



BANK OF GEORGIA
HOLDINGS PLC

Bank of Georgia Results Presentation 2012

April 2013

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The leading bank in Georgia

Leading market position: No. 1 bank in Georgia by assets (36.7%), loans (35.4%), client deposits (33.1%) and equity (39.7%)¹

Underpenetrated market with stable growth perspectives: Nominal GDP growth for 2004-2011 of 13.8% CAGR. IMF estimates 6.5% real GDP growth for 2012. Gross loans/GDP grew from 9.6% to 32.1% over the period, still below regional average; Total deposits/GDP grew from 10.0% in 2004 to 30.2% in 2011

Strong brand name recognition and retail banking franchise: Offers the broadest range of financial products to the retail market through a branch network of 194 branches and 478 ATMs to more than one million customers as of December 2012

The only Georgian company with credit ratings from all three global rating agencies: S&P: 'BB-', Moody's: 'B1/Ba3' (foreign and local currency), Fitch Ratings: 'BB-'; outlooks are 'Stable'

High standards of transparency and governance: First and still the only entity from Georgia to list on the London Stock Exchange since 2006 (in the form of GDRs since 2006 and premium listing since February 2012)

Sustainable growth combined with strong capital, liquidity and strong profitability

US\$ mln ²	2012	2011	2010	Change 2012/2011
Total Assets	3,413.8	2,793.1	2,259.1	22.2%
Loans to customers, net	1,866.6	1,566.4	1,334.7	19.2%
Customer funds ³	1,625.5	1,637.6	1,143.0	-0.7%
Shareholders equity	639.5	486.5	391.1	31.5%
Revenue ⁴	300.8	244.7	194.6	22.9%
Profit	108.4	81.2	46.6	33.4%

Experienced management with deep understanding of local market and a strong track record:

	2012	30 Sep 2004	Change
Market capitalisation (US\$ mln)	811.8*	20.7	39.2x
Total assets (US\$ mln)	3,413.8	151.8	22.5x
Market share by total assets	37%	18%	18pts

*Market capitalisation for Bank of Georgia Holdings plc., the Bank's holding company, as of 17 April 2013

¹ Market data based on standalone accounts as published by the National Bank of Georgia (NBG) as of 31 December 2012 www.nbg.gov.ge

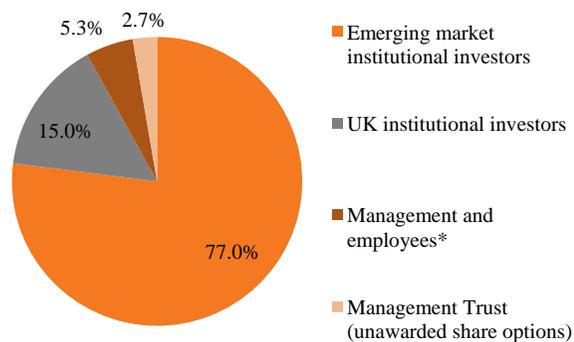
² US\$/GEL 1.6567, 1.6703 and 1.7728 as at 31 December 2012, 31 December 2011 and 31 December 2010, respectively

³ Amounts due to customers

⁴ Excludes one-off gain from Belarus currency, BYR, hedge in 2011

Shareholder structure and share price

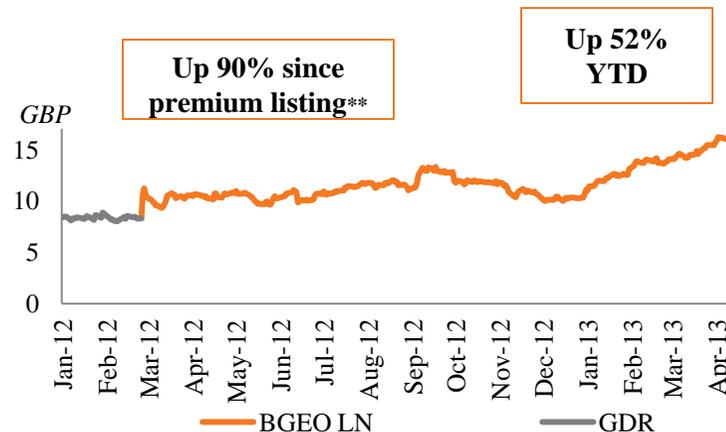
Bank of Georgia Holdings plc. (BGH) (LSE: BGEO) a UK-incorporated holding company of JSC Bank of Georgia. As of 31 December 2012, BGH's shareholder structure was as follows:



Selected Institutional Shareholders, 17 Apr 2013

East Capital
 Firebird Management LLC
 International Finance Corporation
 European Bank for Reconstruction and Development
 Templeton Asset Management
 Wellington Management

Share price performance

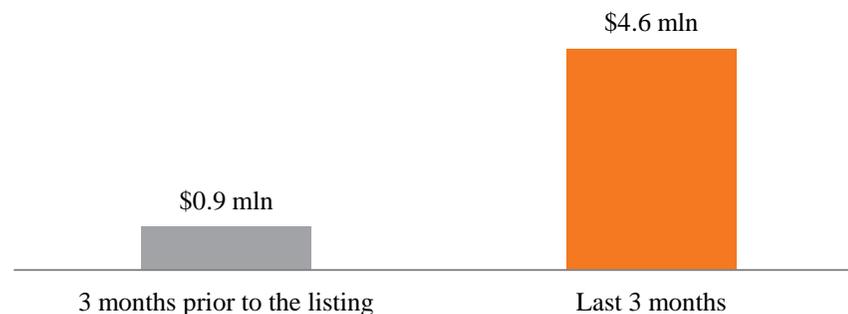


- BGEO is included in FTSE 250 and FTSE All Share Index Funds as of 18 June 2012, as announced by FTSE on 6 June 2012

Average daily trading volume



Average daily number of shares traded



*Includes shares held, shares vested awarded and unvested of the Management Board, Supervisory board and other employees of the Bank and its subsidiaries

**Share price change calculated from the last price of BGEO LI on 27 February 2012

3x20%: Growth story over time with dividends

UK corporate governance

FTSE 250

ROE c.20%

- Revenue up 21.9% ¹ y-o-y to GEL 498.3 mln in 2012
- Profit up 32.3% y-o-y to GEL 179.6 mln in 2012
- Non-interest income ¹ increased by 26.4% to GEL 214.1 mln in 2012
- Operational efficiency/scale:
 - Cost to income ratio improved to 44.4% in 2012 from 48.5% in 2011 and 57.4% in 2010
- Prudent risk management:
 - Cost of risk ² of 1.3% in 2012
- 2012 ROAE of 19.1% compared to 18.3% in 2011 and 13.5% in 2010

TIER I c.20%

- Conservative National Bank of Georgia (NBG) regulation
 - Risk weighting of FX assets at 175%, Bank's leverage at 4.3x as of 31 December 2012
- Strong internal cash generation to support loan growth without compromising capital ratios
 - BIS Tier I of 22.0% and BIS Total Capital ratio of 27.0% as of 31 December 2012
 - NBG Tier I 13.8% and NBG Total Capital of 16.2% as of 31 December 2012

Growth c.20%

- Strong growth across the board supported by synergistic business
- Net loan book ³ y-o-y growth of 18.2% to GEL 3,092.3 mln as of 31 December 2012 driven by Retail loan book growth of 10.4% and Corporate loan book growth of 23.1%
- Customer funds decreased 1.5% to GEL 2,693.0 million in 2012 due to deposit rate cuts, while monthly average customer funds increased 25.0% y-o-y
- Consumer driven franchise with robust sales force to increase cross selling with synergistic businesses
- Increase in contribution from synergistic business in the group's profit

Dividends

- The Board intends to recommend to the AGM an annual dividend of GEL 1.5 per share for 2012
- Dividend of GEL 0.7/27p per share for 2011
- Going forward, the Board will aim to maintain a dividend payout ratio in the 25%-40% range

¹ Excluding one-off gain from BYR hedge

³Including finance lease receivables

² Equals impairment charge for loans to customers and finance lease receivables for the period divided by monthly average gross loans to customers and finance lease receivables over the same period

Leveraged play on the growing Georgian economy through an LSE premium listed company

With one third of the Georgian market by assets, loans and client deposits, Bank of Georgia is a uniquely placed growth bank in an underpenetrated, highly capitalised and profitable banking market that has been growing in terms of assets at 30% CAGR 2003-2012

Strategic business

Well established brand

-  Retail
 - Largest retail franchise: 1,054,248 retail clients, 194 branches, 478 ATMs, 825,500 cards outstanding as of 31 December 2012
 - Market shares of c.32% by retail loans and c.31% by retail deposits as of year end 2012
-  Corporate
 - Largest corporate bank with more than 7,600 corporate clients; 36% market share by corporate deposits as of year end 2012
-  Wealth Management (WM)
 - WM client deposits 2009-2012 CAGR growth of 54.8%; Outstanding WM client deposits of GEL 605.2 mln at 31 December 2012
 - International network in Israel, UK and Hungary

Synergistic business

Growth opportunities to support strategic business

-  Insurance and Healthcare
 - Strongly positioned to benefit from the growth of insurance and healthcare sectors through insurance subsidiary ABCI, one of the leading providers of life and non-life insurance in Georgia with 33.5%* market share by gross insurance premium revenue
 - Vertical integration with healthcare business to boost insurance business growth and its contribution to the Bank's income
 - Approximately 11% of BGH revenues and 8.7% of BGH profit
-  Affordable Housing
 - Stimulate mortgage lending and improve liquidity of repossessed real estate assets through housing development; completed pilot project of 123 apartment building
 - 522 apartment building project in progress, 43% pre-sold since June 2012
 - Cash balance of GEL23.3 mln as of 12.31.12

Non-core business

Intention to exit from non-core business over time

-  BNB
 - Belarus banking operation accounting for 3.3% total assets as of 31 December 2012
 - The Bank owns 80%, the remainder owned by IFC/World Bank
 - Assets of US\$111.7 mln and equity of US\$ 27.6 mln as of 31 December 2012
 - Fully written off goodwill (GEL 23.4 mln)
 - Return on Average Equity of 16.4% in 2012

*Based on insurance revenues as of 30 September 2012 per NBS. Includes market share of newly acquired insurance company Imedi L International

Robust corporate governance compliant with UK Corporate Governance Code

Board of Directors of Bank of Georgia Holdings plc

7 non-executive Supervisory Board members; 5 Independent members, including the Chairman and Vice Chairman

- Neil Janin, Chairman of the Supervisory Board, Independent Director experience: formerly director at McKinsey & Company in Paris; formerly co-chairman of the commission of the French Institute of Directors (IFA); formerly Chase Manhattan Bank (now JP Morgan Chase) in New York and Paris; Procter & Gamble in Toronto
- Irakli Gilauri, formerly EBRD banker; MS in banking from CASS Business School, London; BBS from University of Limerick, Ireland
- David Morrison, Vice Chairman of the Supervisory Board, Independent Director experience: senior partner at Sullivan & Cromwell LLP prior to retirement
- Allan Hirst, Chairman of the Audit Committee, Independent Director experience: 25 years at Citibank, including CEO of Citibank, Russia; various senior capacities at Citibank
- Kaha Kiknavelidze, Independent Director currently managing partner of Rioni Capital, London based investment fund; experience: previously Executive Director of Oil and Gas research team for UBS
- Al Breach, Chairman of the Remuneration Committee, Independent Director experience: Head of Research, Strategist & Economist at UBS: Russia and CIS economist at Goldman Sachs
- Ian Hague, Representative of Firebird, Managing partner and co-founder of Firebird Management LLC, EM hedge fund manager, c. US\$1.0 bn AUM
- Hanna Loikkanen, Representative of East Capital, Sweden-based asset manager focusing on Eastern Europe & China, EUR 3.4 bn AUM

Members of management boards of JSC Bank of Georgia and major subsidiaries

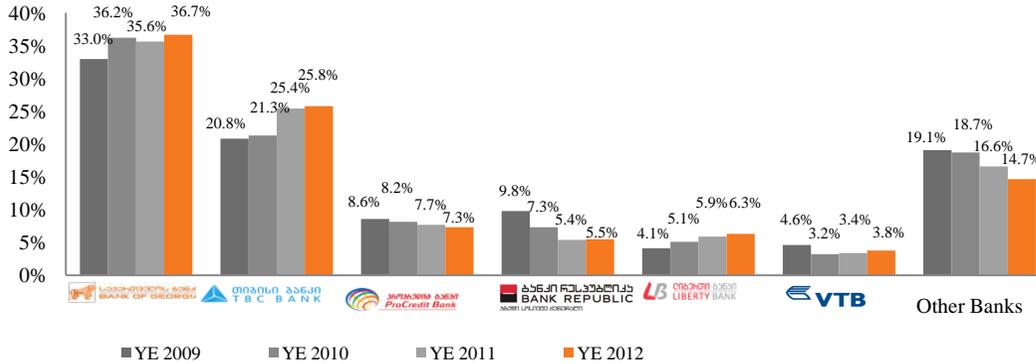
- Irakli Gilauri, CEO; formerly EBRD banker; MS in banking from CASS Business School, London; BBS from University of Limerick, Ireland
- Nikoloz Gamkrelidze, Group CFO; previously CEO of Aldagi BCI and JSC My Family Clinic; World Bank Health Development Project; Masters degree in International Health Management from Imperial College London, Tanaka Business School
- Archil Gachechiladze*, Deputy CEO, Asset and Wealth Management; formerly Deputy CEO in charge of Corporate Banking, Deputy CEO of TBC Bank, Georgia; Lehman Brothers Private Equity, London; MBA from Cornell University
- Mikheil Gomarteli, Deputy CEO, Retail Banking; 15 years work experience at BOG
- Sulkhan Gvalia*, Deputy CEO, Corporate Banking; formerly Chief Risk Officer, c.20 years banking experience founder of TUB, Georgian bank acquired by BOG in 2004
- Avto Namicheishvili, Deputy CEO, Group Legal Counsel; previously partner at Begiashvili & Co, law firm in Georgia; LLM from CEU, Hungary
- Irakli Burdiladze, Deputy CEO, Affordable Housing; previously CFO at GMT Group, Georgian real estate developer; Masters degree from Johns Hopkins University
- Murtaz Kikoria, CEO of Aldagi BCI; c.20 years banking experience including various senior positions at Bank of Georgia Group, Senior Banker at EBRD and Head of Banking Supervision at the National Bank of Georgia.

