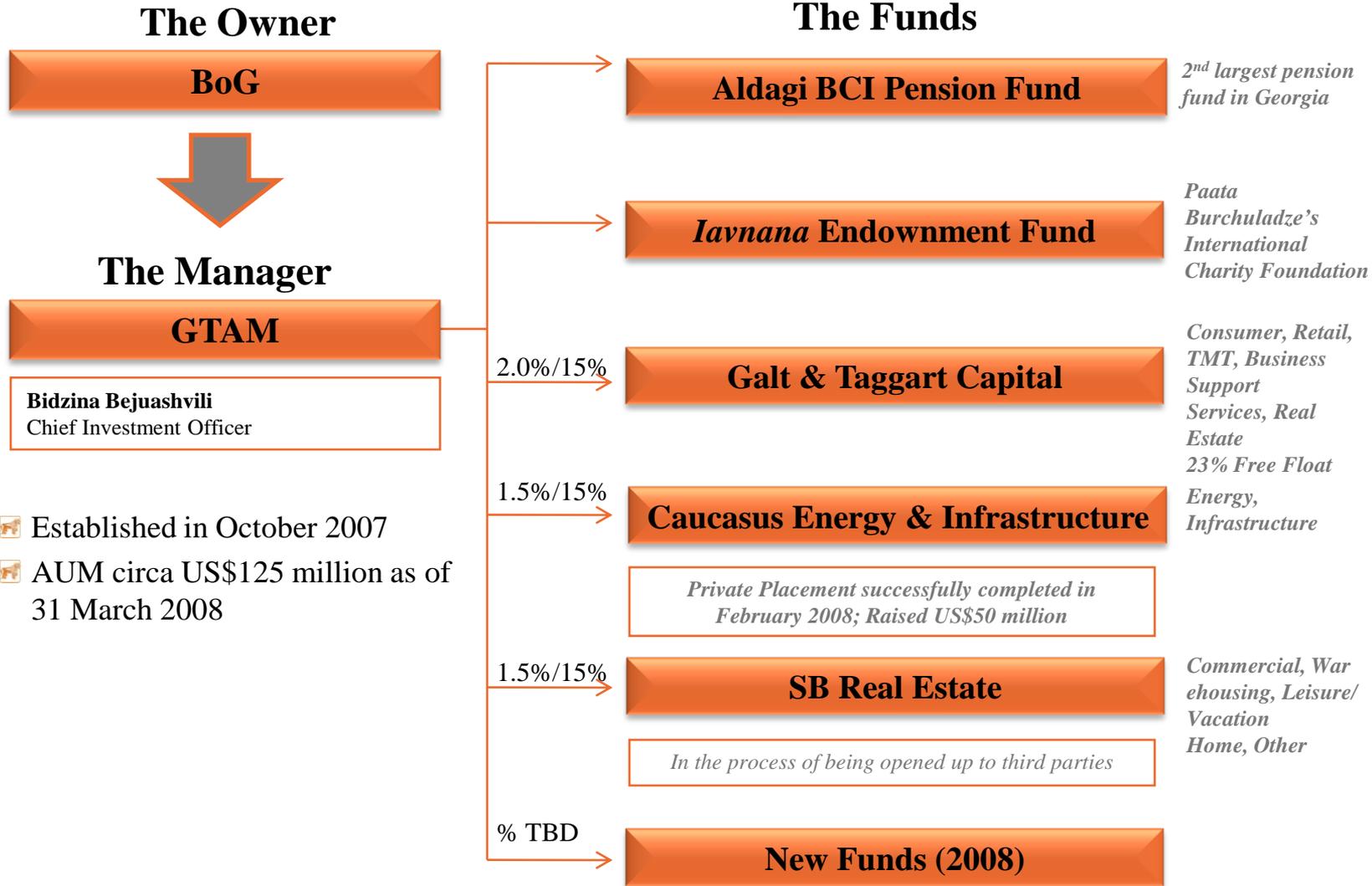
Rights Issue

Sole Placement Agent



March 2007

Asset Management Review



Asset Management Review Cont'd

Galt & Taggart Capital (GTC)

- MCAP: US\$50 million
- GSE: GTC
- Investments include consumer, retail, TMT, business support services & real estate sectors

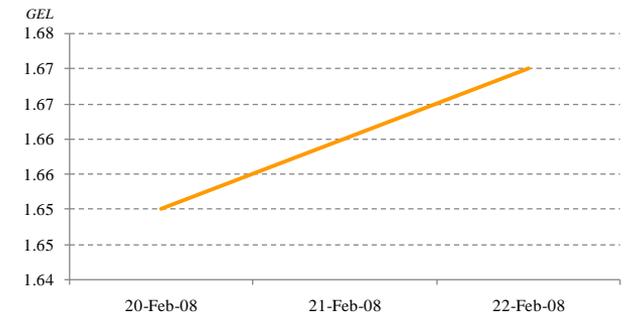
Selected Portfolio Companies



Caucasus Energy & Infrastructure (CEI)

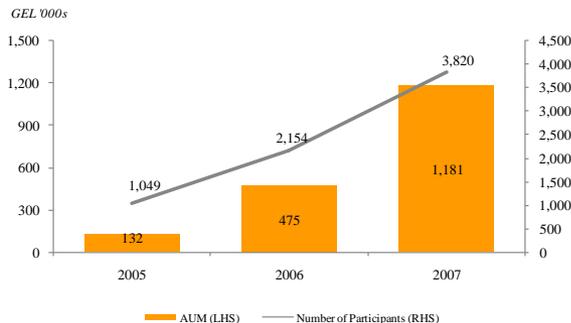
- MCAP: US\$50 million
- GSE: NRGY
- Successfully completed its first private placement in February 2008, raising US\$50 million
- Aims at investing in small and medium-sized hydro plants in Georgia, as well as infrastructure projects in the region

CEI Share Price Performance



Aldagi BCI Pension Fund

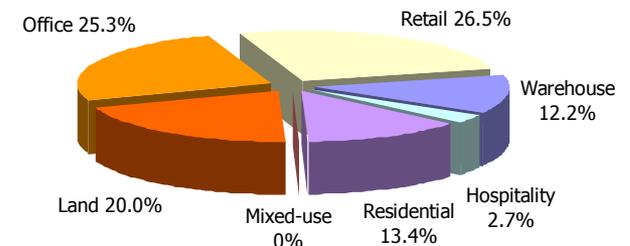
- NAV: GEL 1.2 million
- Second largest Pension Fund in Georgia



SB Real Estate (SBRE)

- NAV: US\$27 million
- 15+ properties in the portfolio

Property Breakdown as % of NAV



Aldagi BCI (Insurance)

Size of the Georgian Insurance Market

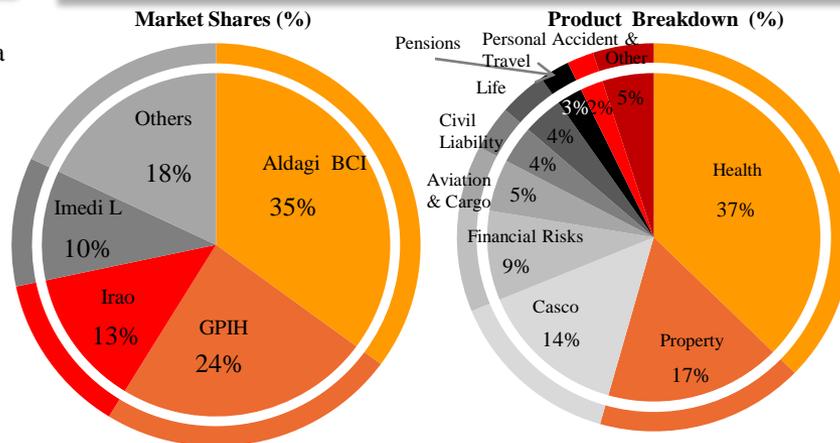
GEL mln	YE'07	YE'06	YE'05
GPW	119.3	70	55
Claims Reimbursed	39.5	23	18

Overview

- Small insurance market (US\$75 mln GPW in 2007)⁽¹⁾⁽²⁾, but rapidly growing due to low insurance services penetration of circa 0.7% of GDP⁽³⁾
- Acquisition of BCI in November 2004 (GEL 3.9 mln)
- Acquisition of EuroPace in October 2005
- Acquisition of Aldagi in December 2006 (GEL13.2m)
- Launch of *Chemebi* brand in February 2006 as umbrella for five consumer product lines – motor, health, life, property and travel insurance
- Strict reinsurance policies with major reinsurers Hannover Re, Munich Re, AIG, Lloyds and SCOR

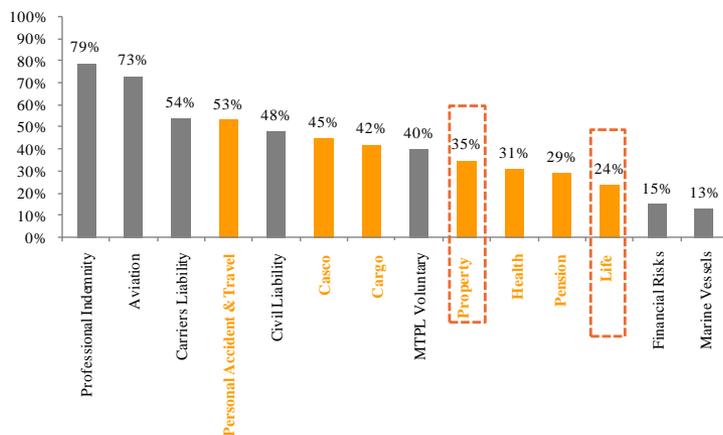
Notes:(1) Source: State Insurance Supervision Service of Georgia
 (2)Converted at GEL/US\$ 1.592
 (3) 2007 GDP

Georgian Insurance by GPW (31 December 2007)



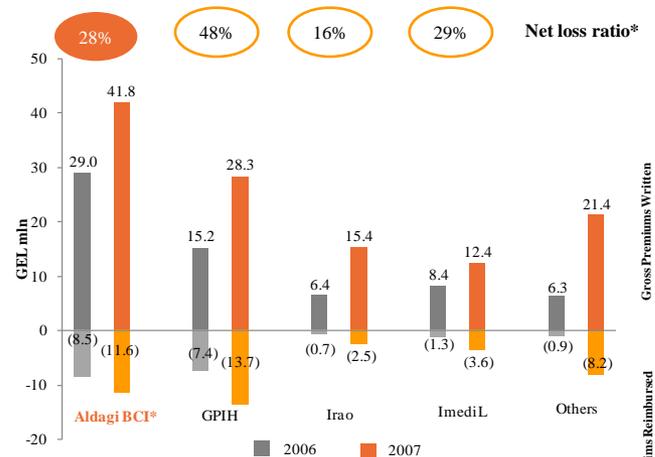
Source: State Insurance Supervision Service of Georgia

Aldagi BCI Market Share by Product (2007)



Source: State Insurance Supervision Service of Georgia

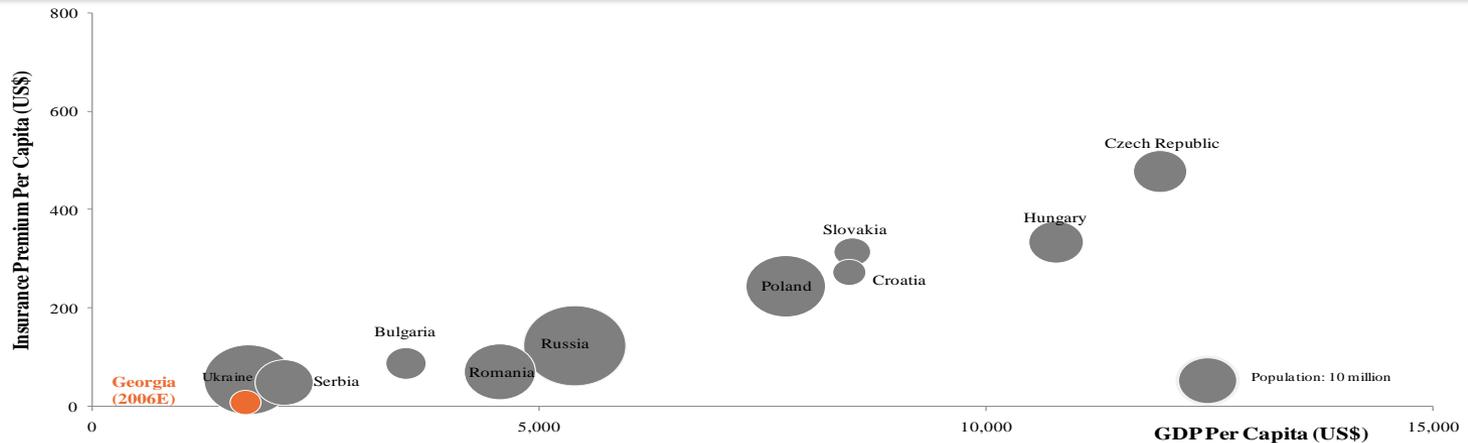
Gross Premiums Written & Total Claims Reimbursed



* Net Loss Ratio equals Claims Reimbursed by Companies divided by Total Premiums Written

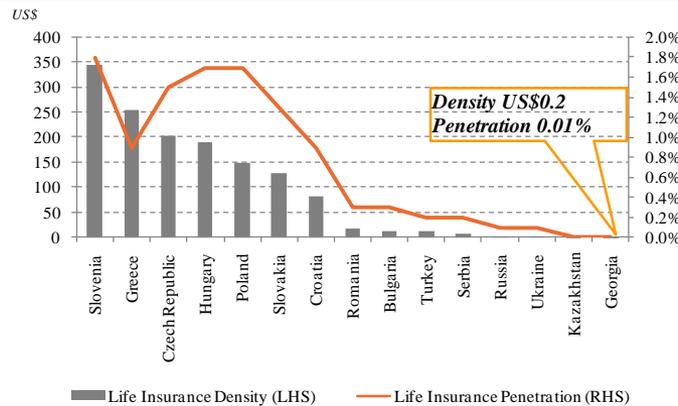
Georgian Insurance Market vs. EU & CEE/CIS

Insurance Premiums Per Capita vs. GDP Per Capita



Source: Swiss Re, Sigma No 5/2006, Georgian State Pension Supervision Agency, Galt & Taggart Securities' estimates

Life Insurance Density* and Penetration**, 2006



Source: Swiss Re, Sigma No 4/2007, Georgian State Pension Supervision Agency

*Life Insurance Premium Written Per Capita

** Life Insurance Premiums as % of GDP

	GDP per Capita, PPP (2006, US\$)	Penetration* (2006)	Density** (2006, US\$)
Greece	23,500	1.8%	489
Czech Republic	21,600	3.8%	520
Hungary	17,300	3.4%	376
Poland	14,100	3.5%	310
Russia	12,100	2.3%	151
Bulgaria	10,400	2.6%	101
Turkey	8,900	1.6%	89
Ukraine	7,600	2.8%	60
Georgia	3,800	0.5%	9

*Gross Premium Written As % of GDP

**Gross Premiums Written Per Capita

Source: Swiss Re, Sigma No 4/2007, Georgian State Pension Supervision Agency, Galt & Taggart Securities estimates, CIA World Factbook

Selected Transactions 2006

BCI სანაზღაურებო კომპანია
INSURANCE COMPANY

GEL 13,200,000
Acquisition of a 100% equity interest in



JSC Aldagi

Sole Adviser



ბანკი & თაბაბაიტი
GALT & TAGGART

December 2006

 სანაზღაურებო ბანკი
BANK OF GEORGIA

Acquisition of assets and liabilities of



INTELLECTBANK

Sole Adviser



ბანკი & თაბაბაიტი
GALT & TAGGART

February 2006

 UNITED TELECOM of GEORGIA

GEL 2,570,052
Block Trade

Broker



ბანკი & თაბაბაიტი
GALT & TAGGART

December 2006

 UNITED TELECOM of GEORGIA

Admission to trading on the Georgian Stock Exchange

Coordinator & Market-maker



ბანკი & თაბაბაიტი
GALT & TAGGART

April 2006

 სანაზღაურებო ბანკი
BANK OF GEORGIA

US\$159,843,723
Initial Public Offering on the London Stock Exchange

8,880,207 shares in the form of Global Depository Receipts

Selling Agent



ბანკი & თაბაბაიტი
GALT & TAGGART

November 2006

 ბანკი & თაბაბაიტი კაპიტალი
GALT & TAGGART CAPITAL

GEL 6,155,625
Placement of 10,259,375 Shares & Admission to trading on the Georgian Stock Exchange

Sole Placement Agent



ბანკი & თაბაბაიტი
GALT & TAGGART

November 2006

 სანაზღაურებო ბანკი
BANK OF GEORGIA

US\$25,000,000
Subordinated Convertible Loan Facility From



Sole Adviser



ბანკი & თაბაბაიტი
GALT & TAGGART

October 2006

 სანაზღაურებო ბანკი
BANK OF GEORGIA

US\$5,000,000
10-year Subordinated Loan Facility from



THAMES RIVER CAPITAL
PERFORMANCE FOCUSED ASSET MANAGEMENT

Sole Adviser



ბანკი & თაბაბაიტი
GALT & TAGGART

August 2006

 პაპული
Papuli

GEL 2,046,328
Placement of 25% of share capital to

EAST CAPITAL
Ostinvestor

Sole Placement Agent



ბანკი & თაბაბაიტი
GALT & TAGGART

May 2006

 პროკრედიტ ბანკი
ProCredit Bank

GEL 5,000,000
Private placement of 15% one-year zero coupon bonds

Sole Underwriter



ბანკი & თაბაბაიტი
GALT & TAGGART

December 2006

Contact

Nick Enukidze

Chairman of the Supervisory Board

+ 995 32 444 800

nenukidze@bog.ge

Irakli Gilauri

Chief Executive Officer

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igilauri@bog.ge

Macca Ekizashvili

Head of Investor Relations

+995 32 444 256

ir@bog.ge

Appendices



Bank of Georgia Overview

Bank of Georgia Development Milestones

Development Period	2000-3Q 2004	4Q 2004	2005	2006	2007	Growth Since YE 2003
New Management Team Takes Over						
<p>The bank has tripled in size under new management</p> <p>Unique management team composition for a CIS bank</p> <p>Stellar acquisition and integration track record</p> <p>Increasingly diversified revenue stream</p> <p>An established borrower in international markets</p> <p>Unprecedented level of institutional interest. Institutional ownership c. 85% + unique for a CIS bank</p>	<p>IFRS Consolidated ⁽¹⁾</p> <p>FY 2003</p> <p>Total Assets (e-o-p) US\$111 mln</p> <p>Loan Book (e-o-p) US\$73 mln</p> <p>Client Deposits (e-o-p) US\$57 mln</p> <p>Equity (e-o-p) US\$26 mln</p> <p>MCAP (e-o-p) US\$20 mln</p> <p>Number of Western-Trained Professionals 0</p> <p>Key Acquisitions</p> <p>Key Business Lines</p> <p>Retail Banking</p> <p>Corporate Banking</p> <p>Trade Finance</p> <p>Foreign Exchange</p> <p>Investment Banking</p> <p>Key Lenders</p> <p>BSTDB</p> <p>DEG</p> <p>AKA Bank</p> <p>EBRD</p> <p>IFC</p>	<p>FY 2004</p> <p>US\$199 mln</p> <p>US\$104 mln</p> <p>US\$138 mln</p> <p>US\$30 mln</p> <p>US\$35 mln</p> <p>6</p> <p>TUB</p> <p>BCI</p> <p>Georgian Card</p> <p>Retail Banking</p> <p>Corporate Banking</p> <p>Trade Finance</p> <p>Foreign Exchange</p> <p>Investment Banking</p> <p>Insurance</p> <p>Leasing</p> <p>Pensions</p> <p>KfW US\$3.5 mln guarantee facility</p> <p>EBRD US\$10 mln facility</p> <p>GEL 2.0 mln bond placement</p> <p>Commerzbank US\$ 3.8 mln</p> <p>37%</p>	<p>FY 2005</p> <p>US\$257 mln</p> <p>US\$175 mln</p> <p>US\$151 mln</p> <p>US\$51 mln</p> <p>US\$69 mln</p> <p>15</p> <p>Galt & Taggart</p> <p>GLC</p> <p>Europace</p> <p>Retail Banking</p> <p>Corporate Banking</p> <p>Trade Finance</p> <p>Foreign Exchange</p> <p>Investment Banking</p> <p>Insurance</p> <p>Leasing</p> <p>Pensions</p> <p>Merrill Lynch US\$25 mln convertible subordinated loan</p> <p>Commerzbank US\$ 3.8 mln</p> <p>50%</p>	<p>FY 2006</p> <p>US\$725 mln</p> <p>US\$433 mln</p> <p>US\$338 mln</p> <p>US\$216 mln</p> <p>US\$567mln</p> <p>20+</p> <p>IntellectBank, acquisition of assets & liabilities</p> <p>Merchant banking acquisitions</p> <p>Galt & Taggart Ukraine established</p> <p>9.9% of UBDP acquired</p> <p>Aldagi</p> <p>Retail Banking</p> <p>Corporate Banking</p> <p>Trade Finance</p> <p>Foreign Exchange</p> <p>Investment Banking</p> <p>Insurance</p> <p>Leasing</p> <p>Pensions</p> <p>Private Banking</p> <p>POS Consumer Loans</p> <p>Merchant Banking</p> <p>World Business Capital US\$10 mln loan with OPIC guarantee</p> <p>Citigroup US\$25 mln unsecured term loan</p> <p>Thames River Capital US\$5 mln subordinated loan</p> <p>Merrill Lynch US\$25 mln convertible subordinated loan</p> <p>HBK Investments US\$25 mln convertible subordinated loan</p> <p>85%</p>	<p>FY 2007</p> <p>US\$1,873 mln</p> <p>US1,081 mln</p> <p>US\$856 mln</p> <p>US\$352 mln</p> <p>US\$801 mln</p> <p>25+</p> <p>Merchant Banking Acquisitions</p> <p>98.8% of UBDP acquired</p> <p>Retail Banking</p> <p>Corporate Banking</p> <p>Trade Finance</p> <p>Foreign Exchange</p> <p>Investment Banking</p> <p>Insurance</p> <p>Leasing</p> <p>Pensions</p> <p>Private Banking</p> <p>POS Consumer Loans</p> <p>Merchant Banking</p> <p>Asset Management</p> <p>FMO US\$12.5 mln loan*</p> <p>US\$200 mln debut Regulation S 5-year unsecured Eurobond</p> <p>US\$123.5 mln syndicated loan arranged by Citi and ADB</p> <p>Merrill Lynch US\$35 mln subordinated loan</p> <p>HBK Investments US\$15 mln subordinated debt</p> <p>Merrill Lynch US\$65 mln loan facility</p> <p>1588%</p> <p>1381%</p> <p>1401%</p> <p>1253%</p> <p>3909%</p> <p>85%</p>	<p>1588%</p> <p>1381%</p> <p>1401%</p> <p>1253%</p> <p>3909%</p>

Notes: (1) Converted at exchange rates of GEL/US\$ of 2.075 (2003), 1.825 (2004), 1.793 (2005), 1.714 (2006) and 1.592 (2007)
 (2) Growth rates calculated using amounts in US\$
 * Signed in December 2006, disbursed in January 2007



Bank Of Georgia – Our Vision & Mission

-  **One Firm**
-  Strong management
-  Shared expertise
-  Cross-sell synergies
-  Shared services & infrastructure
-  Cost efficiency

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

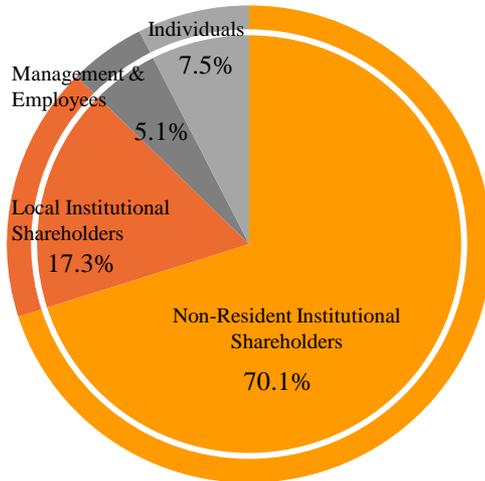
*Our mission is to create long-term value by building a relationship-driven, client-facing integrated financial services company based on the core values of **excellence in execution, teamwork, integrity and trust***

	Objectives set in October 2004	Status YE 2006
Retail Banking	<ul style="list-style-type: none"> ▪ The largest Georgian retail bank, offering consumers the broadest range of services through multiple channels 	✓ Achieved
Corporate & Investment Banking	<ul style="list-style-type: none"> ▪ A leader in corporate banking, bank of choice for inbound foreign corporates ▪ The undisputed leader in investment banking ▪ Integrated offering to large corporates through strong client coverage culture 	✓ Achieved ✓ Achieved ✓ Achieved
Insurance	<ul style="list-style-type: none"> ▪ A leading player in the non-life sector, cross-selling insurance to corporates ▪ A leading life insurance and pensions provider 	✓ Achieved ✓ Achieved
Asset & Wealth Management	<ul style="list-style-type: none"> ▪ The undisputed domestic leader in wealth management, with niche appeal to sophisticated non-resident investors ▪ A leading player in domestic private equity and venture capital 	✓ Achieved ✓ Achieved

Bank of Georgia Price Performance

Ownership Structure & Share Price Performance

Ownership structure, February 2008



The second highest free float (95%) of all emerging EMEA banks

Broadly owned by over 100 institutional accounts
Highly dispersed ownership

22-Feb-08

	Total	%
GDR Holders*	21,898,133	70.1%
Local Shares Held by Institutional Shareholders	5,404,721	17.3%
Management & Employees**	1,601,839	5.1%
Local Shares Held by Domestic and Foreign Retail Shareholders	2,339,399	7.5%
Total Shares Outstanding	31,244,092	100.0%
Adjusted for Galt & Taggart Securities' Proprietary Book ⁽¹⁾	(310,378)	
Adjusted Total Shares Outstanding	30,933,714	

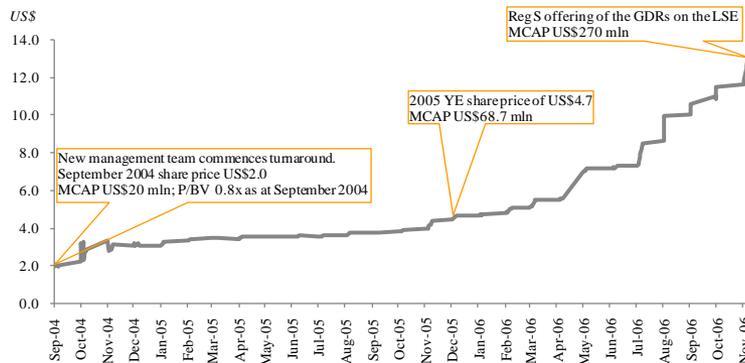
*through BNY Nominees Limited

** includes GDRs held by Employee Benefit Trust

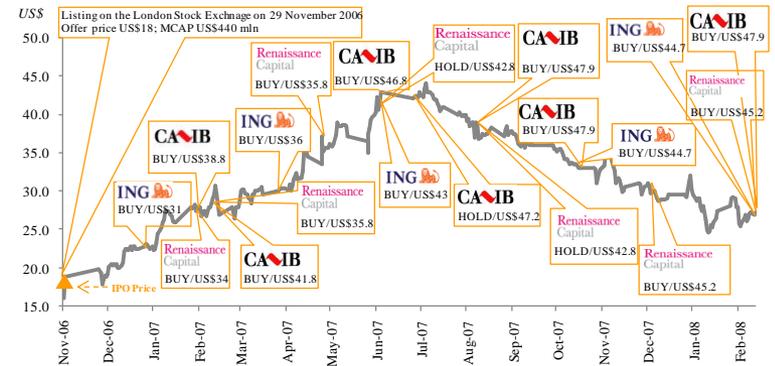
⁽¹⁾ Treated as treasury shares as per IFRS

Note: certain shareholder data is based on management's estimates

Bank of Georgia Share Price Performance

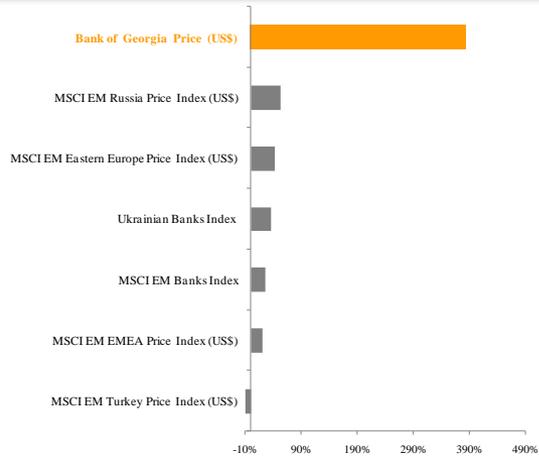


Bank of Georgia GDR Price Performance

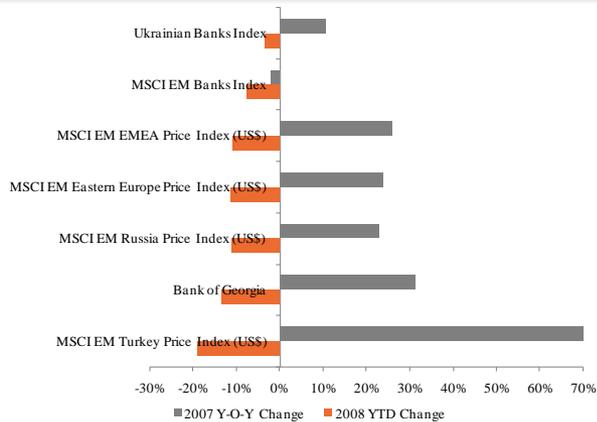


2006-2007 Price Performance

Bank of Georgia Price vs. Selected MSCI Indices, 2006



Bank of Georgia Price vs. Selected MSCI Indices, 2007 – 2008YTD

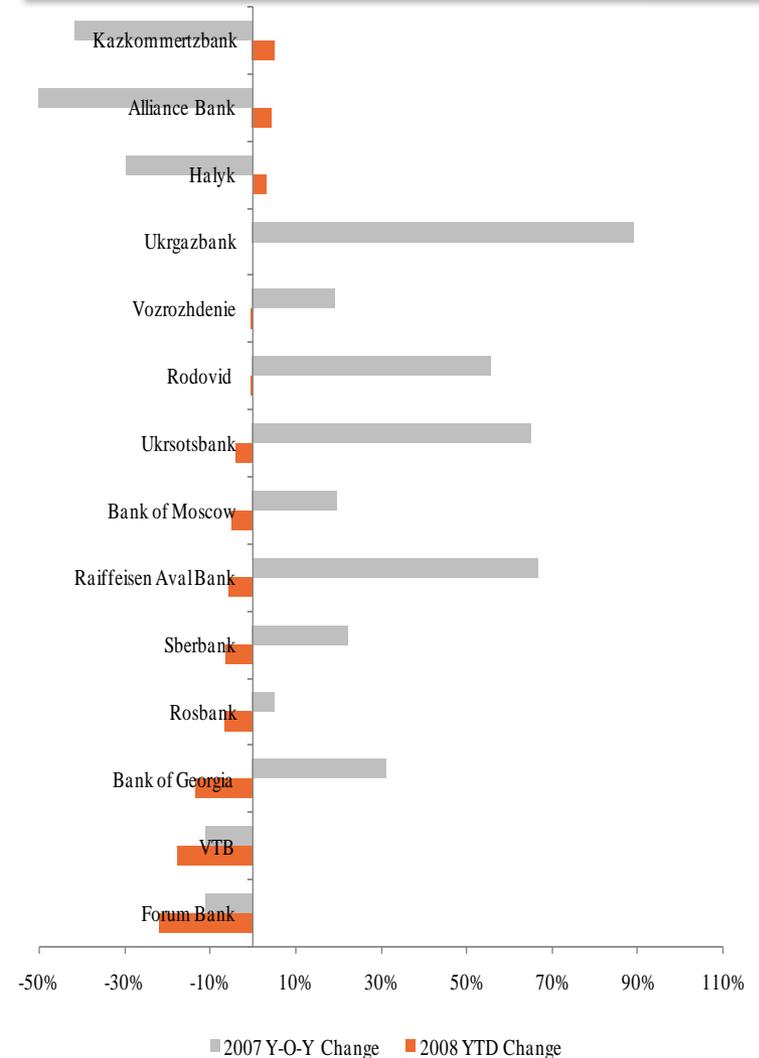


Source: Galt & Taggart Securities



www.bog.ge/ir

Bank of Georgia Price vs. CIS Banks 2007 & 2008YTD Price Performance



Source: Bloomberg

Analyst Coverage

Renaissance Capital

Analyst	Email	Recommendation	Date of Recommendation
David Nangle	Dnangle@rencap.com	BUY/US\$45.2	11 February 2008