*Effective 1st May 2013

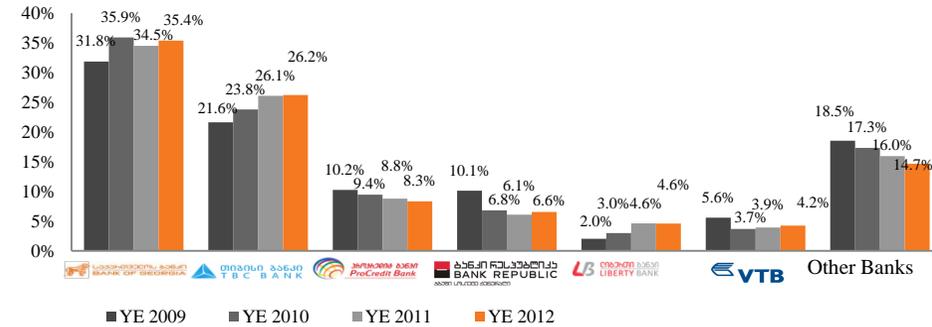
Senior Executive Compensation Policy applies to top eight executives and envisages long-term deferred and discretionary awards of securities and no cash bonuses to be paid to such executives

Competitive landscape

Peer group's market share in total assets

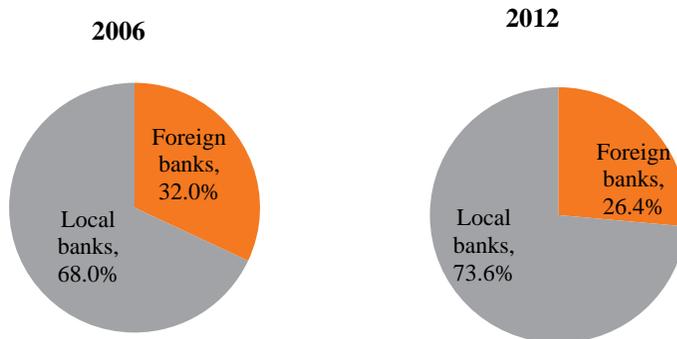


Peer group's market share in gross loans

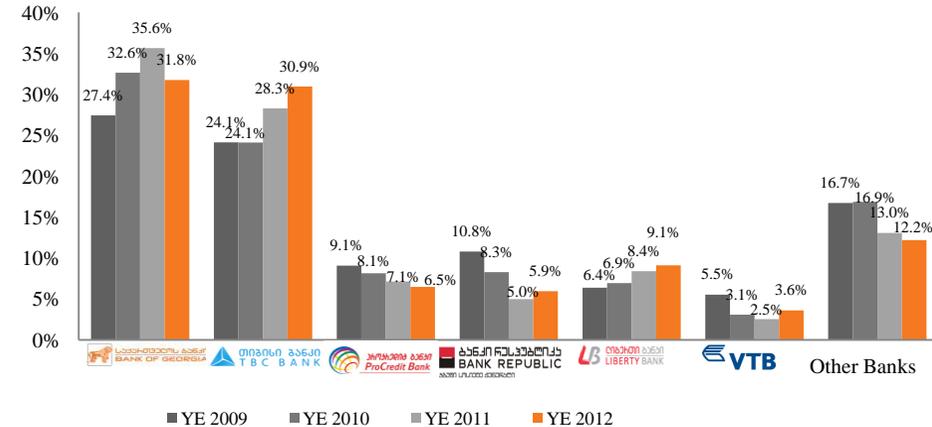


Foreign banks market share by assets

No state ownership of commercial banks since 1994



Peer group's market share in deposits



Note: all data based on standalone accounts as reported to the National Bank of Georgia and as published by the National Bank of Georgia
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Country overview

- Area: 69,700 sq km
- Population (2012): 4.5 mln
- Life expectancy: 75 years
- Official language: Georgian
- Literacy: 100%
- Capital: Tbilisi
- Currency (code): Lari (GEL)
- GDP 2011: GEL 24.3 bn (US\$14.4 bn)
- GDP 2012E: GEL 26.2 bn (US\$15.8 bn)
- GDP growth rate 2011: 7.2%, 2012E: 6.1%
- GDP growth rate per IMF 2013E: 5.5%
- GDP growth rate per Ministry of Finance 2013E: 6.5%
- Nominal GDP CAGR '04 - '12 (E): 13.0%
- GDP per capita 2012E (PPP) per IMF: US\$5,908
- Inflation rate (e-o-p) 2012: -1.4%
- External Public debt to GDP 2012E: 27.6%
- Sovereign ratings:
 - S&P** BB-/B/Stable/ *upgraded in November 2011*
 - Moody's** Ba3/NP/Stable
 - Fitch** BB-/B+/Stable *upgraded in December 2011*



Sources: Ministry of Finance of Georgia, Geostat, IMF, Government of Georgia Presentation (Georgia.gov.ge)

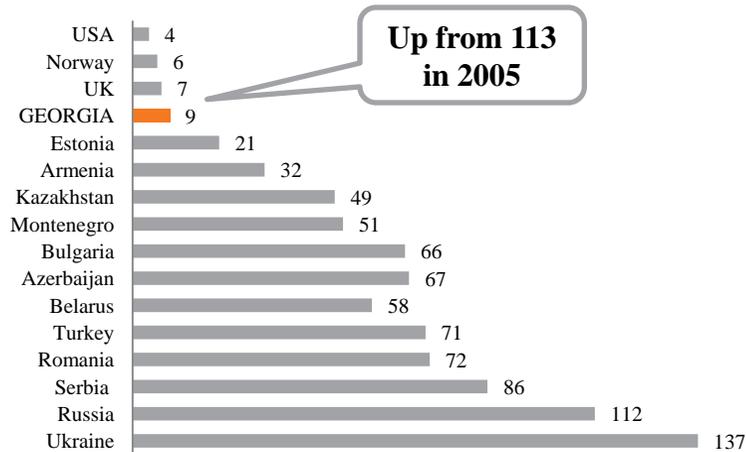
Georgia's key economic drivers

Liberal economic policy	<ul style="list-style-type: none"> ■ Liberty Act, enshrined in the constitution and effective starting 2014 ensures a credible fiscal and monetary framework: <ul style="list-style-type: none"> – Government expenditure/GDP capped at 30% – Budget deficit/GDP capped at 3% – Government debt/GDP capped at 60%
Regional logistics and tourism hub	<ul style="list-style-type: none"> ■ Proceeds from foreign tourism estimated at \$955 mln in 2011 and \$1,410 mln in 2012, 4.4 million visitors in 2012 (56% increase y-o-y) ■ Regional energy transit corridor with approx. 1.6% of world's oil production and diversified gas supply passing through the country
Strong FDI	<ul style="list-style-type: none"> ■ Strong FDI inflows diversified across different sectors (2012E: US\$865, 2011: US\$1,117 mln) ■ Net remittances of US\$1,226 mln in 2012, 5% increase over previous year ■ FDI averaged 10% of GDP in 2003-2012
Support from international community	<ul style="list-style-type: none"> ■ Free Trade Agreements (Official Discussion in progress with the EU; Discussions commenced with the USA) to drive inward investments and exports ■ Strong political support from NATO, EU, US, UN and member of WTO since 2000 ■ Substantial support from DFIs, the US and EU: US\$2.5bn already disbursed out of the US\$4.5bn Brussels pledge ■ Diversified trade structure across countries and products
Cheap electricity	<ul style="list-style-type: none"> ■ Net electricity exporter since 2007, net electricity importer for more than a decade before 2007; Over last five years, exported on average 0.9 TWh electricity annually ■ Only 18% of hydropower capacity utilized; 40 hydropower stations are being built/developed ■ Black Sea Transmission Network project envisages construction of new 500kV/400kV line connecting to Turkey. Project commenced in 2009 and is expected to become operational in 2013. BSTN to significantly boost export potential to Turkey, up by 750MW from current capacity
Political environment stabilized	<ul style="list-style-type: none"> ■ Healthy operating environment for business and low tax regime ■ Parliamentary elections in 2012 led to a democratic transition of power, presidential elections are scheduled for 2013 ■ New constitution passed in May 2010 to enhance governing responsibility of Parliament and reduce the powers of the Presidency ■ Continued economic relationship with Russia <ul style="list-style-type: none"> – Russia began issuing visas to Georgians in March 2009; Georgia abolishes visa requirements for Russians – Direct flights between the two countries resumed in January 2010 – WTO negotiations successfully completed; Georgia, a member of WTO since 2000, allows Russia's access to WTO – In early 2013, discussions started with regard to reopening trade links with Russia

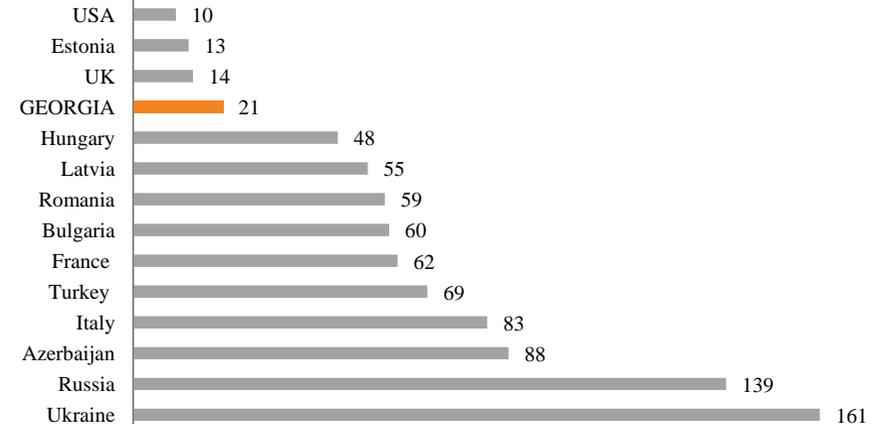
Sources: Geostat, IMF, National Bank of Georgia, Government of Georgia Presentation (Georgia.gov.ge)

Growth oriented reforms

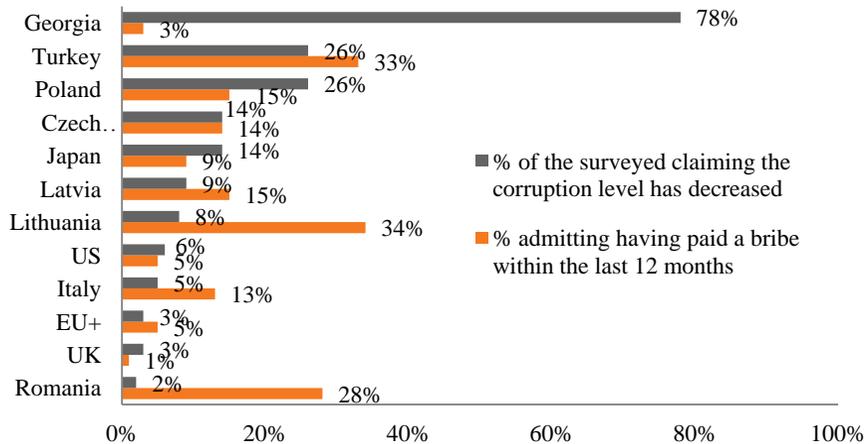
Ease of Doing Business, 2013 (WB-IFC Doing Business Report)



Economic Freedom Index, 2013 (Heritage Foundation)