Analyst	Email	Recommendation	Date of Recommendation
Andrzej Nowaczek	andrzej.nowaczek@uk.ing.com	BUY/US\$44.7	8 February 2008



Analyst	Email	Recommendation	Date of Recommendation
Milena Ivanova	ivanovam@ca-ib.com	BUY/US\$47.9	4 February 2008

Our Team



საქართველოს ბანკი
BANK OF GEORGIA

www.bog.ge/ir

Our Team

Supervisory Board

Nicholas Erukidze, 37, Chairman
*ABN AMRO, Concorde Capital, Global One
 MBA, University of Maryland*

Ian Hague, 46, Member
*Firebird Management LLC, United Nations Secretariat
 MA, Monterey Institute of International Studies*

Allan Hirst, 58, Member
*CitiGroup
 MBA, University of Texas*

Jyrki Talvitie, 41, Member
*UralSib, BNP Paribas, Bank of New York
 MBA, London Business School; LLM, University of Helsinki*

Kaha Kiknavelidze, Member
*Rioni Capital, UBS, Bank of Georgia
 MBA, Emory University*

Group Management

Nicholas Erukidze, 37, Acting Chairman
*ABN AMRO, Concorde Capital, Global One
 MBA, University of Maryland*

Irakli Gilauri, 31, Chief Executive Officer
*EBRD
 MSc, Cass Business School of City University*

Macca Ekizashvili, 33, Head of Investor Relations
*IFC
 MBA, George Washington University*

Thea Jokhadze, CFA, 31, Head of Debt Capital Markets (Group Head of Funding)
*Pace Global Services, CMS Energy Corp
 MA degree, Johns Hopkins University, School of Advanced International Studies*

Gvantsa Shengelia, 37, Head of Compliance
*Deutsche Bank, Morgan Stanley
 MA Degree in Economic Geography, Tbilisi State University*

Avto Namicheishvili, 33, Group General Counsel
*Begiashvili & Co Limited
 LLM, Central European University*

David Vakhtangishvili, 29, Chief Financial Officer
*Ernst & Young LLC
 BBA, ESM-Tbilisi, 1st Level CPA, US*

Alexander Oleshko, 31, Chief Information Officer
*Private Bank, Premier Bank, Control Pay BV, Superweb
 BA University of Dnepropetrovsk*

Our Team Cont'd

Commercial Banking, Georgia
Irakli Gilauri, 31, Chief Executive Officer <i>EBRD</i> <i>MSc, Cass Business School of City University</i>
Ramaz Kukuladze, 35, Deputy Chief Executive Officer <i>BCI, AbnobaBank, TbilCreditBank</i> <i>MA degree, Bank Academy of ESM Tbilisi, MBA degree from Instituto de Empresa expected in July 2008</i>
Lekso Liparteliani, 33, Co-Head of Corporate & Investment Banking <i>Galt & Taggart Securities, State Department for Statistics of Georgia</i> <i>PhD in Mathematics, Tbilisi State University</i>
Gvantsa Shengelia, 37, Head of Compliance <i>Deutsche Bank, Morgan Stanley</i> <i>MA Degree, Tbilisi State University</i>
Constantin Tsereteli, 35, Co-Head of Retail Banking <i>Constanta Foundation, World Vision</i> <i>MA Degree in Legal Studies, Tbilisi State University; MA Degree in Medieval Studies, Central European University; Diploma in Byzantine Studies, University of Oxford</i>
Mikheil Gomarteli, 32, Co-Head of Retail Banking <i>Bank of Georgia</i> <i>MA Degree in Economics, Tbilisi State University</i>
Vasil Khodeli, 31, Co-Head of Corporate & Investment Banking <i>Bank of Georgia, TbilInterBank</i> <i>MA Degree in Economics, Tbilisi State University</i>
Deborah Fairlamb, 40, Group Head of Wealth Management <i>UBS, Merrill Lynch</i> <i>BA in Literature, University of Delaware</i>
Irakli Burdiladze, 33, Chief Operating Officer <i>GMT Group</i> <i>MA Degree, Johns Hopkins University, School of Advanced International Studies</i>
David Vakhtangishvili, 29, Chief Financial Officer <i>Ernst & Young LLC</i> <i>BBA, ESM – Tbilisi, 1st Level CPA, US</i>
Commercial Banking, Ukraine
Genady Matuzenko, 39, CEO, Chairman of the Management Board <i>Tax Administration, Biz-Information Publishing Company, Bank Forum</i> <i>BA Degree in Applied Economics, Kyiv National Shevchenko University</i>
Igor Gordov, 44, Deputy CEO <i>Gischaubank, Bank Forum, Legbank</i> <i>BA in Banking Management, KROK Economics and Law University</i>
Sulkhan Gvalia, 33, Deputy CEO & Chief Risk Officer, BoG <i>TbilUniversalBank</i> <i>BA Degree, MA in Law, Tbilisi State University</i>
Dmytro Perepolkin, 29, Head of CIB, Ukraine <i>Concorde Capital, Five years in Consulting and Technology</i> <i>MBA, California State University</i>
Aleksey Teslenko, 27, Deputy CEO <i>Finance & Credit, Legbank</i> <i>MA in Banking Management, Kyiv National Economic University</i>
Georgi Vakhtangishvili, Deputy CFO of Bank of Georgia responsible for Ukraine <i>BBA from ESM-Tbilisi</i> <i>Ernst & Young LLC</i>
Ekaterina Kvantirshvili, Head of Retail Banking, UBDP <i>BBA from Boston University School of Management</i> <i>InvestraBank, Bank of Georgia, Rusfinance</i>
Grigol Katamadze, Director of International Business Development, BoG <i>Ambassador of Georgia in Ukraine, Ministry of Foreign Affairs of Georgia, Ministry of Defense of Georgia</i> <i>Graduate degree in International Law & International Relations from Taras Shevchenko University of Kyiv</i>
Tomike Gogichaishvili, Chief Financial Officer, UBDP <i>Aidagi BCI, PA Consulting Group/United Energy Distribution Company of Georgia</i> <i>MBA from Caucasus School of Business, LLM from Tbilisi State University, Faculty of International Law and International Relations</i>

Galt & Taggart Asset Management
Bidzina Bejushvili, 37, Chief Executive Officer <i>JP Morgan Chase, UniCredit, RZB</i> <i>MA Degree in Economics, Boston University</i>
Eli Enoch, 34, CEO, Galt & Taggart Capital <i>Caucasus Financial Services, World Congress of Georgian Jews, TKTel</i> <i>MBA, Tel Aviv University</i>
Irakli Gogia, 25, Chief Financial Officer, Galt & Taggart Capital <i>Deloitte & Touche, Ernst & Young</i> <i>BBA, ESM-Tbilisi</i>
Georgi Nadareidze, 37, CEO, SB Real Estate <i>Klacken Corporation</i> <i>BA Degree in International Relations, Institute of Foreign Languages, Real Estate Sales Certificate, permitting to buy and sell real estate in New York State</i>
Archil Mamatselashvili, 34, CEO, Caucasian Energy Fund <i>Energopro S.A., Ministry of Energy of Georgia</i> <i>MBA, Weatherhead School of Management of Case Western Reserve University/IMC Graduate School of Business</i>
Investment Banking
Dmitry Kasatkin, 37, Chief Executive Officer <i>ABN AMRO, PriceWaterHouseCoopers</i> <i>MBA, California State University</i>
Tamar Metivishvili, 26, Chief Financial Officer <i>PriceWaterHouseCoopers, Ernst & Young Audit LLC</i> <i>MBA, ESM – Tbilisi</i>
Sergiy Lesyk, 35, Global Head of Equities <i>Millennium Capital, Nomura, PriceWaterHouseCoopers</i> <i>MA Degree, Moscow State University</i>
Georgi Parsidze, 34, Global Co-Head of Sales <i>Credit Suisse First Boston</i> <i>MBA, University of Michigan (Ross) Business School</i>
Lucas Romriell, 29, Head of Regional Development <i>Concorde Capital, UralSib</i> <i>BA Degree in Russian Studies, University of Colorado</i>
Alexander Lisnichenko, 31, Equity Sales <i>Kraft Foods, Nestle, Mondt Business Paper</i> <i>MBA, Creighton University</i>
Nick Piazza, Head of Sales <i>Concorde Capital, Interfax</i> <i>BA from University at Lake Forest College in Chicago (Illinois)</i>
Jathan Tucker, Head of International Trading <i>Concorde Capital, Goldman Sachs</i> <i>BA in Economics from Harvard University, MSc in Economics from London School of Economics</i>
Insurance
Nikoloz Gamkrelidze, 27, Chief Executive Officer <i>BCI Health Clinic, World Bank</i> <i>MSc in Health Management, Imperial College, London</i>
Ksenia Semiokhina, 33, Operations Department Director <i>GPH</i> <i>LLM, Tbilisi State University</i>



Georgian Banking Sector – Key Trends 2006/2007

Georgian Banking Sector – Key Trends 2006/YTD 2008

GEL/US\$

Period End

YE 2005= 1.79

YE 2006= 1.71

YE 2007=1.59

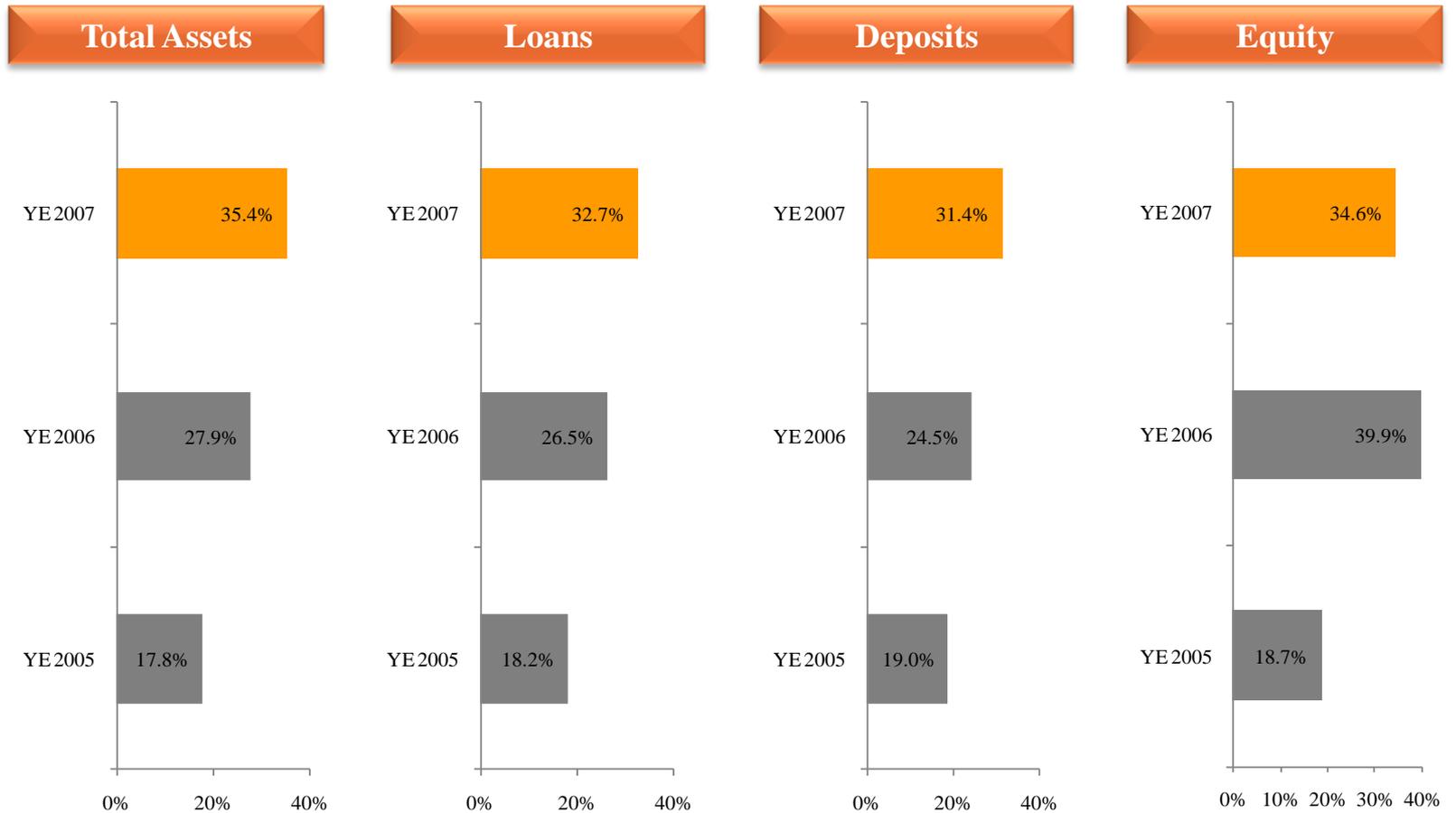
US\$ mln	YE 2005	YE 2006	YE 2007	As % of GDP*	Growth		Market Share (YE 2006)		Market Share (YE 2007)	
					2006 Y-O-Y	2007 Y-O-Y	Top 5 Banks	Bank of Georgia	Top 5 Banks	Bank of Georgia
Total Assets	1,421	2,467	4,529	42.6%	65.9%	70.9%	80.1%	27.9%	80.0%	35.4%
Gross Loans	965	1,565	2,883	27.1%	55.0%	71.5%	83.2%	26.5%	81.7%	32.7%
Deposits	858	1,359	2,206	20.7%	51.4%	50.9%	82.2%	24.5%	81.4%	31.4%
Equity	267	524	924	8.7%	87.4%	65.5%	78.3%	39.9%	73.3%	34.6%
Net Income	35	54	69	0.6%	50.5%	17.5%	80.8%	23.6%	NMF	41.9%