TI 2010 Global Corruption Barometer

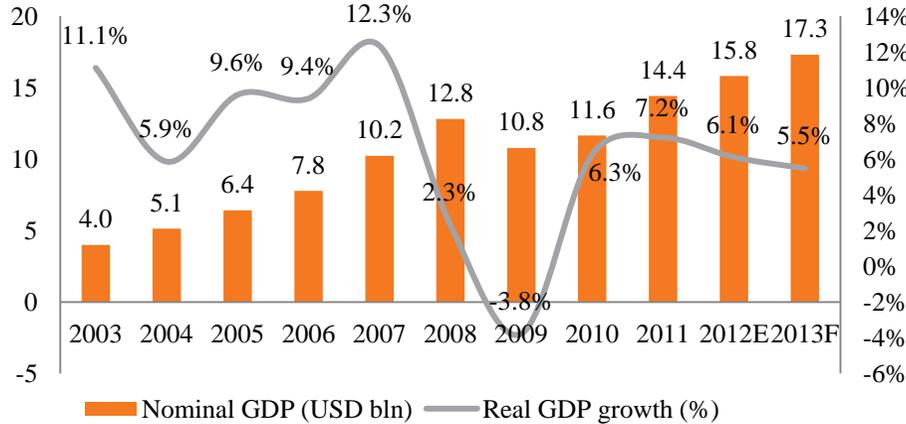


**GEORGIA - No 1 Reformer
2005-2012**
(WB-IFC Doing Business Report)

Sources: Transparency International, Heritage Foundation, World Bank

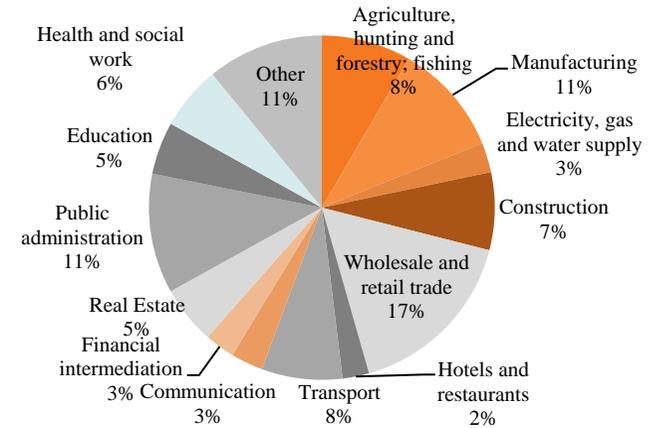
Positive economic outlook

Gross domestic product



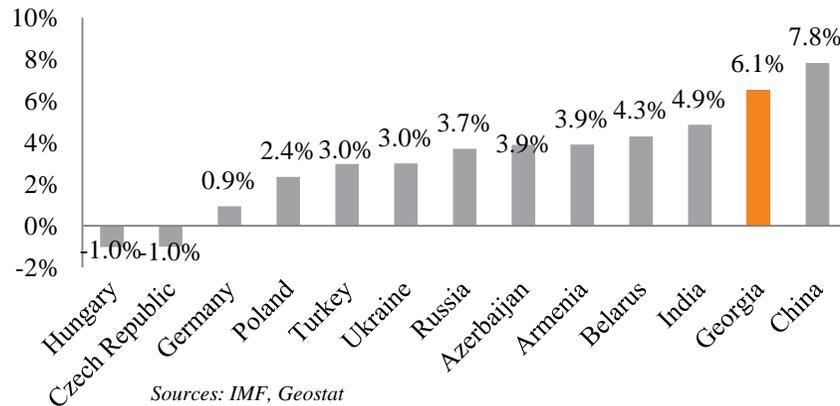
Sources: Geostat, 2013 forecast by IMF

GDP composition*, 2012



Source: National Bank of Georgia

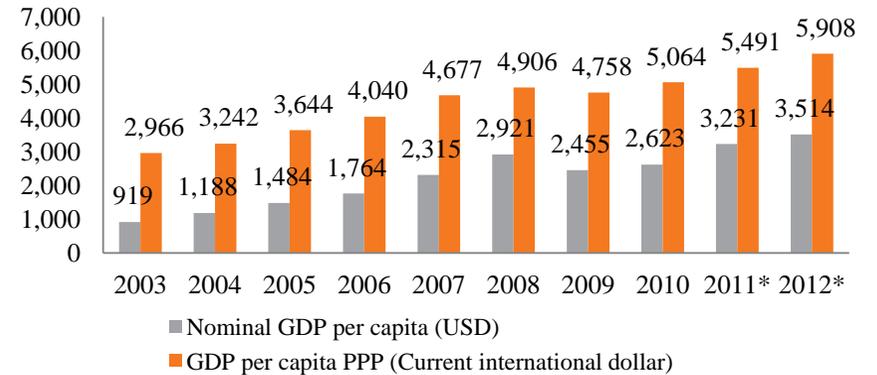
Real GDP growth in 2012 (estimate)



Sources: IMF, Geostat

*estimates, breakdown of GDP in basic prices

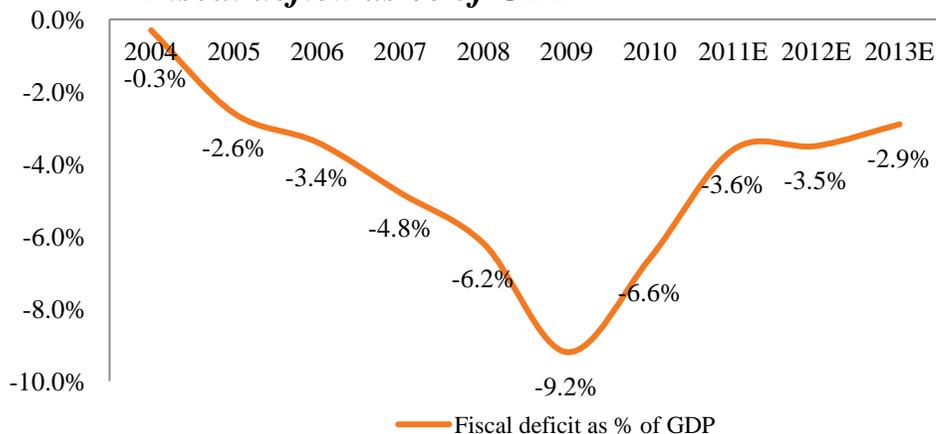
GDP per capita



Sources: IMF

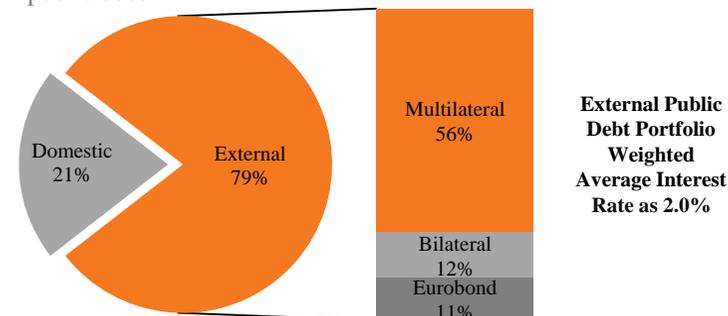
Demonstrated fiscal discipline and low public debt