- ☐ 22 banks as at 29 February 2008
 - ☐ Minimum capital requirement GEL 12 mln and growing
 - ☐ Consolidation underway
- ☐ No state ownership since 1995
- ☐ Very open to foreign ownership
 - ☐ All leading banks have meaningful foreign capital participation
- ☐ Significant IT/infrastructure and marketing spend drives increasing retail banking penetration
- ☐ Increasing adoption of the universal banking business model, following the lead of **Bank of Georgia**
- ☐ Increasing availability of non-deposit funding key to sustained growth
 - ☐ Four top banks are rated
 - ☐ Domestic bonds, Eurobonds, CLNs, unsecured term loans, syndicated loans, subordinated debt
 - ☐ A small structural funding gap exists
 - ☐ Real estate boom competes for consumer savings
 - ☐ The economy and consumers significantly underlent (all-in consumer debt per capita US\$155 at 31 January 2008)

Note: All data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

* YE 2007 Total Assets/2007 GDP, YE 2007 Gross Loans/2007 GDP, YE 2007 Deposits/2007 GDP, YE 2007 Equity/2007 GDP, 2007 Net Income/2007 GDP

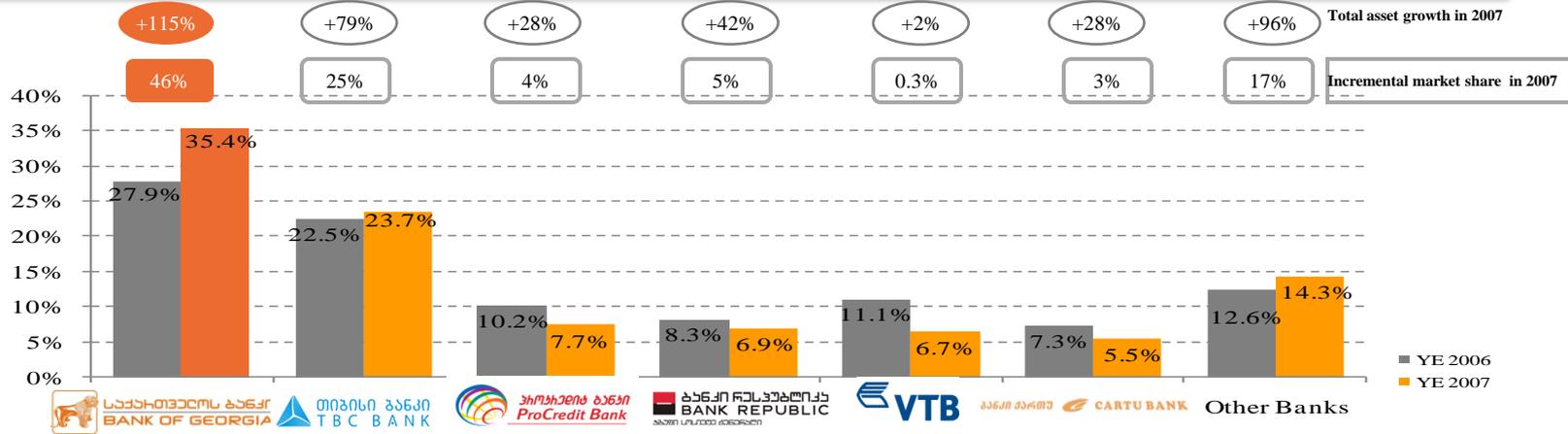
Bank of Georgia Market Share Evolution



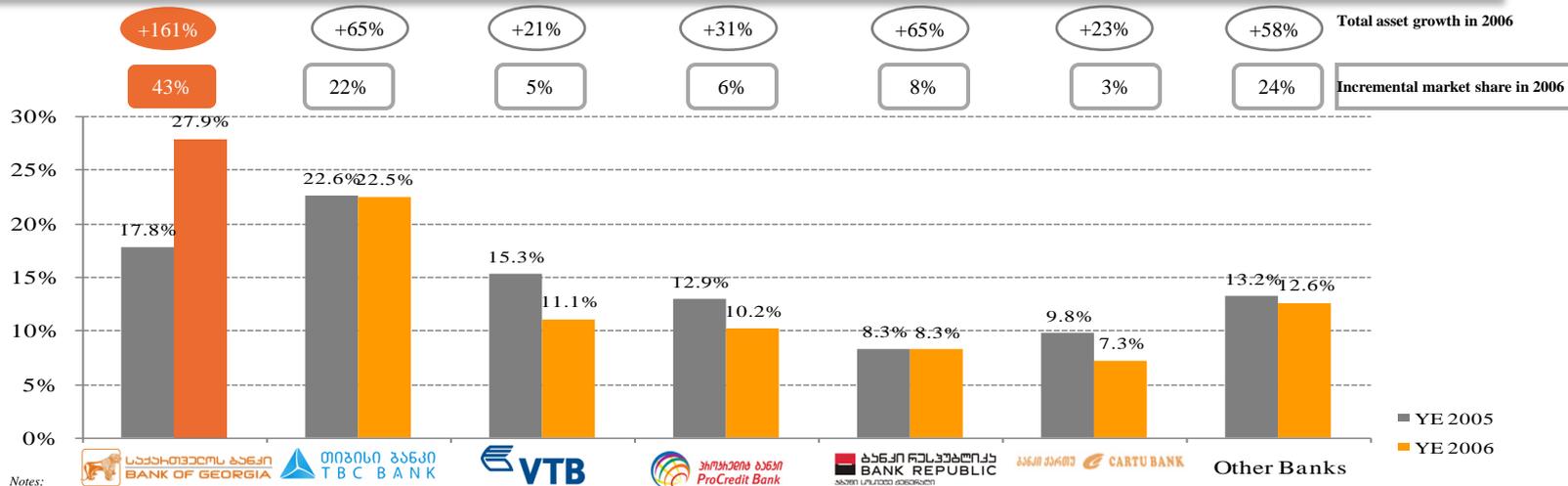
Note: All data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

Peer Group's Market Share In Total Assets

Peer Group's market shares in Total Assets, YE 2007



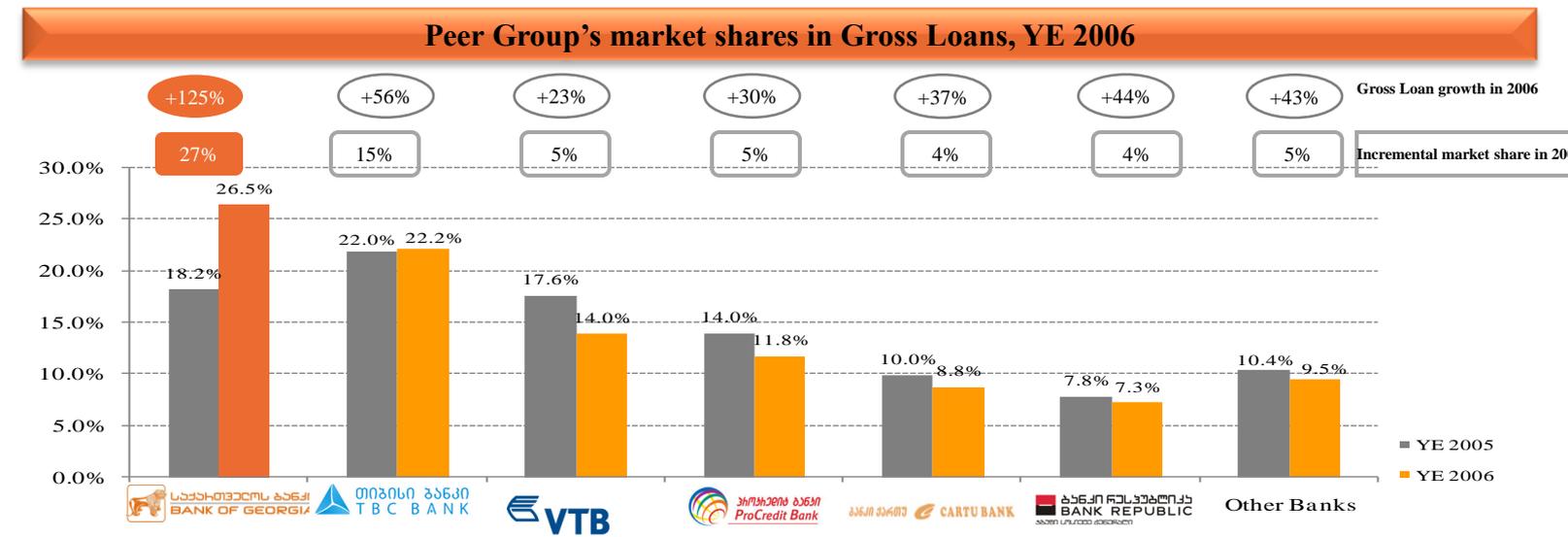
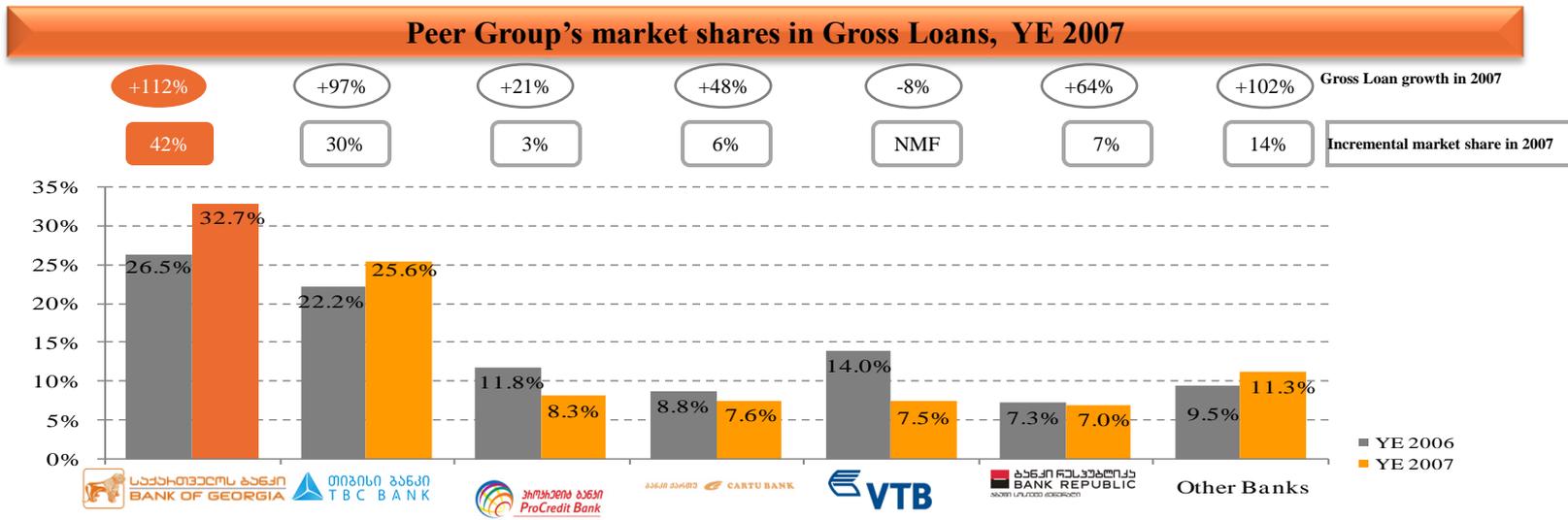
Peer Group's market shares in Total Assets, YE 2006



Notes:
 (1) All data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge
 (2) Change in peer group total assets calculations based on GEL values

GEL/US\$
 Period End
 YE 2005= 1.79
 YE 2006 = 1.71
 YE 2007=1.59

Peer Group's Market Share In Gross Loans



Notes:
 (1) All data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge
 (2) Change in peer group total assets calculations based on GEL values

GEL/US\$

Period End

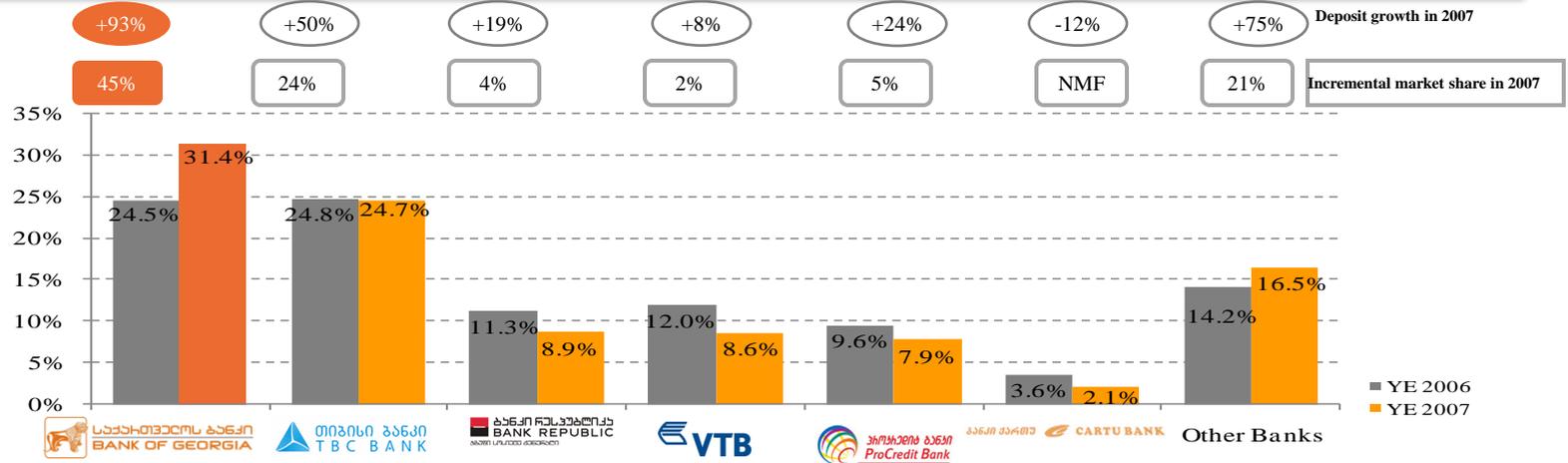
YE 2005= 1.79

YE 2006 = 1.71

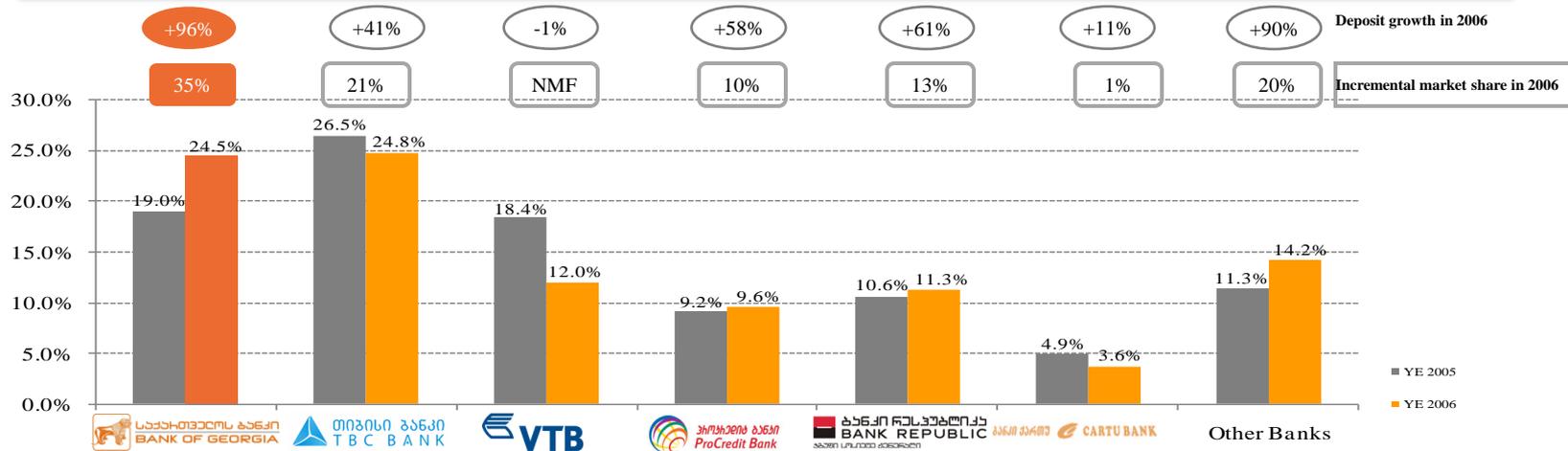
YE 2007=1.59

Peer Group's Market Share In Deposits

Peer Group's market shares in Deposits, YE 2007



Peer Group's market shares in Deposits, YE 2006



Notes:

(1) All data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia www.nbg.gov.ge

(2) Change in peer group total assets calculations based on GEL values

GEL/US\$

Period End

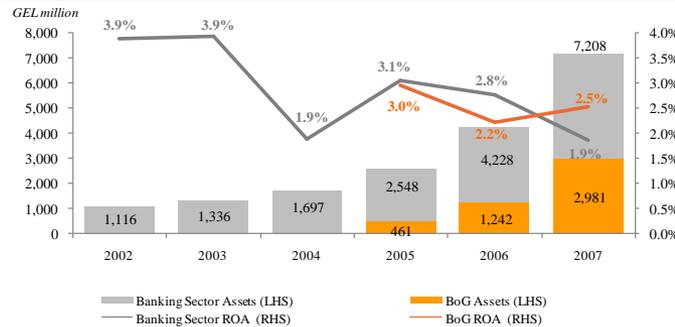
YE 2005= 1.79

YE 2006 = 1.71

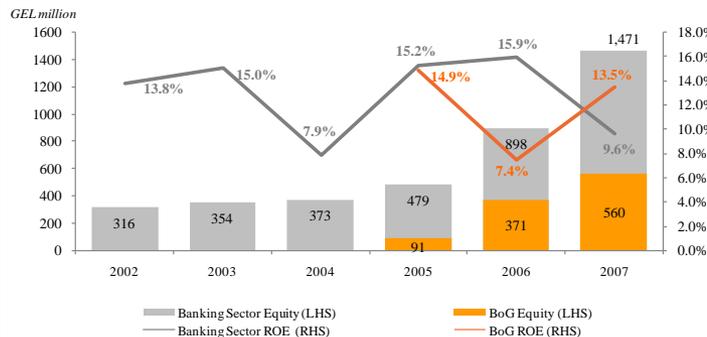
YE 2007=1.59

The Georgian Financial Services Sector – Overview Cont'd

Banking Sector Assets & ROA



Banking Sector Equity & ROE



- ❏ Tough regulatory regime with pronounced safety bias suppresses sector ROE
- ❏ CAR and prudential Liquidity requirements much higher than BIS
- ❏ Mandatory reserves 13% on FX and on GEL liabilities

- ❏ All other segments of the financial services sector small and dominated by banks, very open to foreign ownership

Insurance

- ❏ GPW of GEL 119 mln (0.7% of GDP) in 2007
- ❏ YOY growth rate of 70%
 - ❏ Health insurance growing rapidly
 - ❏ No mandatory insurance growth drivers
 - ❏ No salary schemes
- ❏ Bank-owned insurance companies account for 72% of GPW
- ❏ Top three insurance companies account for 71%+ of GPW
- ❏ **Aldagi BCI**, wholly-owned by BoG, has market share of approximately 35%

Leasing

- ❏ Small, non-bank funding constrained
- ❏ Two bank-owned companies dominate the market
- ❏ **Georgian Leasing Company**, wholly-owned by BoG, has market share of approximately 25%

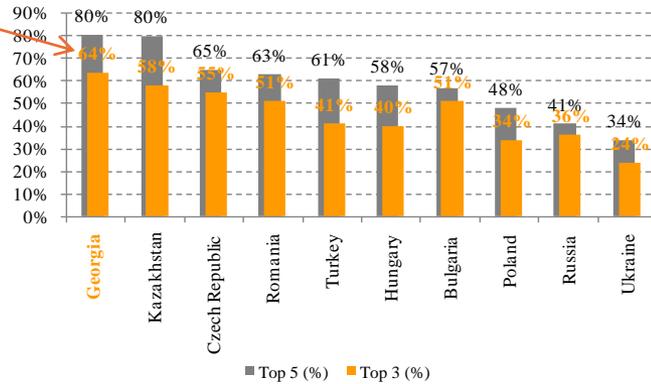
Broker-Dealers

- ❏ 2007 equities trading volume US\$109mln
- ❏ Negligible local-currency fixed income issuance volumes
- ❏ Institutional investors increasingly active in the market, drive the volume
- ❏ **Galt & Taggart Securities**, wholly-owned by BoG, accounted for 63% of the equities trading volume during 2007

Market Potential And High Degree Of Concentration

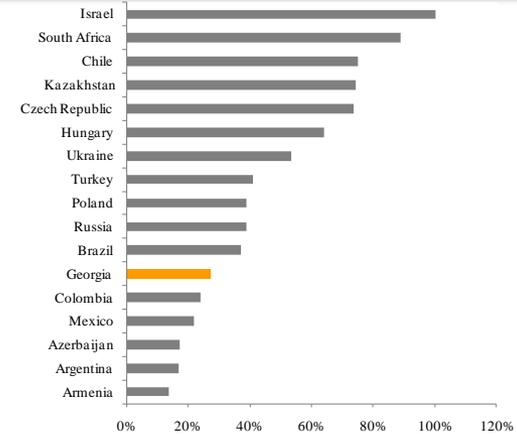
The highest degree of market concentration in CEE benefits large, entrenched domestic players

Market Shares of Top 5 & Top 3 Banks by Assets (2006)



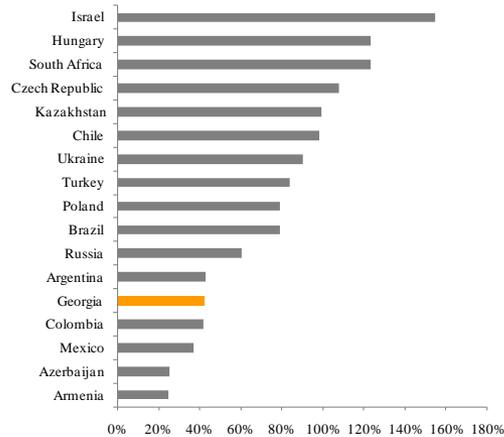
Note: data for Georgia as at 30 June 2007
Sources: National Bank of Georgia, CA IB

Gross Loans to GDP (% , 2007E)



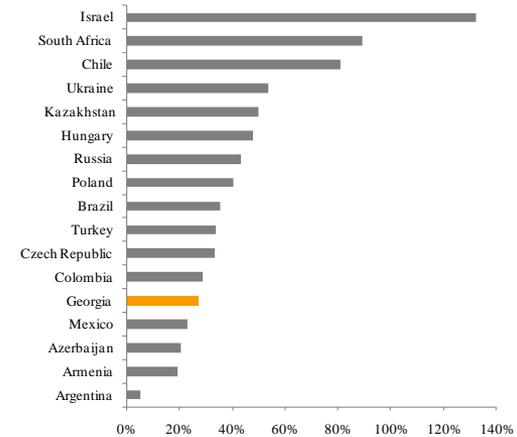
Note: data for South Africa, Chile, Brazil, Argentina, Colombia and Mexico is as of YE 2006
Source: National Bank of Georgia, National Bank of Ukraine, data from Deutsche Bank

Banking Assets to GDP (% , 2007E)



Note: data for South Africa, Chile, Turkey, Brazil, Argentina, Colombia and Mexico is as of YE 2006
Source: National Bank of Georgia, National Bank of Ukraine, Deutsche Bank

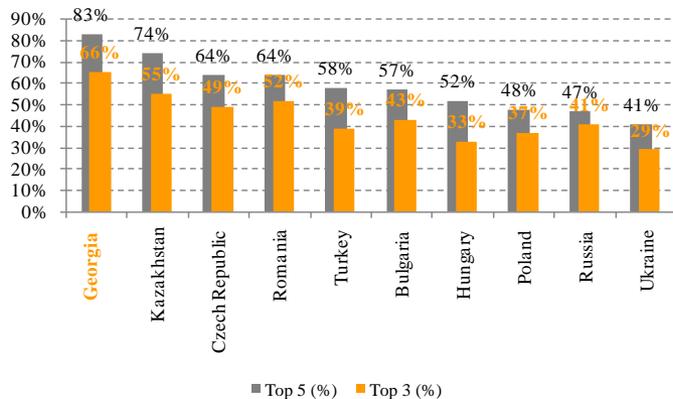
Deposits to GDP (% , 2007E)



Note: data for South Africa, Chile, Brazil, Argentina, Colombia and Mexico is as of YE 2006
Source: National Bank of Georgia, National Bank of Ukraine, Deutsche Bank

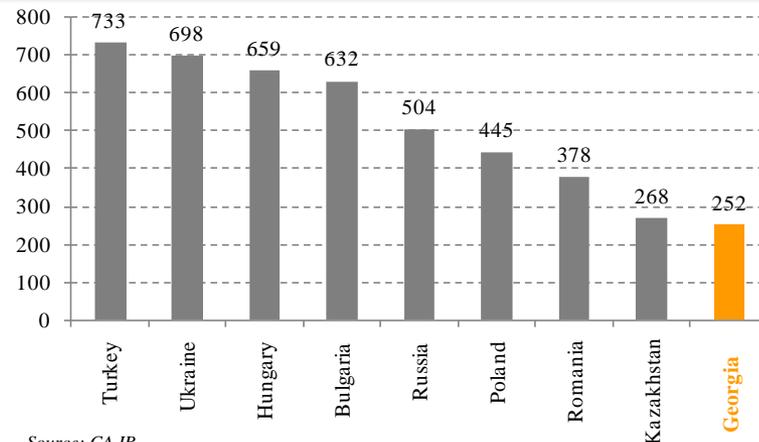
Georgian Banking Sector vs. Peer Countries

Market Shares of Top 5 & Top 3 Banks by Loans (2006)



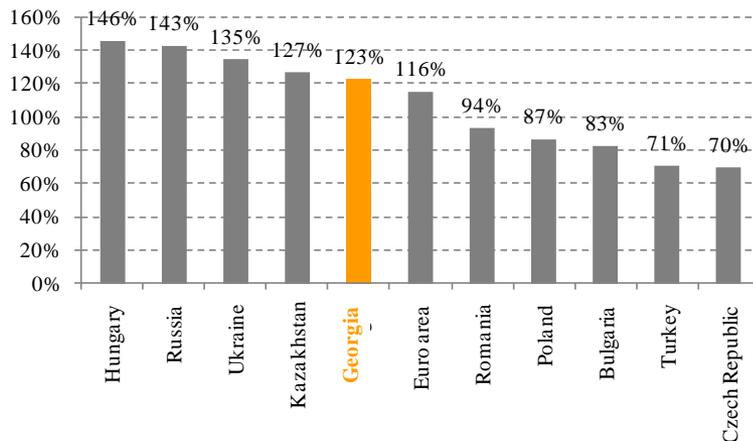
Note: data for Georgia as at 30 June 2007
Sources: National Bank of Georgia, CA IB

Debit Cards Per Thousands Of People (2006)



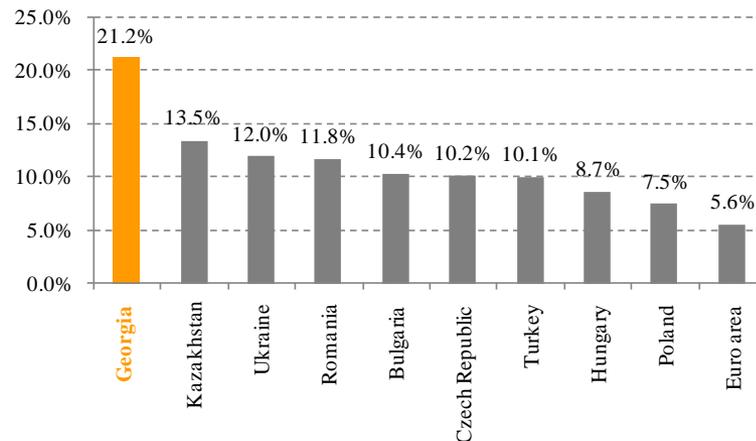
Source: CA IB

Loans/Deposits (2006)



Source: CA IB

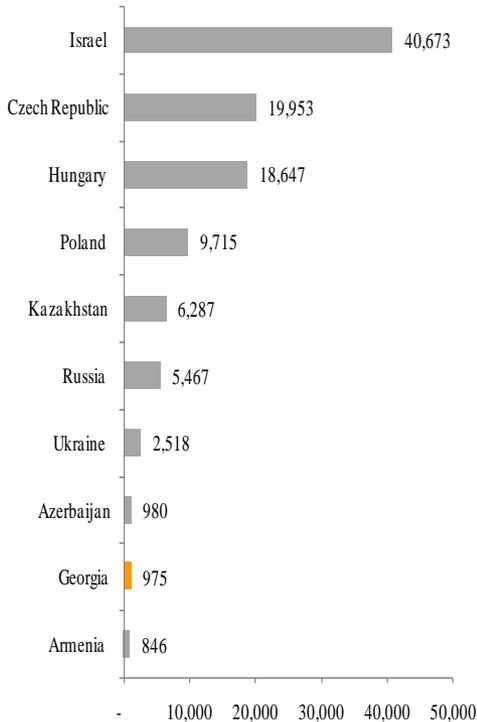
Banking Sector Equity As % Of Balance Sheet (2006)



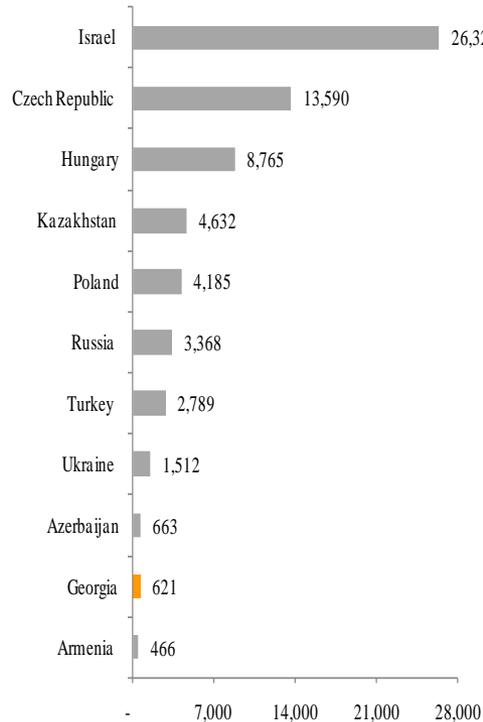
Source: CA IB

The Georgian Banking Sector In The Regional Context

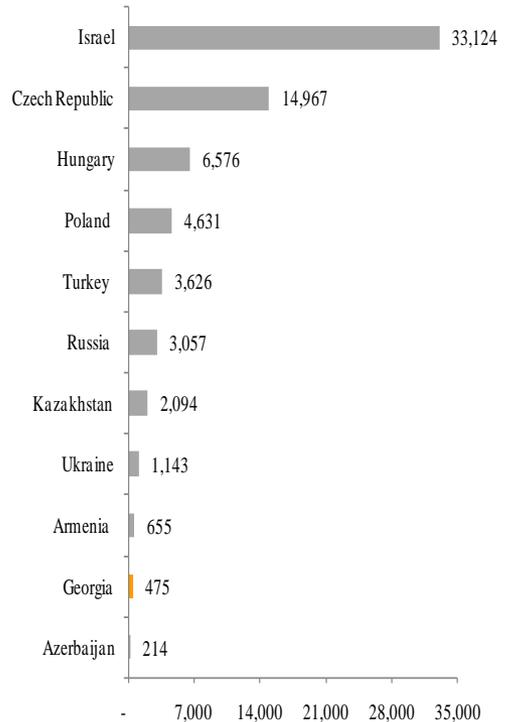
**Banking Assets Per Capita
YE 2007E (US\$)**



**Gross Loans Per Capita
YE 2007E (US\$)**



**Deposits Per Capita
YE 2007E (US\$)**



Source: Galt & Taggart Securities

The Georgian Economy

The Global Competitiveness Of The Financial Services Sector Act

In March 2008, Parliament adopted an umbrella act, encompassing 20 different laws and amendments to laws

Fiscal Policy

- ✦ Mandatory fiscal surplus
- ✦ Two sovereign wealth funds – Future Generations Fund & Stable Development Fund – to be established to absorb the surplus and privatization proceeds
- ✦ Personal income tax to be reduced over the next five years starting from 1 January 2009 from 25% to 15%
- ✦ Income received by resident individuals from non-domestic sources to become exempt from personal tax
- ✦ Taxation of dividend & interest income to be reduced in line with personal income tax & abolished in five years

International Financial Institutions

- ✦ To be allowed in banking, insurance, reinsurance, securities, fund management & administration, custody, trust & other areas
- ✦ Favorable tax regime & no local prudential regulation or supervision by the FSA (only KYC/AML)
- ✦ Cannot derive more than 10% of their revenues from domestic (Georgian) sources
- ✦ The concept of Experienced Investor Funds to be introduced, with very light-touch regulatory regime
- ✦ Publicly-traded securities to be quoted in any currency (with the settlement taking place in Georgian Lari)

National Bank of Georgia & Financial Supervising Agency

- ✦ The main objective of NBG is to preserve price stability
- ✦ Inflation targeting to be introduced, with three-year rolling inflation (CPI) target never exceeding 10%
- ✦ The Financial Supervisory Agency (“FSA”) to be created as an autonomous agency under the auspices of the NBG. The FSA will function as a sole regulator and supervisor of the financial services sector, including banking, securities, insurance and other
- ✦ Single-board governance regime for local banks, resembling that of UK and other common law jurisdictions

Taxation Of Financial Instruments

- ✦ Tax on interest income received from bank deposits & publicly-traded fixed income securities to be abolished on 1 January 2009
- ✦ Tax on capital gains on publicly-traded securities with free float exceeding 25% to be abolished on 1 January 2009
- ✦ Tax on dividend income from publicly-traded equities with free float exceeding 25% to be abolished on 1 January 2009

The Global Competitiveness Of The Financial Services Sector Act Cont'd

Free Industrial Zones & Warehouse Regime

- ⊕ The tax and customs codes to be amended to complete the creation of the framework under which the free industrial zones in Poti and elsewhere will be established
- ⊕ Changes to be made to the tax & customs codes, allowing for the operation of “international warehouses” for export & re-export purposes under a favorable low-tax regime

Anti-Money Laundering

- ⊕ Enhancement of Anti-Money Laundering Regulations

Stock Exchange Demutualization & Other Changes To Securities Law

- ⊕ The local stock exchange to be demutualised
- ⊕ Remote foreign membership of the stock exchange to be allowed,
 - ⊕ Licensed financial institutions from OECD countries to be able to join without the need to establish a local subsidiary
 - ⊕ No regulation or supervision by the FSA (provided they do not solicit business from local residents)
 - ⊕ Public offering procedures to be simplified
 - ⊕ Operations of registrars to be streamlined

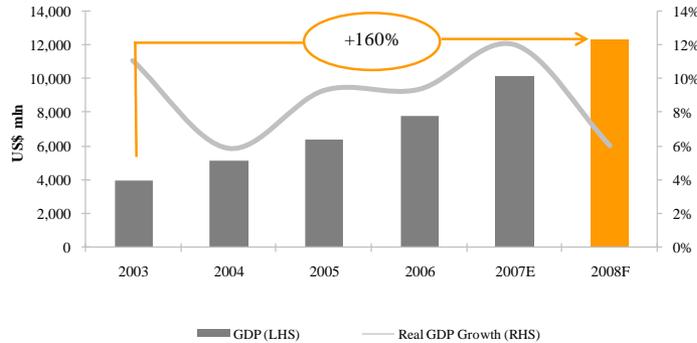
The Georgian Economy – Key Numbers

0%	Import tariff on almost all goods
0	Score in difficulty of the hiring index in the 2008 Survey of Doing Business
0	Score in difficulty of the firing index in the 2008 Survey of Doing Business
0.71	Energy consumption per unit of GDP (TOE/US\$) estimated for 2006 - one of the lowest in the region
#1	Reformer in the world in 2006 (according to World Bank)
1.1	Million visitors estimated for 2007, compared to 983,114 in 2006, 560,021 in 2005, 368,312 in 2004 and 313,442 in 2003
3	Number of IPOs on the GSE in 2006-2008 with two or three more in the pipeline
4.5	Million people, plus approximately another 1 mln living and working abroad
7%	Net Remittances as % of GDP estimated in 2007, increasing 41% y-o-y
9.2%	Period-average CPI in 2007, same as in 2006, despite the inflationary pressures
10%	Stock market capitalisation as % of GDP, but only 2.4% net of Bank of Georgia
11%	Key policy interest rate of the National Bank, after three consecutive increased by cumulative 400 bps since November 2007
12.4%	Real GDP growth rate in 2007, accelerating from 9.4% in 2006
15%	Corporate income tax effective 1 January 2008 (reduced from 20%)
15.3%	Net FDI as % of GDP estimated in 2007, accelerating from 13.9% in 2006
18 th	Global Rank in the 2008 Ease of Doing Business Survey by World Bank
27.7%	Nominal appreciation of the Lari against US\$ since 1 Jan 2004, compared with the 11.9% appreciation against the Euro
25%	Flat personal income tax – and no payroll/social tax whatsoever – to be reduced to 15% within five years
44%	Banking sector assets as % of GDP at YE 2007
35 th	Global Rank in 2007 in the Heritage Foundation Economic Freedom Index
50+	International institutional investors with local brokerage and custody accounts, US\$250 mln+ AUM/C
80%+	Share of top five banks by assets
US\$155	All-in consumer debt per capita at 31 January 2008
US\$195	Average wage in 2007, similar to Russia in 2000 and Kazakhstan in 2001
460%	Increase in budget revenues since 2003
US\$233	Million assets of institutional and private investors under custody at the Bank of Georgia group
US\$2,315	Approximate GDP per capita 2007E (similar to Russia in 2001 and Kazakhstan in 2003); US\$4,176 on a PPP-adjusted basis
1150%	Share price appreciation from October 2004 to November 2007 of the leading blue chip (Bank of Georgia)
7,200	Categories of goods Georgia can export duty- and tariff-free to EU & Turkey under the GSP+ regime

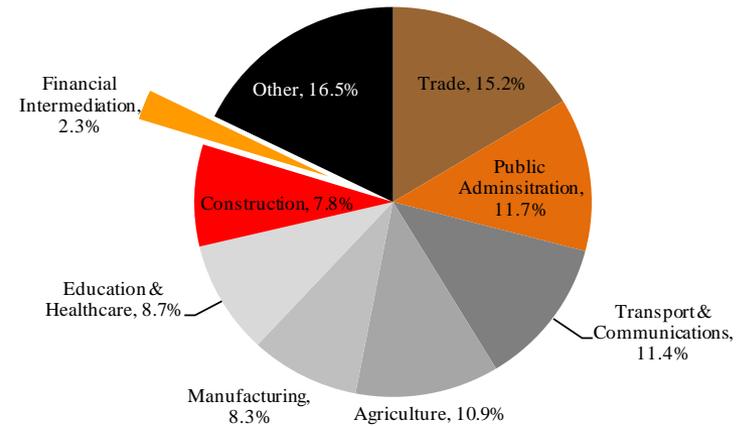
Source: Ministry of Economic Development, State Statistics Department, the National Bank of Georgia

The Georgian Economy cont'd

Gross Domestic Product



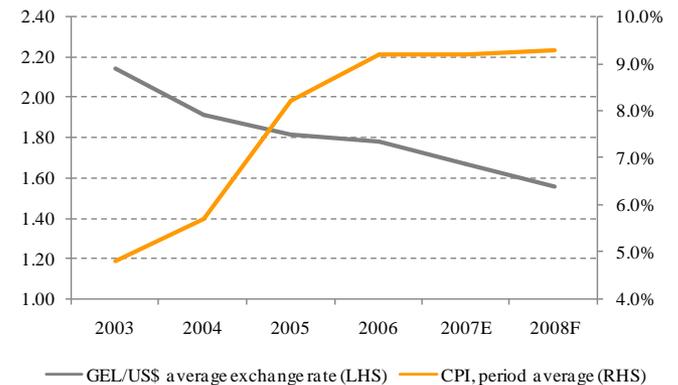
Components of GDP, 2007



Composition of GDP, 9M 2007

	Contribution To Growth	Growth, Y-O-Y	Share in GDP
Public Administration	58.6%	81.1%	8.3%
Trade	24.8%	20.5%	13.1%
Transport & Communications	16.6%	15.1%	11.7%
Manufacturing	13.5%	17.2%	9.7%
Construction	12.9%	20.8%	6.7%
Education & Healthcare	11.6%	16.4%	7.4%
Financial Intermediation	6.9%	36.8%	2.3%
Agriculture	1.7%	1.6%	11.4%

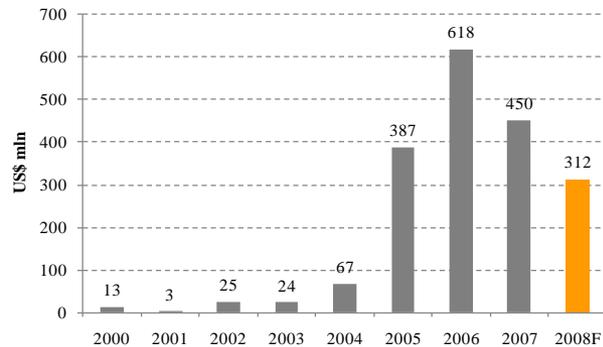
GEL/US\$ Exchange Rate & CPI



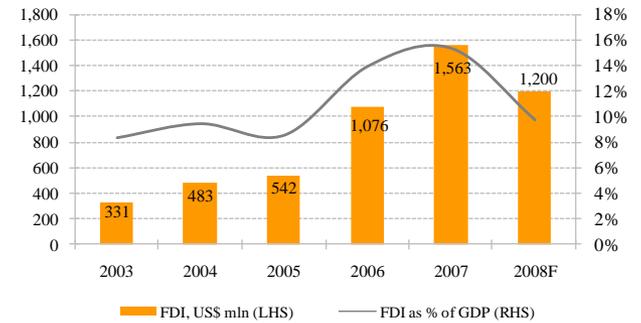
Source: Ministry of Economic Development, State Statistics Department, the National Bank of Georgia

The Georgian Economy cont'd

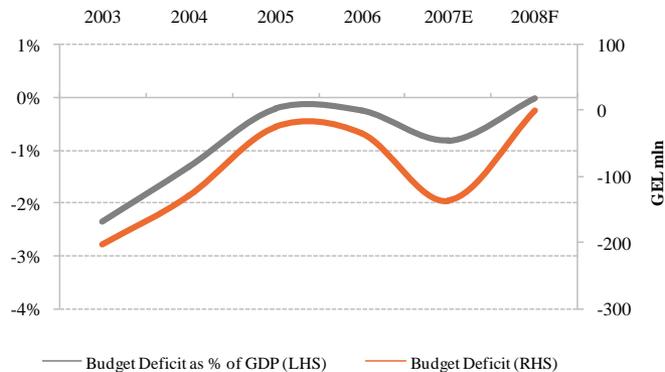
Privatization, 2000-2008F



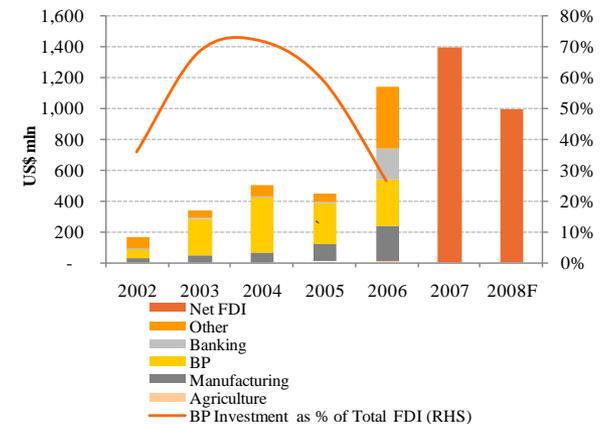
Net FDI, 2003-2008F



Budget Deficit, 2000-2008F



Net FDI Breakdown, 2002-2008F

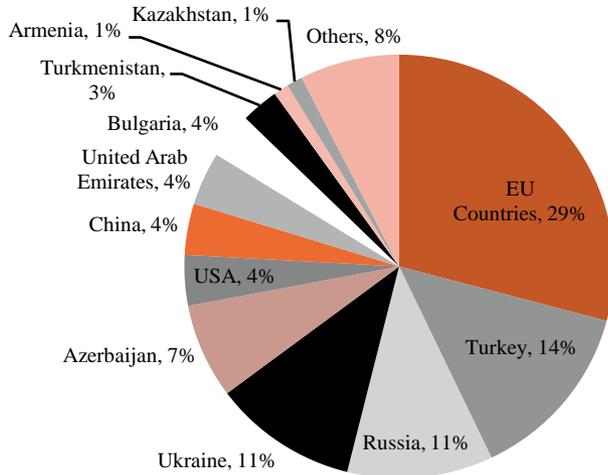


Source: IMF, Georgian National Investment Agency, the National Bank of Georgia, Galt & Taggart Securities' estimates

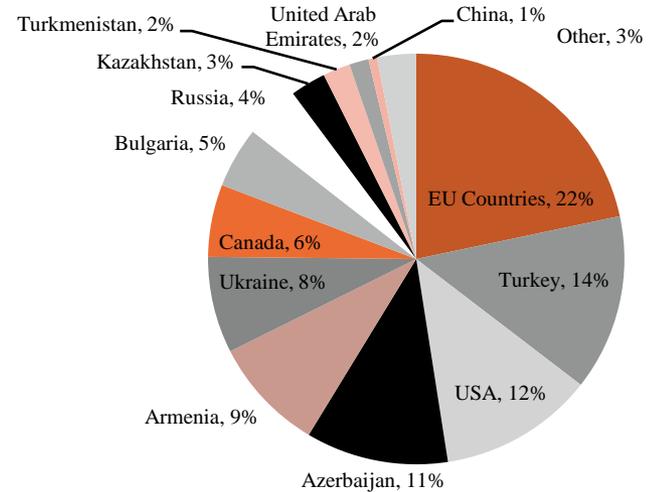
Trade Structure

- ✦ WTO member since 2000
- ✦ No quantitative restrictions on trade
- ✦ Simplified customs regime since August 2006, new customs code becomes effective in January 2007
- ✦ One of the two beneficiaries of the EU GSP+ Scheme in the CIS since 2006, granting local companies the right to export 7,200 categories of goods duty-free
- ✦ As of November 2007 Georgia has entered into a free trade agreement with Turkey