Fiscal deficit as % of GDP



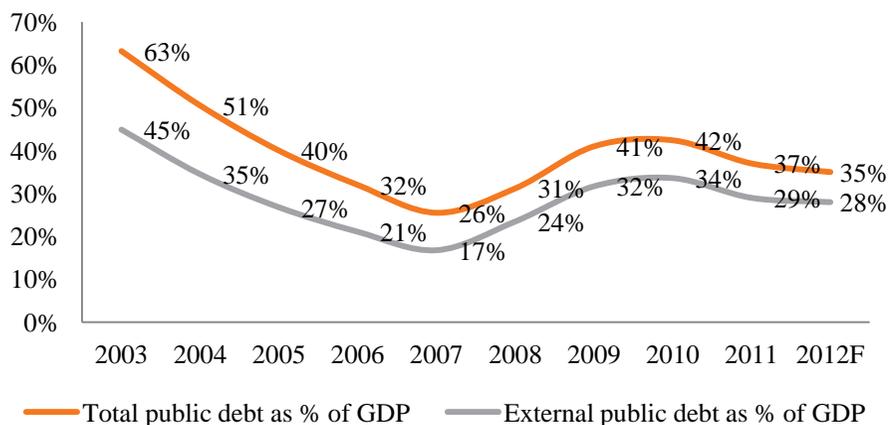
Breakdown of public debt

Affordable public debt stock and very low interest rate on external public debt



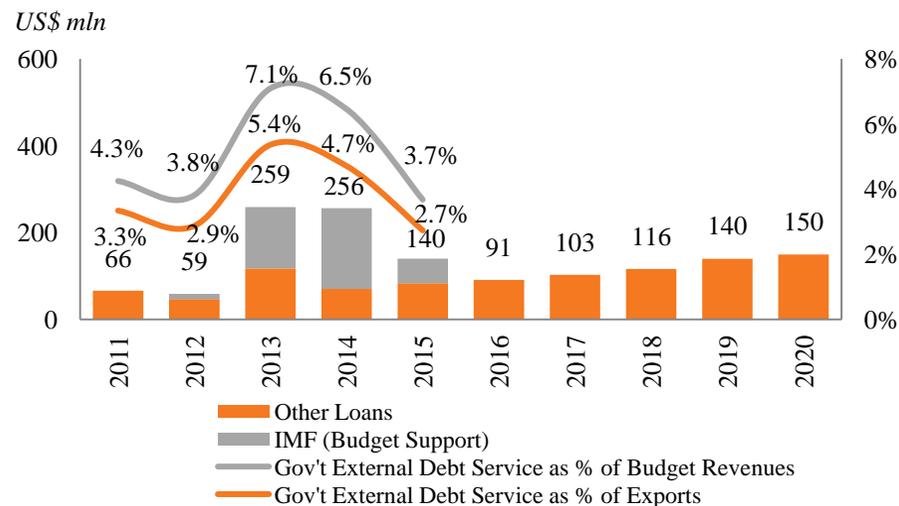
Source: Ministry of Finance of Georgia

Public debt as % of GDP



Sources: Ministry of Finance of Georgia, Geostat

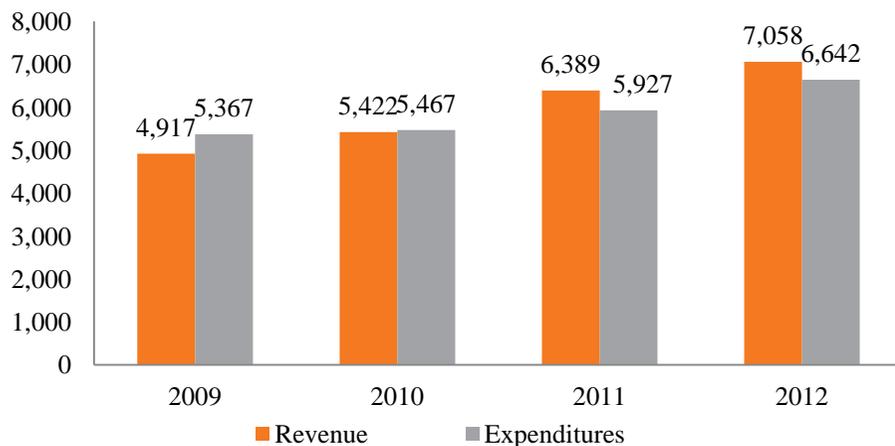
Government external debt service



Source: Ministry of Finance of Georgia

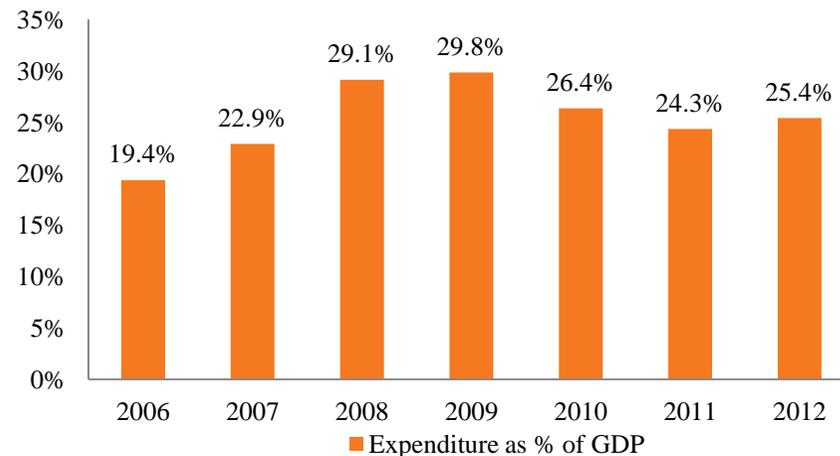
Revenues and expenditures dynamics

Revenues to Expenditures



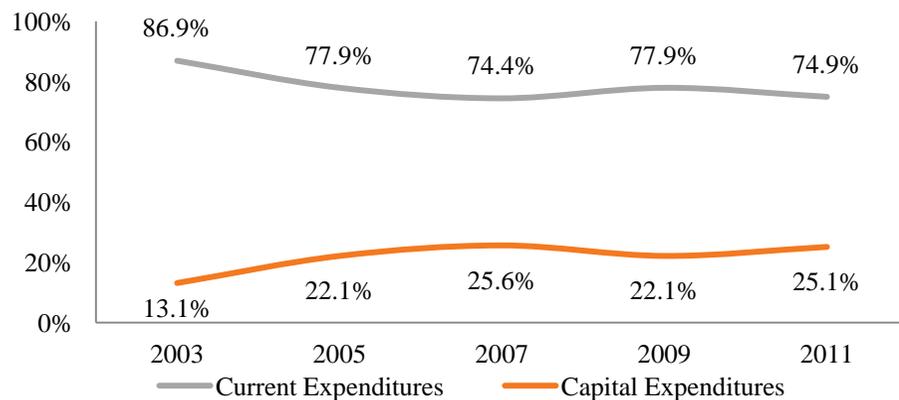
Source: Ministry of Finance

Expenditure as % of GDP



Sources: Ministry of Finance, NBG

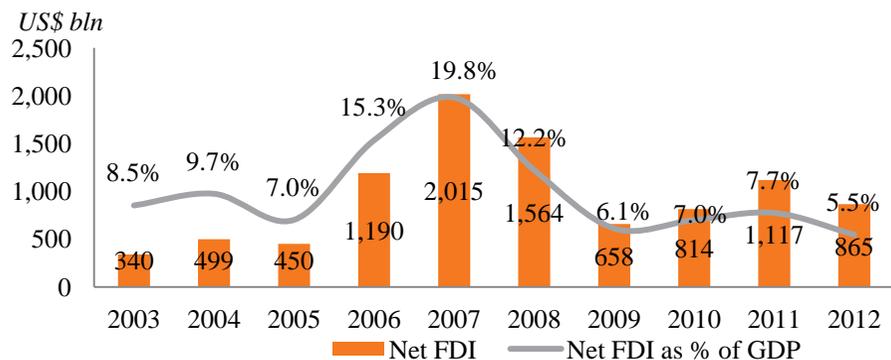
Capital vs. current expenditures



Source: Ministry of Finance

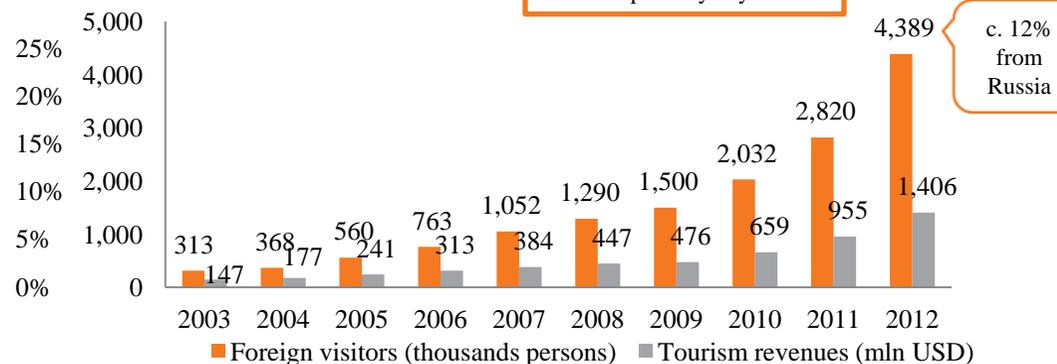
Four main sources of capital inflow

FDI inflows



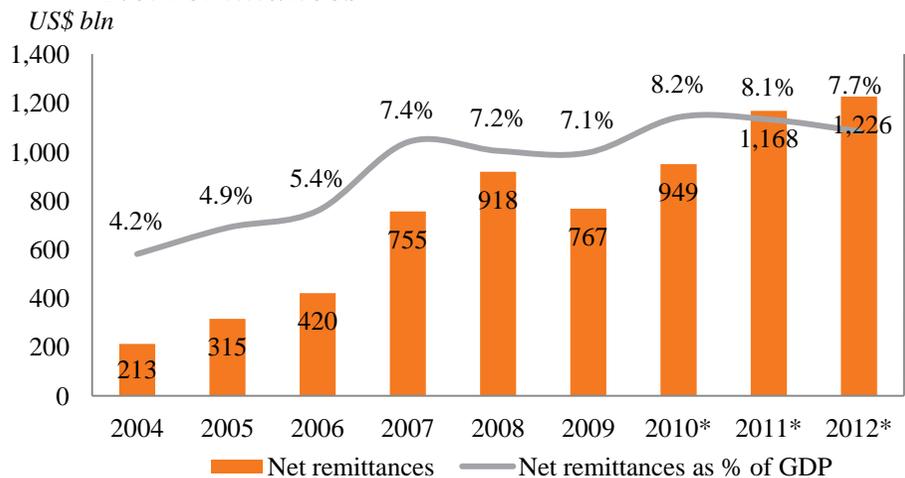
Sources: National Bank of Georgia, Ministry of Finance of Georgia

Number of tourists



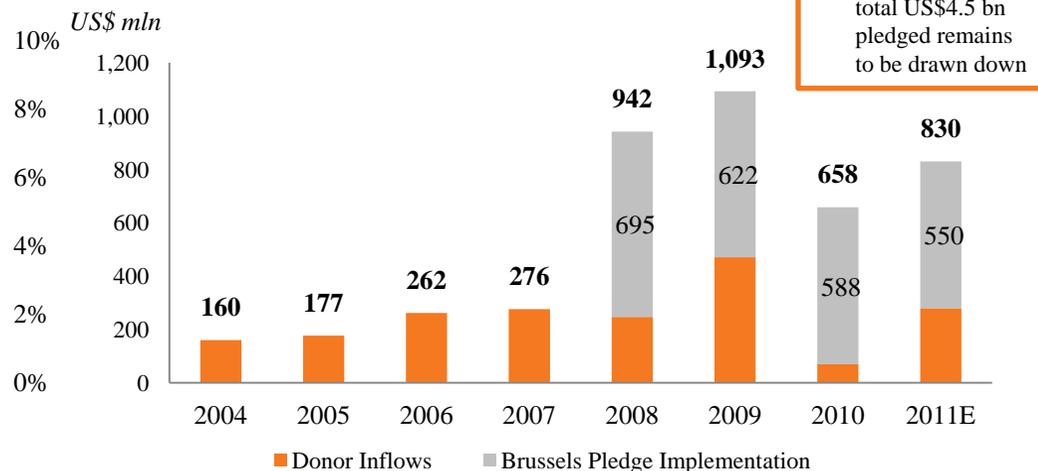
Sources: Georgian National Tourism Agency, National Bank of Georgia, Bank of Georgia estimates

Net remittances



Source: National Bank of Georgia * including remittances through micro finance institutions

Donor inflows

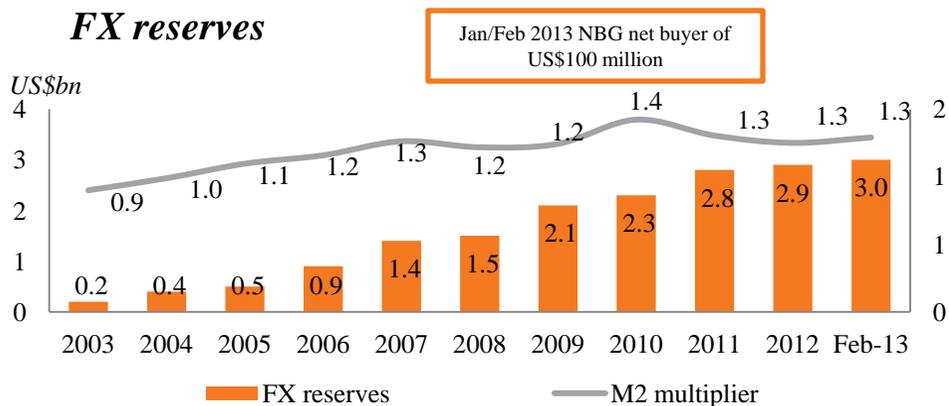


Sources: Ministry of Finance, Bank of Georgia estimates

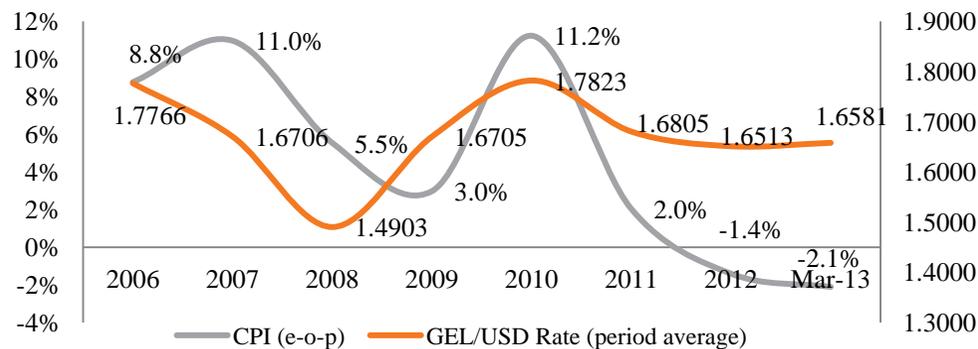
Controllable CAD and strong FDI & donor inflows

High, but well capitalised CAD. Low domestic savings rate at 8.6% of GDP. Remittances and FDI cover CAD.

FX reserves

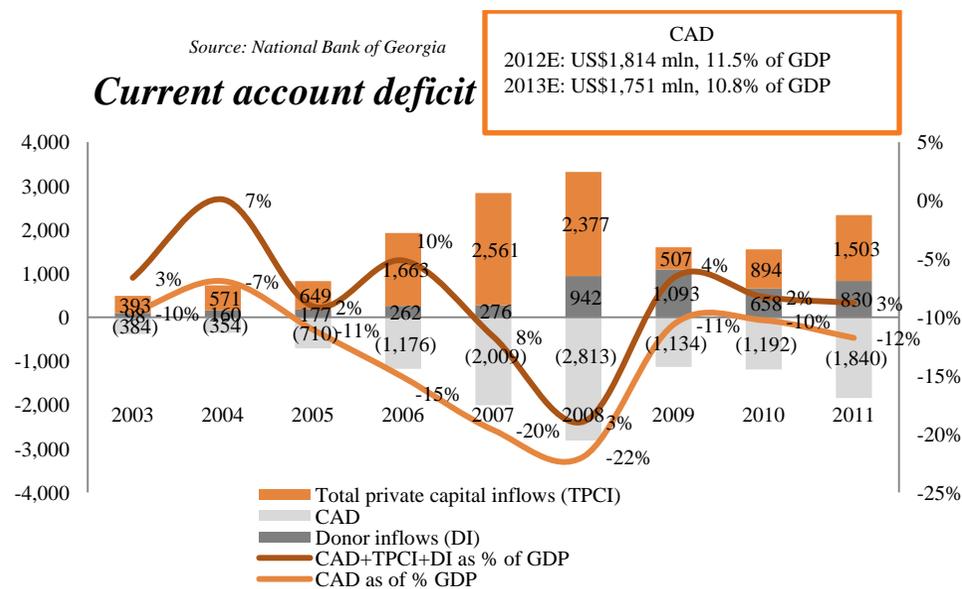


FX rate (GEL/US\$) and CPI

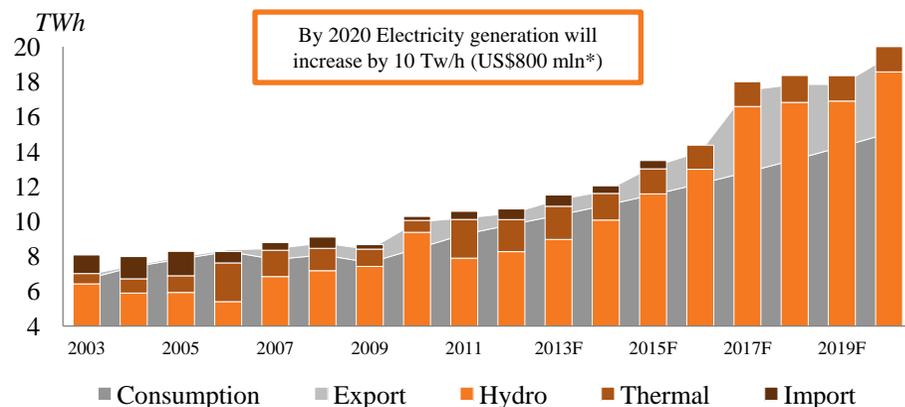


Source: National Bank of Georgia

Current account deficit



Electricity generation



*Assuming price of US\$0.08 per Kw/h

Source: National Bank of Georgia, Ministry of Finance

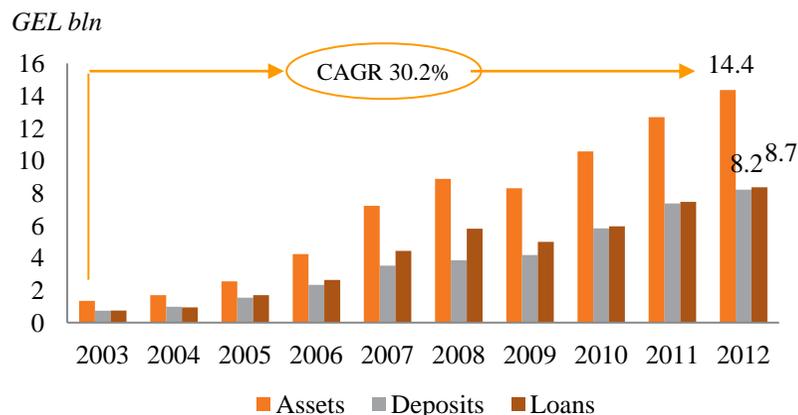
Growing and well capitalised banking sector

Summary

- **Prudent regulation ensuring financial stability**
 - Sector total capital ratio (NBG standards) –17% in 2011
 - High level of liquidity requirements from NBG at 30% of liabilities, resulting in banking sector liquid assets to client deposits of 57%
- **Resilient banking sector**
 - *Demonstrated strong resilience towards both domestic and external shocks* without single bank going bankrupt
 - *No nationalization of the banks* and no government ownership since 1994
 - *Excess liquidity and excess capital* accumulated by the banking sector to help boost the financing of the economic growth
 - *Very low leverage* with retail loans c. 13.2% of GDP and total loans at c. 31.8% of GDP resulting in low number of defaults during the global crisis