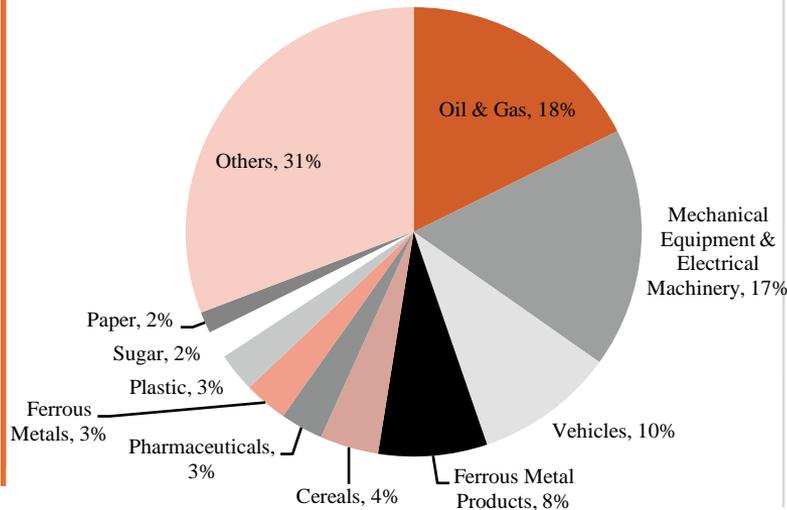
Import Structure by Country, 2007



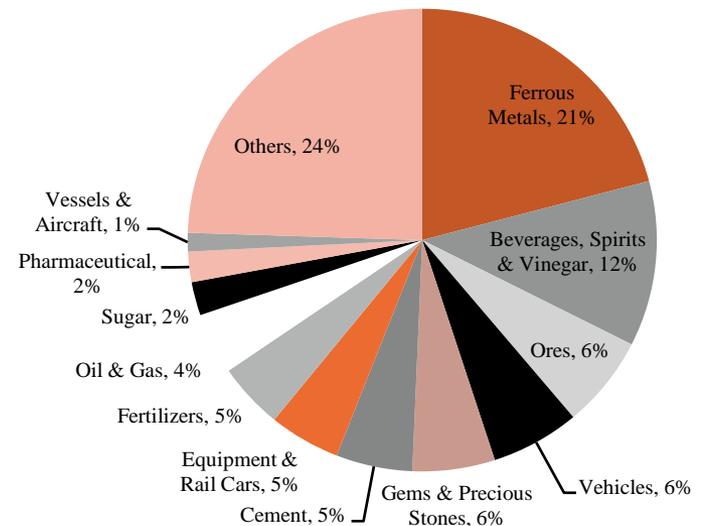
Export Structure by Country, 2007



Import Structure by Product, 2007



Export Structure by Product, 2007



Key Drivers Of Economic Growth

Export-led growth with sufficient diversity

- ✦ **Agricultural product** exports of US\$255 mln in 2006 and estimated at US\$273 mln in 2007
- ✦ **Ferrous alloy exports** of US\$464 mln in 2006 and estimated US\$635 mln in 2007
- ✦ **Aircraft, rail car, vessels and machinery** exports of US\$233 mln in 2006 and estimated US\$179 mln in 2007
- ✦ **Fertilizers** exports of US\$78mln in 2006 and estimated US\$94 mln in 2007
- ✦ **Machinery** exports of US\$125 mln in 2006 and estimated US\$107 mln in 2007
- ✦ **Oil and gas pipelines:**
 - ✦ **Russia-Georgia-Armenia gas pipeline** - 5.8 bcm/year
 - ✦ **Shah-Deniz gas pipeline (BTE)** - 6.6 bcm/year
 - ✦ **The Iran-Azerbaijan-Georgia (IAG) gas pipeline** – 3.5 bcm/year
 - ✦ **Baku-Supsa oil pipeline** – 5.75 mt/year;
 - ✦ **Baku-Tbilisi-Ceyhan (BTC)** oil pipeline - 50 mt/year
- ✦ **Batumi and Poti** ports processed in 2005 7.5 mln tons of cargo and up to 14.0 mln tons of crude oil in 2005
- ✦ **Kulevi** oil terminal to be operational in early 2008
- ✦ Georgian Railway processed 22.7 mln tons of cargo in 2006
- ✦ The construction of **sBaku-Akhalkalaki-Kars** railroad has commenced in 2007
- ✦ **Tbilisi** and **Batumi** international airports renovated in 2006-2007
- ✦ Following the adoption of the free zone legislation the tender regarding the establishment of such zone on the territory adjacent to the **Poti Port** is conducted

Rapidly increasing domestic consumption

- ✦ High consumer confidence
- ✦ Increase in disposable income
 - ✦ Consumer spending is estimated at US\$5.4 bn in 2006
- ✦ Total estimated pent-up housing demand of up to US\$1.6 bn
 - ✦ Estimated average household size of 3.7, far higher than in most CEE/CIS peers
 - ✦ Significant increase in the number of younger households
 - ✦ New construction has not caught up with the cumulative deterioration of the Soviet-built housing stock
 - ✦ Approximately 12,000 households (or 1% of total) have mortgages
- ✦ Very low consumer indebtedness.
 - ✦ Consumer debt per capita stood at US\$123 as of 30 September 2007
- ✦ Optimistic expectations about jobs and income
- ✦ Organised retail trade (supermarkets, hypermarkets, consumer electronics & white goods, etc) account for a low share of total
 - ✦ Accelerating growth of new store openings as consumers' habits evolve
 - ✦ Estimated US\$2.4 bn (31% of GDP) investment in fixed assets in 2006

Economic Growth is Supported by

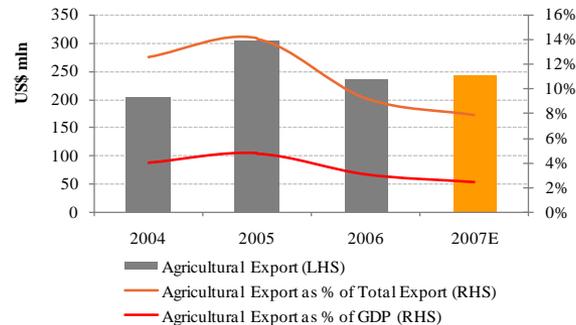
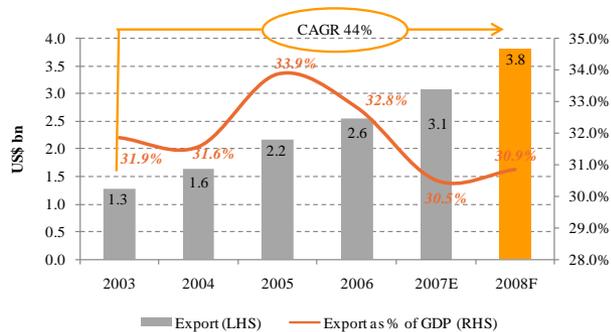
- ✦ Investor optimism - Net FDI in 2006 was US\$ 1.1bn and has been estimated at US\$1.4 bn in 2007
- ✦ Increased international borrowing by corporates and the banking sector, estimated at US\$260 mln in 2006 and US\$654 mln as at 30 September 2007
- ✦ Net remittances in 2006 were US\$618 mln (US\$488 mln in 2005) and estimated at US\$750 mln in 2007
- ✦ Increasing consumer spending
- ✦ Sustained government spending and reasonable fiscal policy
- ✦ Low taxes and transparent and simple tax code
- ✦ Further development of the transport & logistics infrastructure
- ✦ Rampant entrepreneurial activity

Source: Ministry of Economic Development, Ministry of Finance, State Statistics Department

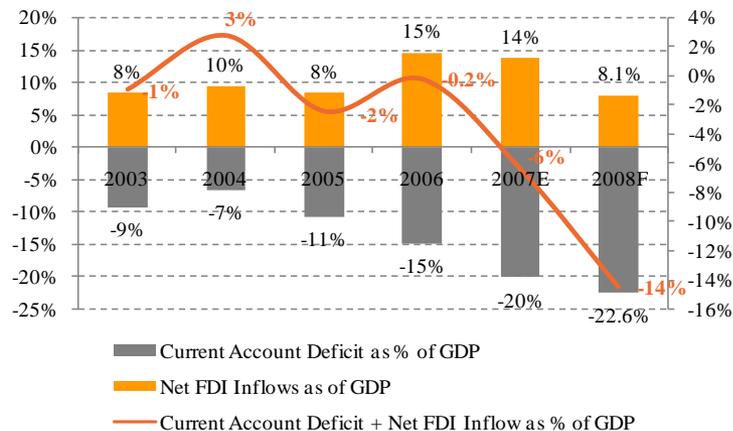
The Georgian Economy – Challenges

⚡ Key challenges

⚡ **Expansion of the export base**, especially in manufacturing and food processing



⚡ **Can the FDI inflows be sustained at the current very high level**, including into export-driven industries?



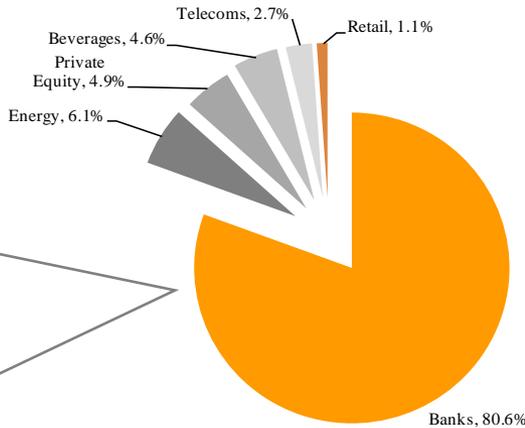
Source: Galt & Taggart Securities' estimates and projections, State Statistics Department, the National Bank of Georgia, ING, December 2006

Note: Exports as % of GDP data for Georgia is as of December 2006, for Czech Republic, Poland, Russia, Romania and Turkey as of 2005, other countries' data as of 2004

Equity Market Structures – GTI vs. MSCI Index Composition

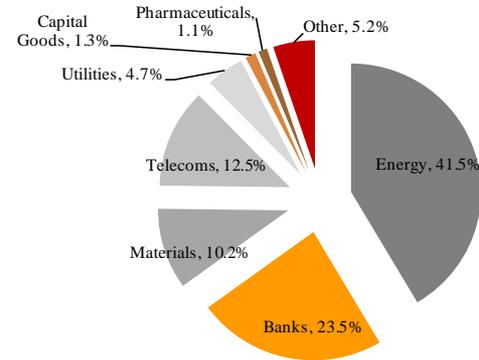
Banking is the only investable sector in Georgia, with Consumer Goods (including export-driven) expected to gain ground in 2008

Galt & Taggart Index – Sector Split



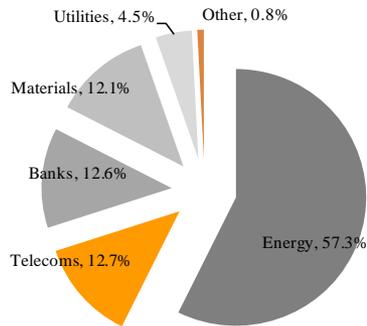
Source: Galt & Taggart Securities, December 2007

MSCI Emerging Europe - Sector Split



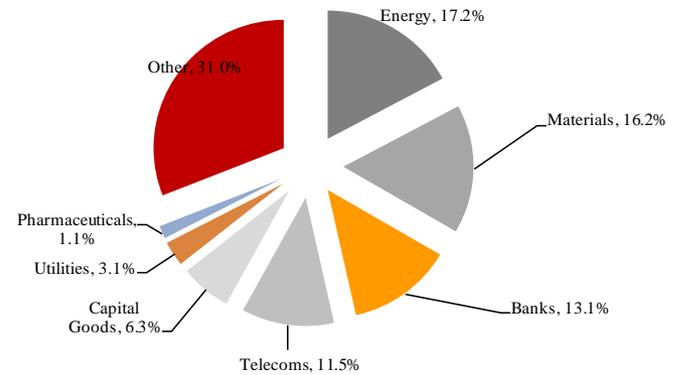
Source: ING, December 2007

MSCI Russia – Sector Split



Source: ING, December 2007

MSCI GEMs- Sector Split



Source: ING, December 2007

Bank of Georgia 2007 Financials

Income Statement Data

Period Ended	Q4 2007		Q4 2006		Growth ³	2007		2006		Growth ³
Consolidated, IFRS Based	US\$ ¹	GEL	US\$ ²	GEL	Y-O-Y	US\$ ¹	GEL	US\$ ²	GEL	Y-O-Y
<i>000s, unless otherwise noted</i>	(Unaudited)		(Unaudited)			(Unaudited)		(Unaudited)		
Interest Income	53,119	84,545	22,231	38,094	121.9%	156,913	249,742	58,518	100,271	149.1%
Interest Expense	26,312	41,878	6,857	11,749	256.4%	73,309	116,678	19,579	33,549	247.8%
Net Interest Income	26,807	42,667	15,374	26,344	62.0%	83,604	133,064	38,939	66,722	99.4%
Fee & Commission Income	7,472	11,892	3,119	5,345	122.5%	21,038	33,484	12,096	20,727	61.5%
Fee & Commission Expense	2,789	4,438	283	485	815.2%	4,776	7,601	1,282	2,196	246.1%
Net Fee & Commission Income	4,683	7,453	2,836	4,860	53.4%	16,262	25,883	10,815	18,531	39.7%
Income From Documentary Operations	1,545	2,459	667	1,142	115.3%	4,894	7,789	2,751	4,714	65.2%
Expense On Documentary Operations	236	375	214	366	2.3%	1,180	1,878	733	1,257	49.4%
Net Income From Documentary Operations	1,310	2,084	453	776	168.7%	3,714	5,911	2,017	3,457	71.0%
Net Foreign Currency Related Income	6,052	9,632	2,361	4,046	138.1%	16,468	26,211	6,968	11,939	119.5%
Net Insurance Income	36	58	504	864	-93.3%	3,558	5,662	2,678	4,589	23.4%
Brokerage Income	460	732	544	932	-21.4%	2,267	3,609	1,574	2,698	33.8%
Asset Management Income	1,530	2,435	n.a.	n.a.	n.a.	1,539	2,450	n.a.	n.a.	n.a.
Realised Net Investment Gains (Losses)	73	116	n.a.	n.a.	n.a.	3,533	5,622	n.a.	n.a.	n.a.
Other	1,962	3,123	11	18	17068.3%	5,822	9,267	2,375	4,069	127.7%
Net Other Non-Interest Income	4,061	6,464	1,059	1,814	256.3%	16,719	26,610	6,627	11,356	134.3%
Net Non-Interest Income	16,106	25,634	6,709	11,496	123.0%	53,163	84,615	26,427	45,283	86.9%
Total Operating Income (Revenue)	42,913	68,300	22,083	37,840	80.5%	136,768	217,679	65,366	112,005	94.3%
Personnel Costs	7,854	12,501	4,139	7,093	76.2%	25,089	39,932	13,032	22,330	78.8%
Selling, General & Administrative Costs	5,068	8,066	2,665	4,567	76.6%	15,367	24,458	8,951	15,337	59.5%
Procurement & Operations Support Expenses	1,564	2,490	1,424	2,440	2.0%	5,800	9,231	3,100	5,312	73.8%
Depreciation & Amortization	1,964	3,126	1,200	2,057	52.0%	6,180	9,836	3,436	5,887	67.1%
Other Operating Expenses	1,575	2,507	381	654	283.6%	2,374	3,779	2,132	3,654	3.4%
Total Recurring Operating Costs	18,026	28,690	9,811	16,810	70.7%	54,810	87,235	30,651	52,520	66.1%
Normalised Net Operating Income	24,887	39,610	12,273	21,029	88.4%	81,958	130,444	34,715	59,485	119.3%
Net Non-Recurring Income (Costs)	3,109	4,949	-	-	NMF ⁴	3,023	4,811	-	-	NMF ⁴
Profit Before Provisions & Bonuses	27,996	44,559	12,273	21,029	111.9%	84,980	135,255	34,715	59,485	127.4%
Net Provision Expense	5,131	8,166	2,171	3,720	119.5%	10,078	16,040	7,934	13,596	18.0%
Pre-Bonus Result	22,866	36,393	10,102	17,309	110.3%	74,902	119,215	26,781	45,889	159.8%
Bonuses & Share Based Compensation Expenses	3,173	5,050	2,550	4,369	15.6%	16,019	25,496	6,412	10,987	132.1%
Pre-Tax Income	19,693	31,343	7,552	12,940	142.2%	58,883	93,719	20,369	34,903	168.5%
Income Tax Expenses	3,641	5,795	2,025	3,469	67.0%	11,499	18,303	4,745	8,131	125.1%
Net Income	16,052	25,549	5,527	9,470	169.8%	47,384	75,416	15,624	26,772	181.7%
Weighted Average Shares Outstanding (000s)							26,057		16,506	
Fully Diluted Number of Shares Period End (000s)							27,250		27,229	
EPS (Basic)						1.82	2.89	0.95	1.62	78.44%
EPS (Fully Diluted)						1.74	2.77	0.57	0.98	181.49%

¹ Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.5916 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 December 2007

² Converted to U.S. dollars for convenience using a period-end exchange rate of GEL 1.7135 per US\$1.00, such rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia as at 31 December 2006

³ Growth calculations based on GEL values

⁴ Not meaningful

Balance Sheet Data

Consolidated, IFRS Based <i>000s, unless otherwise noted</i>	31-Dec-07	GEL	Growth ² Y-O-Y	31-Dec-06	GEL
	US\$ ¹ (Unaudited)			US\$ ³ (Unaudited)	
Cash & Cash Equivalents	118,401	188,446	74.8%	62,918	107,809
Loans & Advances To Credit Institutions	260,590	414,756	531.2%	38,349	65,711
Mandatory Reserve With NBG	54,148	86,182	40.2%	35,869	61,461
Other Accounts With NBG	56,199	89,446	37777.4%	138	236
Balances With & Loans To Other Banks	150,244	239,128	5858.8%	2,342	4,013
Available-For-Sale Securities	5,833	9,285	67.8%	3,230	5,534
Treasuries & Equivalents	50,111	79,757	-57.4%	109,276	187,244
Other Fixed Income Instruments	95,652	152,240	3397.4%	2,540	4,353
Gross Loans To Clients	1,081,454	1,721,242	140.7%	417,310	715,061
Less: Reserve For Loan Losses	(23,574)	(37,521)	77.6%	(12,330)	(21,128)
Net Loans To Clients	1,057,880	1,683,721	142.6%	404,980	693,933
Investments In Other Business Entities, Net	27,077	43,096	3421.8%	714	1,224
Property & Equipment Owned, Net	127,005	202,142	202.5%	39,001	66,828
Intangible Assets Owned, Net	2,370	3,772	19.7%	1,838	3,150
Goodwill	72,001	114,597	184.5%	23,507	40,279
Tax Assets - Current & Deferred	3,769	5,998	NMF ⁴	-	-
Prepayments & Other Assets	52,496	83,553	124.2%	21,745	37,261
Total Assets	1,873,186	2,981,363	145.7%	708,098	1,213,326
Client Deposits	855,758	1,362,025	143.4%	326,610	559,646
Deposits & Loans From Banks	19,290	30,701	3448.6%	505	865
Borrowed Funds	525,248	835,984	274.0%	130,444	223,516
Insurance Related Liabilities	25,968	41,330	436.8%	4,493	7,699
Issued Fixed Income Securities	3,137	4,993	365.3%	626	1,073
Tax Liabilities - Current & Deferred	19,221	30,593	275.9%	4,749	8,138
Accruals & Other Liabilities	72,815	115,892	208.8%	21,903	37,531
Total Liabilities	1,521,436	2,421,518	188.8%	489,331	838,468
Ordinary Shares	17,061	27,155	7.7%	14,708	25,202
Share Premium	196,051	312,035	12.5%	161,914	277,440
Treasury Shares	(1,122)	(1,786)	77.9%	(586)	(1,004)
Retained Earnings	39,836	63,403	71.5%	21,578	36,974
Revaluation & Other Reserves	46,211	73,549	1299.1%	3,068	5,257
Net Income For The Period	47,384	75,416	181.7%	15,624	26,772
Shareholders' Equity Excluding Minority Interest	345,421	549,772	48.3%	216,306	370,641
Minority Interest	6,329	10,073	138.9%	2,461	4,217
Total Shareholders' Equity	351,750	559,845	49.3%	218,767	374,858
Total Liabilities & Shareholders' Equity	1,873,186	2,981,363	145.7%	708,098	1,213,326
Shares Outstanding		27,154,918			25,202,009
Book Value Per Share	12.96	20.62	38.61%	8.68	14.87

¹ Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.5916 per US\$1.00, such exchange rate being the official Georgian Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2007

² Growth calculations based on GEL values

³ Converted to U.S. dollars for the convenience using a period-end exchange rate of GEL 1.7135 per US\$1.00, such exchange rate being the official Georgia Lari to U.S. dollar period-end exchange rate as reported by the National Bank of Georgia on 31 December 2006

⁴ Not meaningful

Key Ratios

	2007	2006
Profitability Ratios		
ROAA, ¹	3.8%	3.4%
ROA,	2.5%	2.2%
ROAE, ²	17.7%	16.5%
ROE,	13.5%	7.1%
Interest Income To Average Interest Earning Assets, ³	15.4%	16.7%
Cost Of Funds, ⁴	8.0%	5.8%
Net Spread ⁵	7.4%	10.9%
Net Interest Margin ⁶	8.2%	11.1%
Net Interest Margin, Normalised, ⁷	8.2%	10.6%
Loan Yield ⁸	21.3%	17.4%
Interest Expense To Interest Income.....	46.7%	33.5%
Net Non-Interest Income To Average Total Assets,	4.2%	5.8%
Net Non-Interest Income To Revenue ⁹	38.9%	40.4%
Net Fee And Commission Income To Average Interest Earning Assets, ¹⁰	1.6%	3.1%
Net Fee And Commission Income To Revenue.....	11.9%	16.5%
Operating Leverage ¹¹	24.4%	18.8%
Total Operating Income (Revenue)/Total Assets,	7.3%	9.2%
Recurring Earning Power ¹²	6.7%	7.7%
Net Income To Revenue.....	34.6%	23.9%
Efficiency Ratios		
Operating Cost To Average Total Assets, ¹³	4.3%	6.8%
Cost To Average Total Assets ¹⁴	5.4%	8.2%
Cost / Income ¹⁵	49.6%	56.7%
Cost /Income Normalised ¹⁶	51.8%	56.7%
Cost / Income, Bank of Georgia, Standalone ¹⁸	51.1%	51.2%
Cash Cost/Income ¹⁷	45.1%	51.4%
Total Employee Compensation Expense To Revenue ¹⁹	30.1%	29.7%
Total Employee Compensation Expense To Cost.....	60.6%	52.5%
Total Employee Compensation Expense To Average Total Assets,	3.3%	4.3%
Liquidity Ratios		
Net Loans To Total Assets ²⁰	56.5%	57.2%
Average Net Loans To Average Total Assets.....	53.2%	61.3%
Interest Earning Assets To Total Assets.....	78.2%	78.4%
Average Interest Earning Assets To Average Total Assets.....	80.9%	77.3%
Liquid Assets To Total Assets ²¹	25.4%	25.0%
Net Loans To Client Deposits.....	123.6%	124.0%
Average Net Loans To Average Client Deposits.....	125.1%	113.4%
Net Loans To Total Deposits ²²	120.9%	123.8%
Net Loans To Total Liabilities.....	69.5%	82.8%
Total Deposits To Total Liabilities.....	57.5%	66.8%
Client Deposits To Total Deposits.....	97.8%	99.8%
Client Deposits To Total Liabilities.....	56.2%	66.7%
Current Account Balances To Client Deposits.....	42.1%	54.4%
Demand Deposits To Client Deposits.....	6.7%	6.4%
Time Deposits To Client Deposits.....	51.1%	39.2%
Total Deposits To Total Assets.....	46.7%	46.2%
Client Deposits To Total Assets.....	45.7%	46.1%
Client Deposits To Total Equity (times) ²³	2.43	1.49
Due From Banks / Due To Banks ²⁴	1351%	7597%
Leverage (times) ²⁵	4.3	2.2

Key Ratios cont'd

	2007	2006
Asset Quality		
NPLs (in GEL) ²⁶	25,325	16,266
NPLs to Gross Loans ²⁷	1.5%	2.3%
Cost of Risk, Annualised ²⁸	1.5%	2.7%
Cost of Risk, Normalised ²⁹	1.5%	2.2%
Reserves for Loan Losses to Gross Loans ³⁰	2.2%	3.0%
NPL Coverage ratio ³¹	148.2%	129.9%
Equity to Average Net Loans to Clients.....	52.3%	78.8%
Total Equity To Net Loans.....	33.3%	54.0%
Capital Adequacy:		
Equity To Total Assets.....	18.8%	30.90%
BIS Tier I Capital Adequacy Ratio ³²	21.4%	44.90%
BIS Total Capital Adequacy Ratio ³³	20.8%	41.80%
NBG Tier I Capital Adequacy Ratio ³⁴	13.2%	23.20%
NBG Total Capital Adequacy Ratio ³⁵	13.1%	28.50%
Per Share Values:		
Basic EPS (GEL) ³⁶	2.89	1.62
Basic EPS (US\$).....	1.82	0.95
Fully Diluted EPS (GEL) ³⁷	2.77	0.98
Fully Diluted EPS (US\$).....	1.74	0.57
Book Value Per Share (GEL) ³⁸	20.62	14.87
Book Value Per Share (US\$).....	12.96	8.68
Ordinary Shares Outstanding - Weighted Average, Basic.....	26,057,022	16,505,701
Ordinary Shares Outstanding - Period End.....	27,154,918	25,202,009
Ordinary Shares Outstanding – Fully Diluted.....	27,249,918	27,229,418
Selected Operating Data:		
Full Time Employees (FTE).....	4,459	2,226
FTEs, Bank of Georgia Standalone.....	2,692	1,601
Total Assets per FTE (GEL Thousands).....	669	558
Total Assets per FTE, Bank of Georgia Standalone (GEL Thousands).....	1,107	776
Branches.....	117	100
ATMs.....	250	124
Plastic Cards (Thousands).....	647	286
POS Terminals.....	1,594	471



Ratio Definitions

Ratio Definitions

- 1 Return On Average Total Assets (ROAA) equals Net Income of the period divided by quarterly Average Total Assets for the same period;
- 2 Return On Average Total Equity (ROAE) equals Net Income of the period divided by quarterly Average Total Equity for the same period;
- 3 Average Interest Earning Assets are calculated on a quarterly basis; Interest Earning Assets include: Loans And Advances To Credit Institutions, Treasuries And Equivalents, Other Fixed Income Instruments and Net Loans to Clients;
- 4 Cost Of Funds equals Interest Expense of the period divided by quarterly Average Interest Bearing Liabilities; Interest Bearing Liabilities Include: Client Deposits, Deposits And Loans From Banks, Borrowed Funds and Issued Fixed Income Securities;
- 5 Net Spread equals Interest Income To Average Interest Earning Assets less Cost Of Funds;
- 6 Net Interest Margin equals Net Interest Income of the period divided by quarterly Average Interest Earning Assets of the same period;
- 7 Net Interest Margin Normalised equals Net Interest Income of the period, less provisions for the interest income generated by non-performing loans through the date of their write-offs, plus provisions for (less recovery of) other assets, divided by quarterly average Gross Loans To Clients over the same period.
- 8 Loan Yield equals Interest Income, less Net Provision Expense divided by quarterly Average Gross Loans To Clients;
- 9 Revenue equals Total Operating Income;
- 10 Net Fee And Commission Income includes Net Income From Documentary Operations of the period;
- 11 Operating Leverage equals percentage change in Revenue less percentage change in Total Costs;
- 12 Recurring Earning Power equals Profit Before Provisions and Bonuses of the period divided by average Total Assets of the same period;
- 13 Operating Cost equals Total Recurring Operating Costs;
- 14 Cost includes Total Recurring Operating Costs, Net Non-Recurring Costs (Income) and Bonuses & Share Based Compensation Expenses;
- 15 Cost/Income Ratio equals Costs of the period divided by Total Operating Income (Revenue);
- 16 Cost/Income Normalised equals Recurring Operating Costs plus Bonuses & Share Based Compensation Expenses divided by Total Operating Income (Revenue) for the same period.
- 17 Cash Cost equals Cost minus Depreciation & Amortisation;
- 18 Cost/Income, Bank of Georgia, standalone, equals to non-consolidated Total Costs of the bank of the period divided by non-consolidated Revenue of the bank of the same period;
- 19 Total Employee Compensation Expense includes Personnel Costs and Bonuses & Share-Based Compensation Expenses;
- 20 Net Loans equal Net Loans To Clients;
- 21 Liquid Assets include: Cash And Cash Equivalents, Other Accounts With NBG, Balances With And Loans To Other Banks, Treasuries And Equivalents and Other Fixed Income Securities as of the period end and are divided by Total Assets as of the same date;
- 22 Total Deposits include Client Deposits and Deposits And Loans from Banks;
- 23 Total Equity equals Total Shareholders' Equity;
- 24 Due From Banks/Due To Banks equals Loans And Advances To Credit Institutions divided by Deposits And Loans From Banks;
- 25 Leverage (Times) equals Total Liabilities as of the period end divided by Total Equity as of the same date;
- 26 NPLs (in GEL) equals total gross non-performing loans as of the period end; non-performing loans are loans that have debts in arrears for more than 90 calendar days.
- 27 Gross Loans equals Gross Loans To Clients;
- 28 Cost Of Risk equals Net Provision For Loan Losses of the period, less recovery of other assets, divided by quarterly average Gross Loans To Clients over the same period;
- 29 Cost of Risk Normalised equals Net Provision For Loan Losses of the period, less provisions for the interest income generated by non-performing loans through the date of their write-off, plus provisions for (less recovery of) other assets, divided by quarterly average Gross Loans to Clients over the same period.
- 30 Reserve For Loan Losses To Gross Loans To Clients equals reserve for loan losses as of the period end divided by gross loans to clients as of the same date;
- 31 NPL Coverage Ratio equals Reserve For Loan losses as of the period end divided by NPLs as of the same date;
- 32 BIS Tier I Capital Adequacy Ratio equals Tier I Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements of Basel Capital Accord I;
- 33 BIS Total Capital Adequacy Ratio equals Total Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements of Basel Capital Accord I;
- 34 NBG Tier I Capital Adequacy Ratio equals Tier I Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements the National Bank of ;
- 35 NBG Total Capital Adequacy Ratio equals Total Capital as of the period end divided by Total Risk Weighted Assets as of the same date, both calculated in accordance with the requirements of the National Bank of ;
- 36 Basic EPS equals Net Income of the period divided by the weighted average number of outstanding Ordinary Shares over the same period;
- 37 Fully Diluted EPS equals Net Income of the period divided by the number of outstanding Ordinary Shares as of the period end plus number of ordinary shares in contingent liabilities;
- 38 Book Value Per Share equals Total Equity plus Treasury Shares, divided by the total number of outstanding Ordinary Shares.

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.