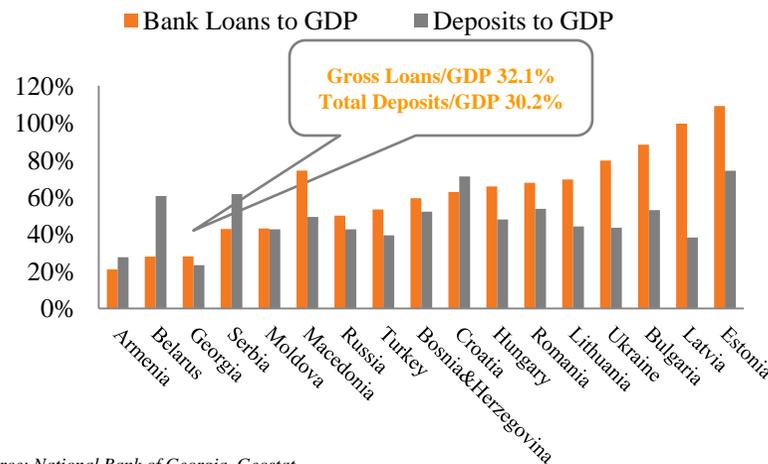
Source: National Bank of Georgia, Geostat

Banking sector assets, loans and deposits



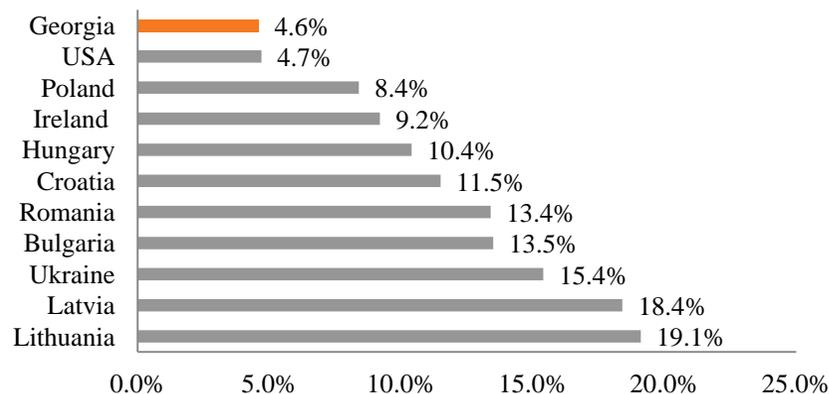
Source: National Bank of Georgia

Bank debt and deposits to GDP as of YE2011



Source: National Bank of Georgia, Geostat

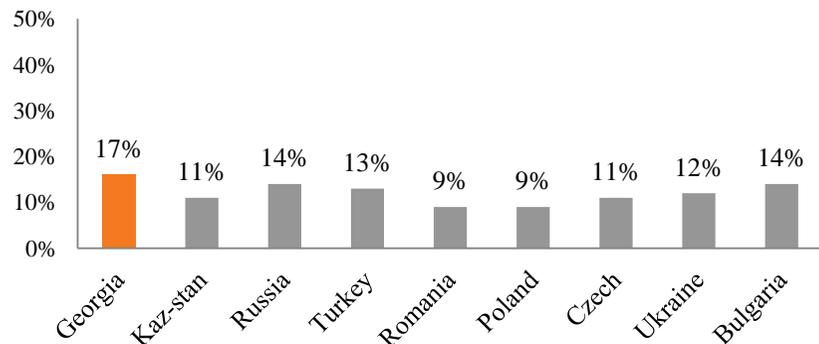
NPLs as % of total loans according to the IMF, lower than the banking sector NIM of c.7% as of YE2011



Source: National Bank of Georgia, IMF

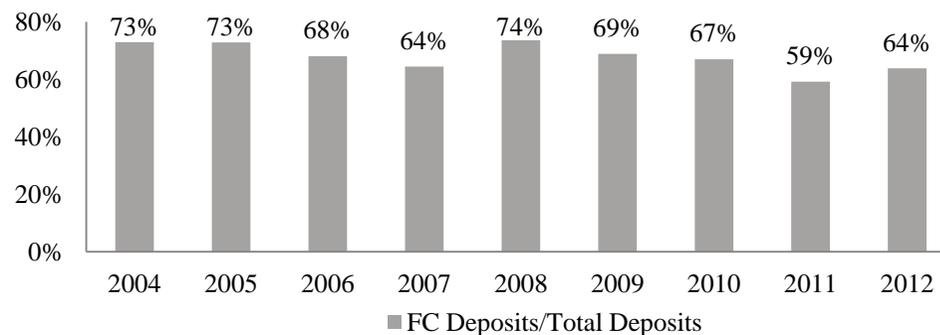
One of the highest level of capital and low debt level compared to other frontier markets

Equity / Assets



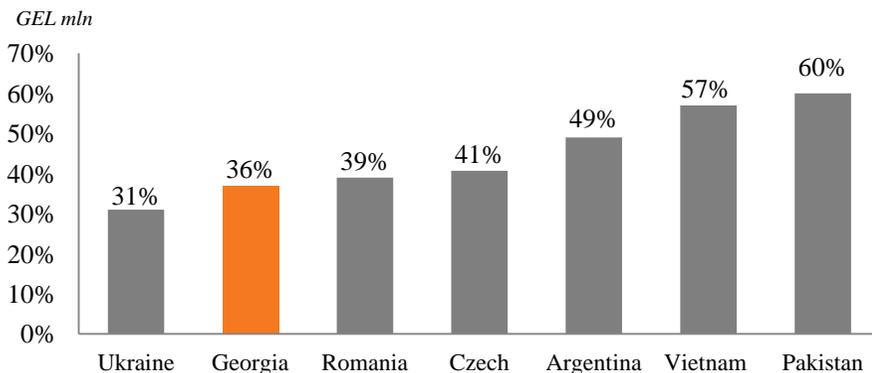
Source: National Bank of Georgia, Citi

Dollarisation



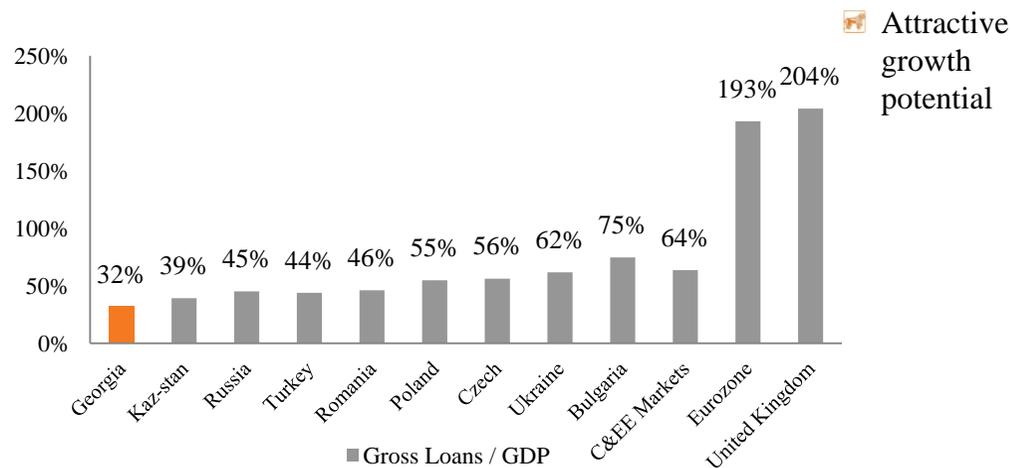
Source: National Bank of Georgia

Public debt / GDP, frontier markets



Sources: Citi, National Bank of Georgia, CIA

Gross Loans / GDP



Sources: National Bank of Georgia, World Bank, Business Monitor

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P&L results highlights

<i>GEL thousands unless otherwise noted</i>	Dec-12 <i>Unaudited</i>	Dec-11 <i>Audited</i>	Change <i>Y-O-Y</i>	Q4 2012 <i>Unaudited</i>	Q4 2011 <i>Unaudited</i>	Change <i>Y-O-Y</i>	Q3 2012 <i>Unaudited</i>	Change <i>Q-O-Q</i>
Net interest income	284,117	239,285	18.7%	76,539	60,068	27.4%	69,916	9.5%
Net fee and commission income	86,487	75,337	14.8%	21,122	22,102	-4.4%	23,831	-11.4%
Net insurance revenue	34,138	17,738	92.5%	12,258	3,578	242.6%	9,922	23.5%
Net healthcare revenue	23,346	2,458	NMF	7,125	1,312	NMF	7,025	1.4%
Other operating non-interest income	70,168	98,935	-29.1%	11,244	28,389	-60.4%	20,287	-44.6%
<i>Other operating non-interest income adjusted for one off gain from BYR hedge</i>	<i>69,688</i>	<i>73,879</i>	<i>-5.7%</i>	<i>11,103</i>	<i>24,019</i>	<i>-53.8%</i>	<i>20,012</i>	<i>-44.5%</i>
Revenue adjusted for one-off gain from BYR hedge	497,776	408,697	21.8%	128,147	111,079	15.4%	130,706	-2.0%
Revenue	498,255	433,753	14.9%	128,288	115,450	11.1%	130,981	-2.1%
Operating expenses	(221,152)	(210,165)	5.2%	(53,966)	(53,860)	0.2%	(58,114)	-7.1%
Operating income (loss) before cost of credit risk	277,103	223,588	23.9%	74,322	61,590	20.7%	72,867	2.0%
Cost of credit risk	(44,717)	(22,196)	101.5%	(16,124)	(8,769)	NMF	(14,645)	10.1%
Net operating income	232,386	201,392	15.4%	58,198	52,821	10.2%	58,222	-
Net non-operating expense*	(19,634)	(29,338)	-33.1%	(4,189)	(9,708)	-56.8%	(3,051)	37.3%
Profit for the period	179,552	135,710	32.3%	46,875	34,352	36.5%	46,643	0.5%
Earnings per share (basic)	5.22	4.44	17.7%	1.33	1.08	23.9%	1.35	-1.2%

*Includes impairment of property and intangible assets, BGH IPO costs, impairment of investment, etc

Balance Sheet results highlights and key ratios

<i>GEL thousands unless otherwise noted</i>	Dec-12 <i>Unaudited</i>	Dec-11 <i>Audited</i>	Change Y-O-Y	KEY RATIOS	Q4 2012	Q4 2011	Q3 2012
Net loans to customers*	3,092,320	2,616,361	18.2%	ROAE	18.2%	16.6%	19.2%
Total assets	5,655,595	4,665,261	21.2%	ROAA	3.4%	3.1%	3.4%
Liquid assets	1,624,317	1,338,952	21.3%	Cost/Income	42.1%	46.7%	44.4%
Liquid assets as percent of total assets	28.7%	28.7%		Cost/Income***	42.1%	48.5%	44.4%
Liquid assets as percent of total liabilities	35.3%	34.8%		NIM	7.8%	7.3%	7.3%
Amounts due to customers, of which:	2,693,025	2,735,222	-1.5%	Loan yield	17.1%	17.5%	17.0%
<i>Client deposits</i>	2,622,911	2,554,084	2.7%	Cost of client deposits	6.6%	8.2%	7.1%
<i>Promissory notes and CDs issued</i>	70,114	181,138	-61.3%	Cost of funds	6.6%	8.4%	7.1%
Amounts due to credit institutions, of which:	1,657,162	921,172	79.9%	Cost of risk	1.8%	0.9%	1.6%
<i>Borrowed funds</i>	1,225,793	863,004	42.0%	NPL coverage	87.5%	114.7%	105.2%
<i>Interbank loans and deposits</i>	431,369	58,168	NMF		2012	2011	
Total liabilities	4,596,083	3,852,658	19.3%	ROAE	19.1%	18.3%	
Total equity	1,059,512	812,603	30.4%	ROAA	3.5%	3.2%	
Book value per share (basic)	30.33	25.98	16.7%	Cost/Income	44.4%	48.5%	
Net loans/customer funds	114.8%	95.7%		Cost/Income***	44.4%	51.4%	
Net loans/customer funds +DFIs	91.9%	72.7%		NIM	7.8%	7.3%	
Excess liquidity	464,842**	256,318	81.4%	Loan yield	17.1%	17.5%	
NBG liquidity ratio	41.1%	37.8%		Cost of client deposits	6.6%	8.2%	
BIS Tier I Capital Adequacy Ratio	22.0%	19.9%		Cost of funds	7.3%	8.0%	
Bis Total Capital Adequacy Ratio	27.0%	28.5%		Cost of risk	1.3%	0.9%	
NBG Tier I Capital Adequacy Ratio	13.8%	10.5%		NPL coverage	87.5%	114.7%	
NBG Total Capital Adequacy Ratio	16.2%	16.2%					

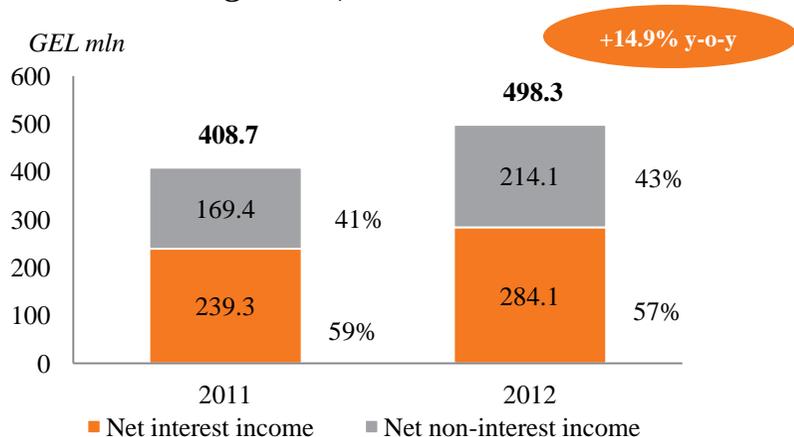
NPL coverage ratio
with discounted value
of collateral: 110.3%

*includes net finance lease receivables
**as of 28 February 2013

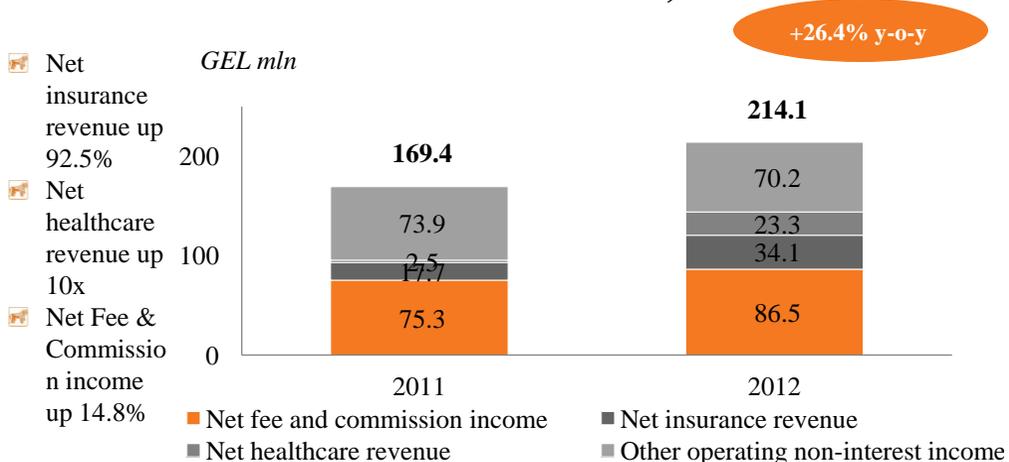
***excluding effect of one-off BYR currency hedge

Strong revenue growth

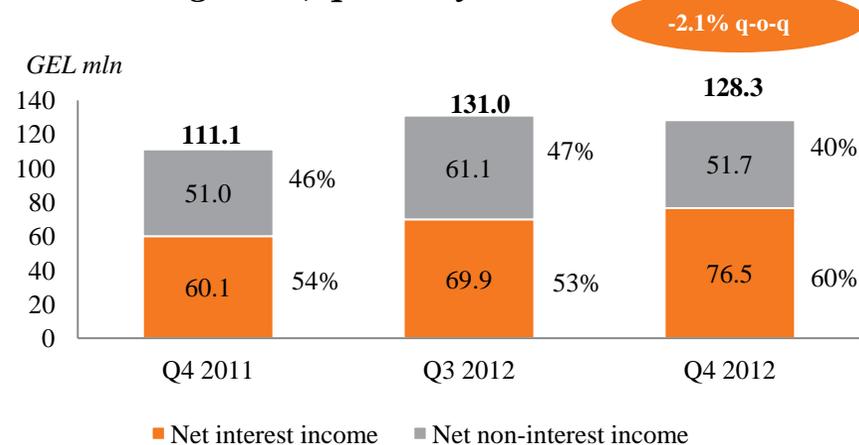
Revenue growth, annual



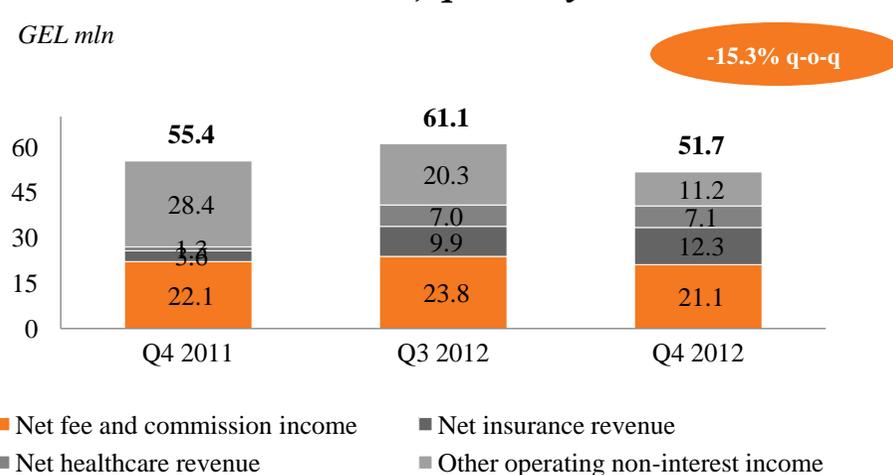
Net non-interest income, annual



Revenue growth, quarterly



Net non-interest income, quarterly

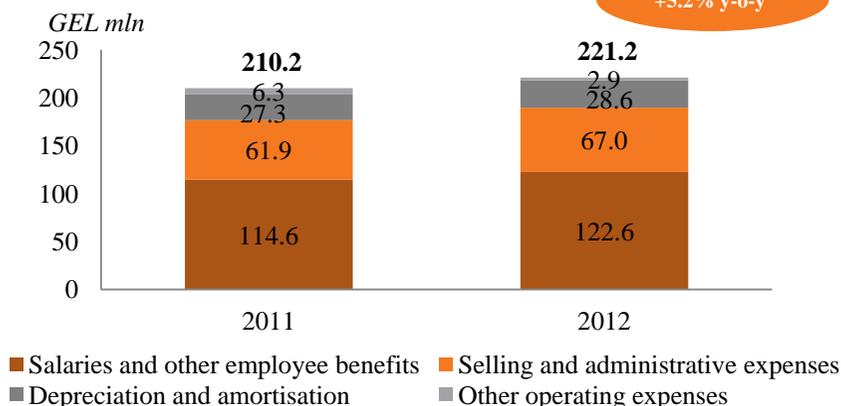


Excluding gain from BYR hedge of GEL 25.1 million in 2011 and GEL 4.4 million in Q4 2011

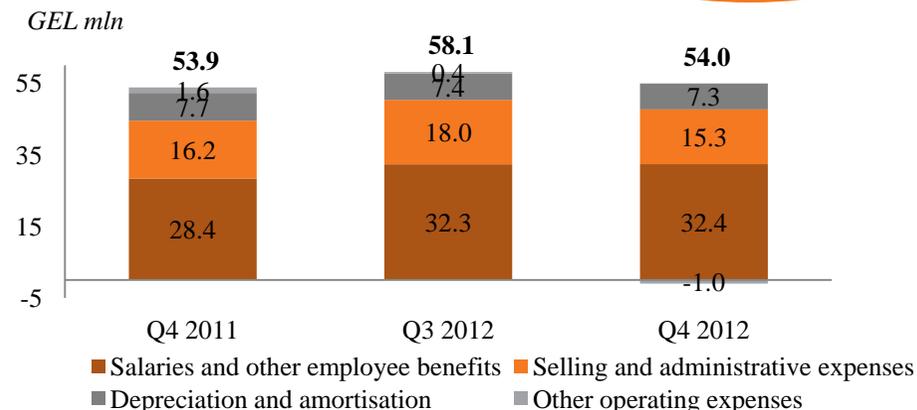
The GEL 9.4 mln decline in Q4 2012/Q3 2012 due to GEL 6.2 mln changes in accounting treatment and GEL 1.2 mln one-off gain on trading of securities

Strengthening operating leverage as operating costs grow at half the rate of revenue

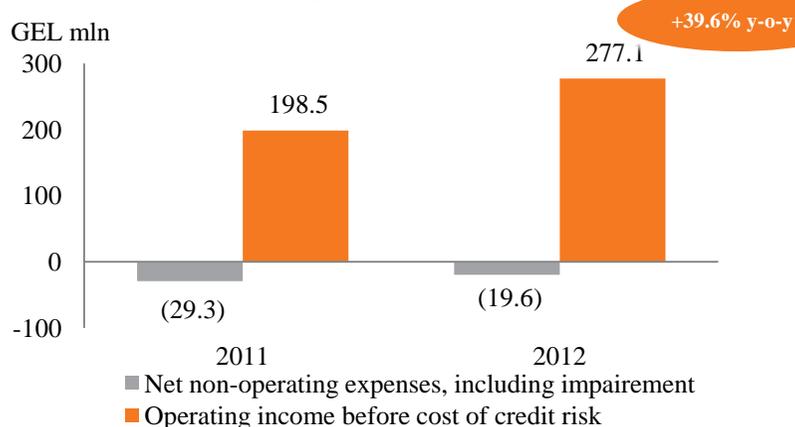
Operating costs, annual



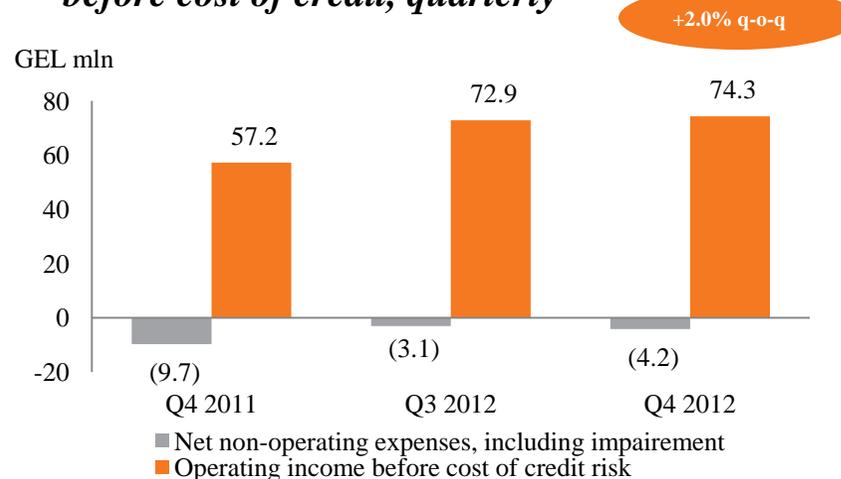
Operating costs, quarterly



Net non-operating expenses, operating income before cost of credit, annual



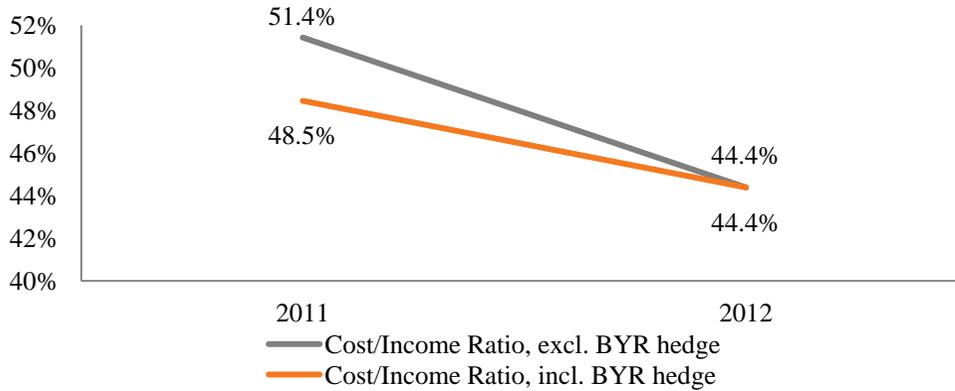
Net non-operating expenses, operating income before cost of credit, quarterly



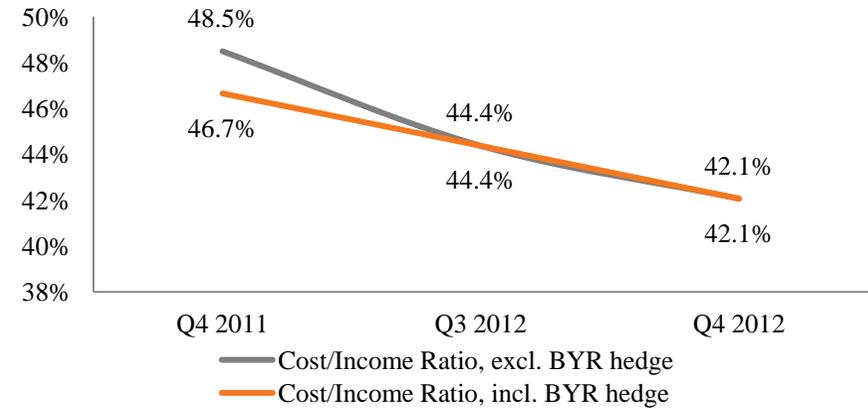
Excluding gain from BYR hedge of GEL 25.1 million in 2011 and GEL 4.4 million in Q4 2011

Improving efficiency

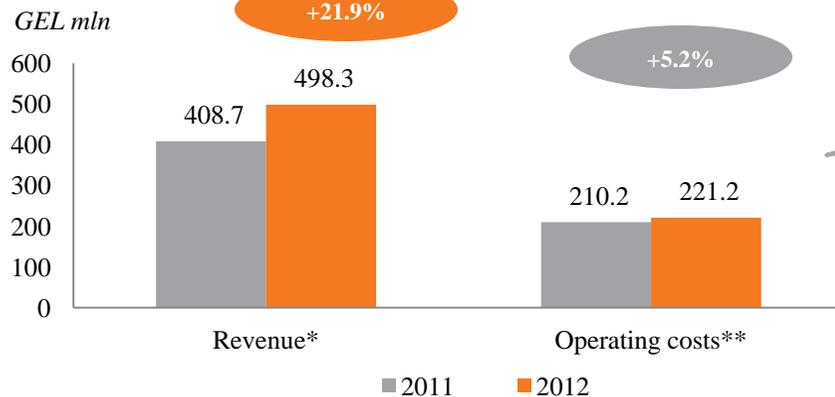
Cost / Income ratio, annual



Cost / Income ratio, quarterly



Revenue and operating costs



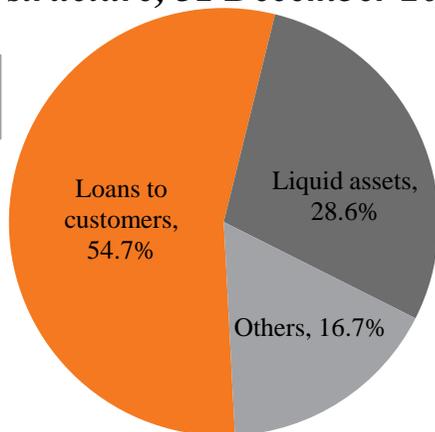
2012 operating leverage of 16.7%*

*Excluding one-off gain from Belarus currency, BYR, hedge **Operating non-interest expenses

Diversified asset structure, consolidated

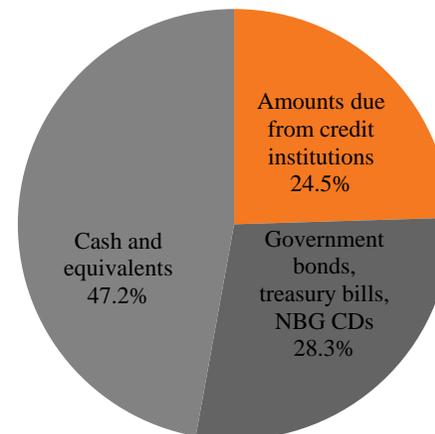
Total asset structure, 31 December 2012

Total assets:
GEL 5,656 mln



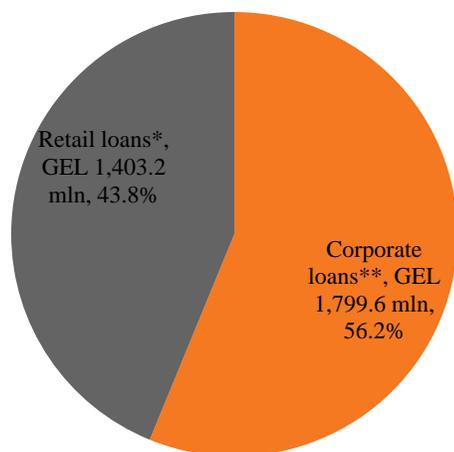
Liquid assets, 31 December 2012

Liquid assets
GEL 1,617 mln,
28.6% of total
assets and 35.2%
of total liabilities

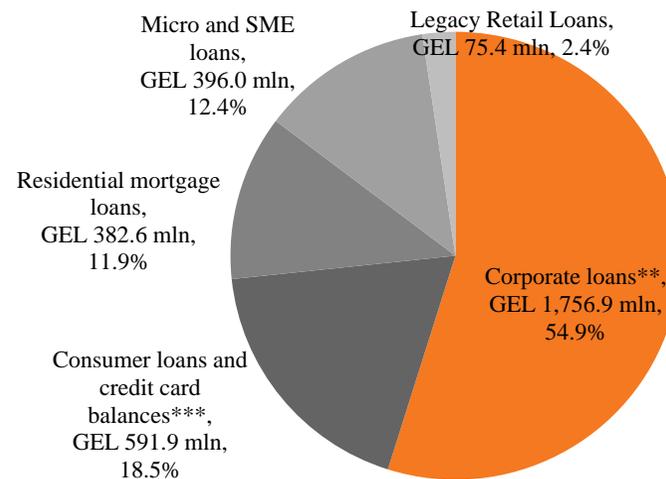


Gross loans breakdown, 31 December 2012

Total gross
loans:
GEL 3,203 mln



Gross loan portfolio structure, 31 December 2012



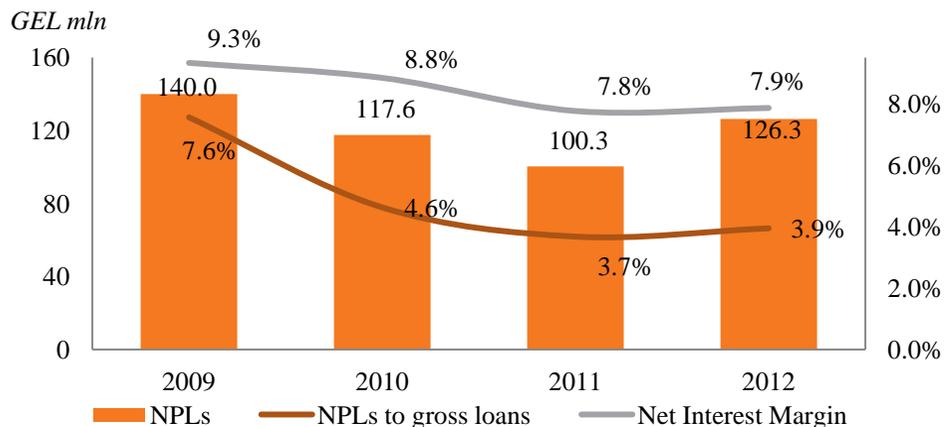
* Retail loans include consumer loans, residential mortgage loans, micro and SME loans, legacy retail loans and credit card balances

**includes BNB loans and Finance lease receivable

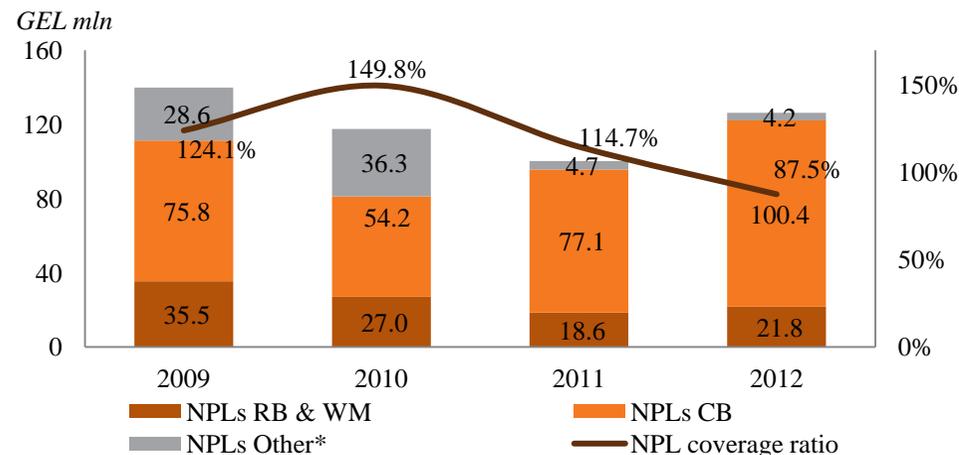
*** Credit card balances of GEL 135.9 million included, 4.2% of total loan book

Loan portfolio quality

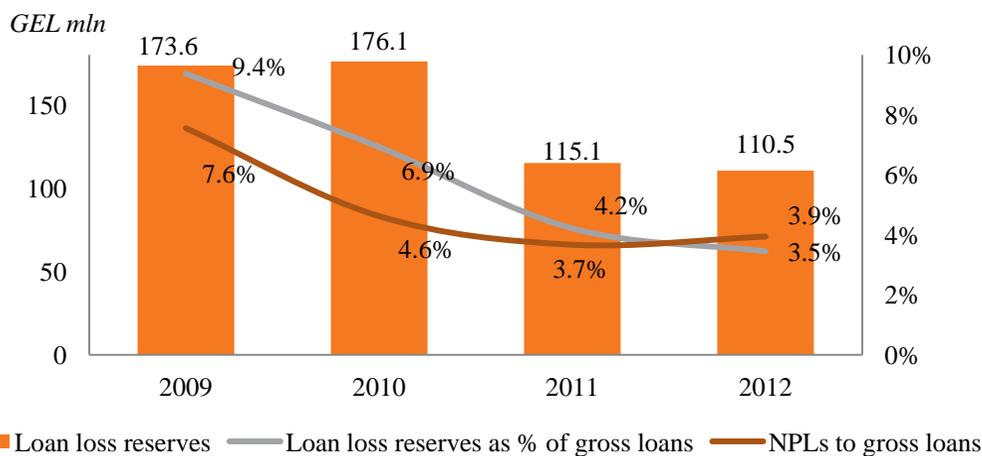
Consolidated NPLs



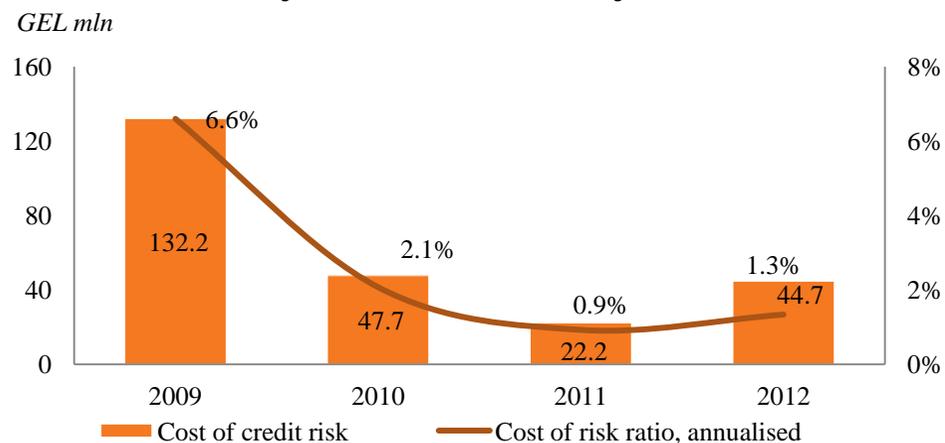
Consolidated NPL composition & coverage ratio



Consolidated loan loss reserve, NPLs to gross loans



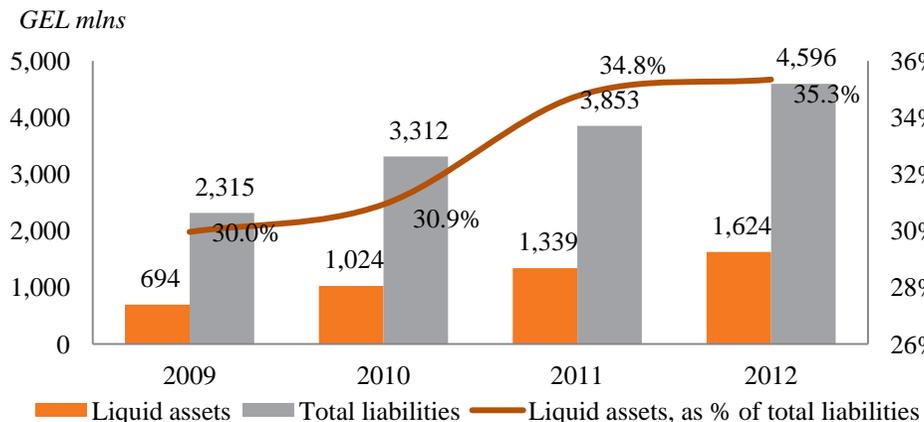
Consolidated cost of credit risk & cost of risk ratio



* Other NPLs include BG Bank (as of 2009 and 2010) and BNB

Strong liquidity

Liquid assets to total liabilities



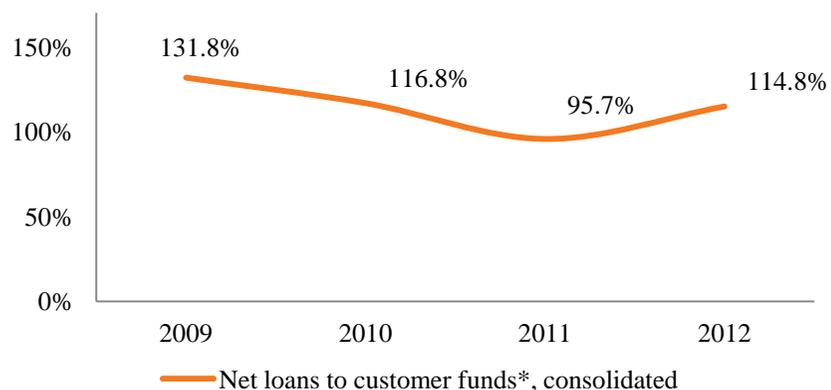
NBG liquidity ratio

Bank Standalone, GEL mln

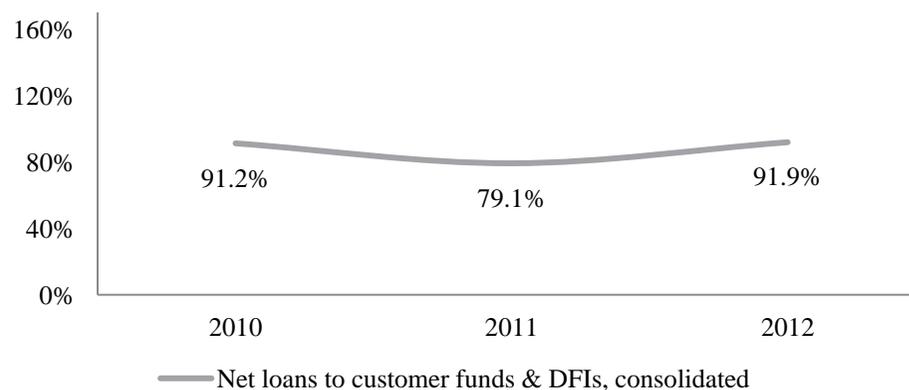
NBG Liquidity Ratio

	31-Dec-12	31-Dec-11	31-Dec-10
Liquid Assets (NBG)	1,302	1,242	790
Liabilities (NBG)	3,166	3,286	2,279
Liquid Assets / Liabilities \geq 30%	41.1%	37.8%	34.7%
Excess liquidity	353	256	106
Excess liquidity as of 31 Mar 2013	476		

Net loans to customer funds



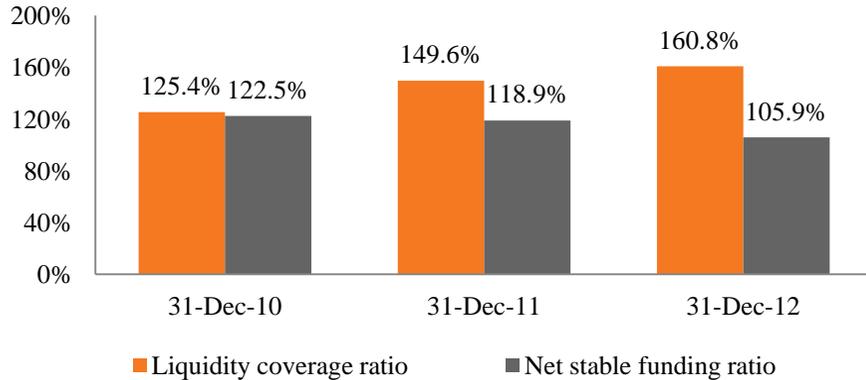
Net loans to customer funds & DFIs



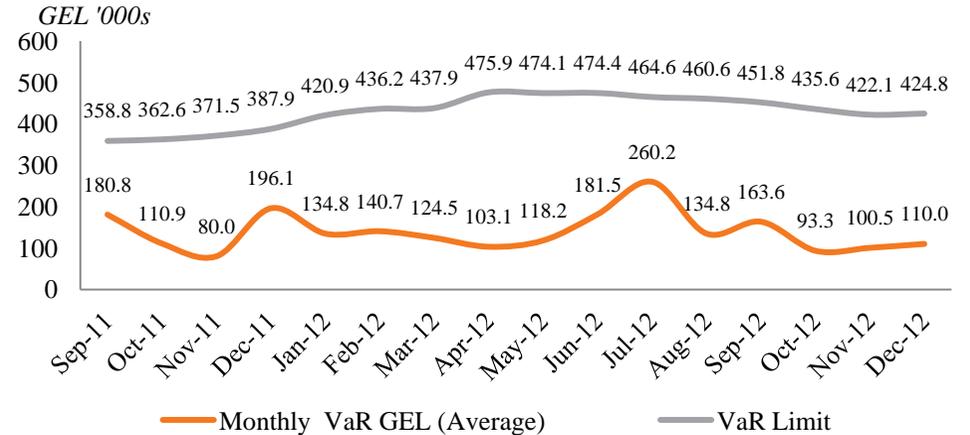
*Customer funds includes client deposits and promissory notes and CDs issued

Strong liquidity

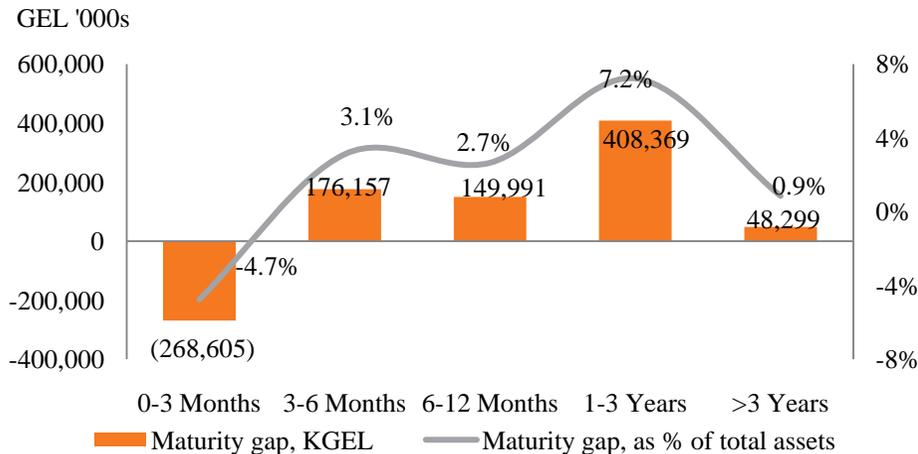
Liquidity coverage ratio & net stable funding ratio



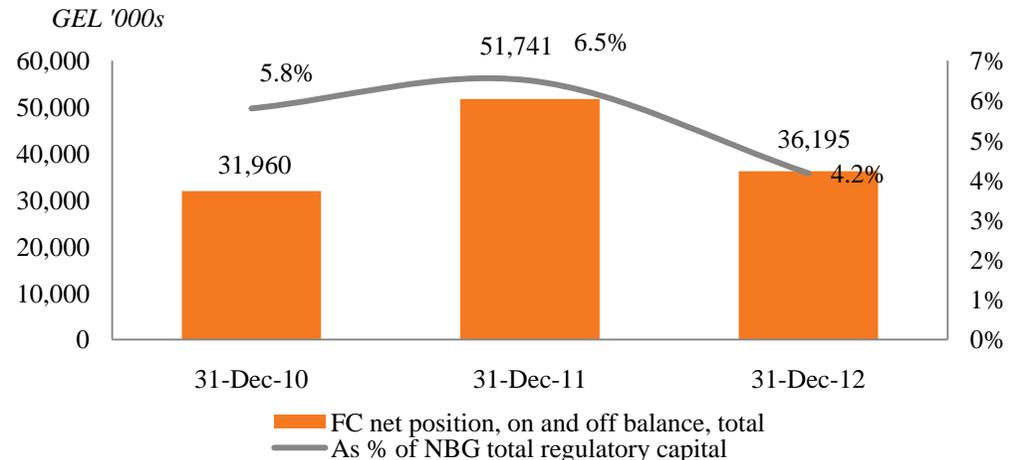
Foreign currency monthly VaR analysis



Maturity gap, December 2012

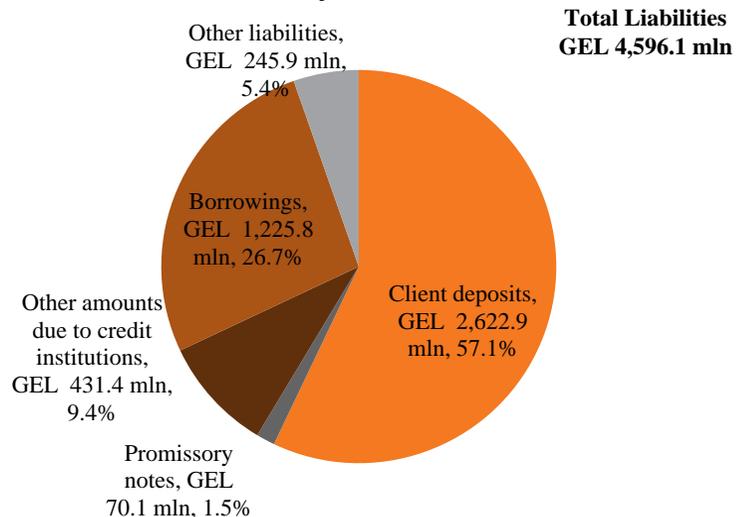


Open currency position

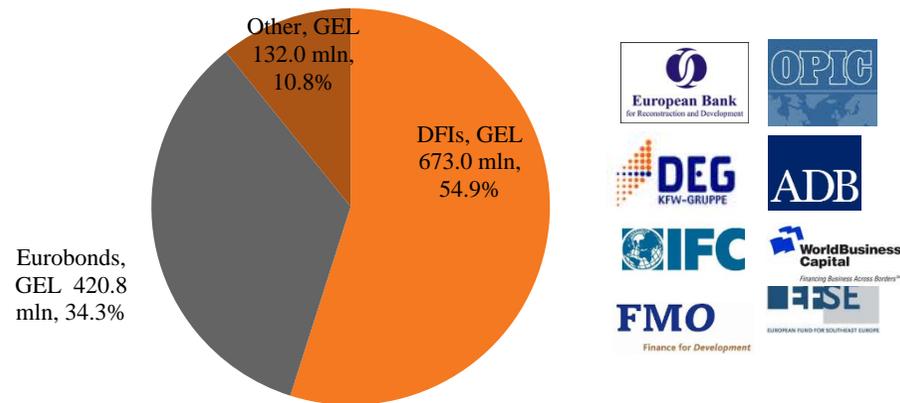


Funding structure is well-balanced

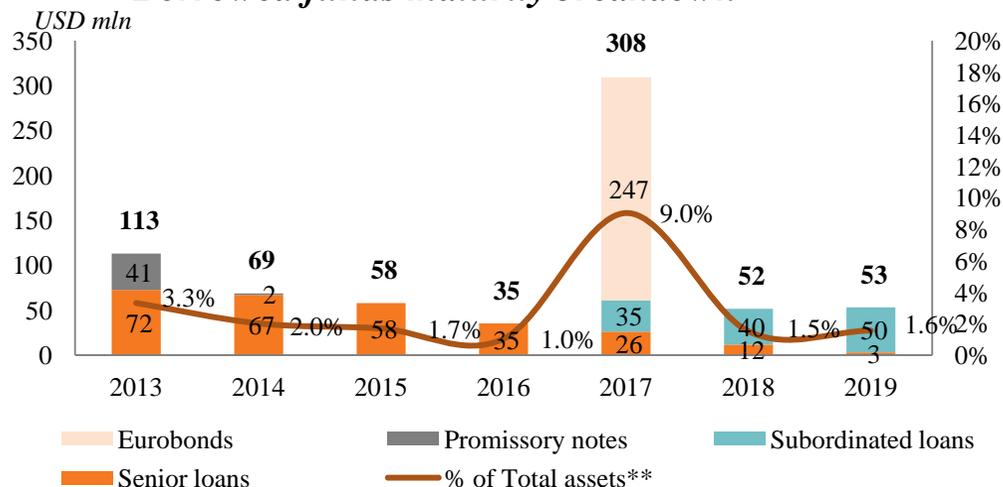
Liability structure



Well diversified international borrowings



Borrowed funds maturity breakdown*



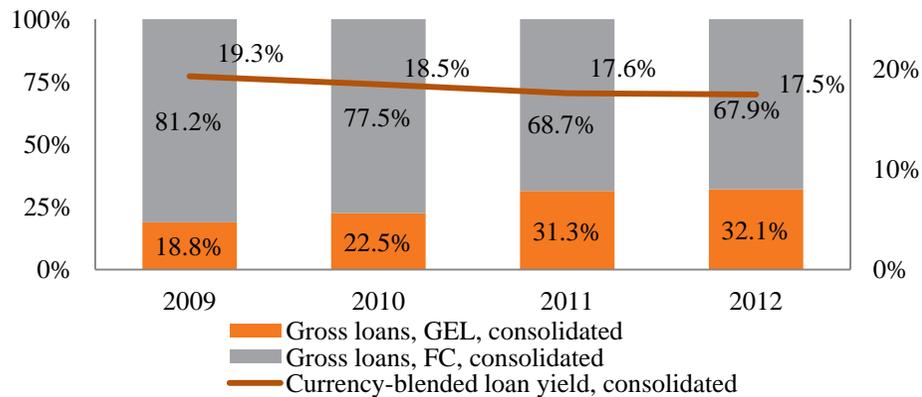
Amounts due to credit institutions

- ☑ The Bank has a well-balanced funding structure with 59% of total liabilities coming from customer funds, 15% from Developmental Financial Institutions (DFIs) and 9% from Eurobonds, as of 31 December 2012
- ☑ The Bank has also been able to secure favorable financing from reputable international commercial sources, as well as DFIs, such as EBRD, IFC, DEG, Asian Development Bank, etc.
- ☑ As of 31 December 2012, US\$89.4 mln undrawn facilities from DFIs with five to six year maturities

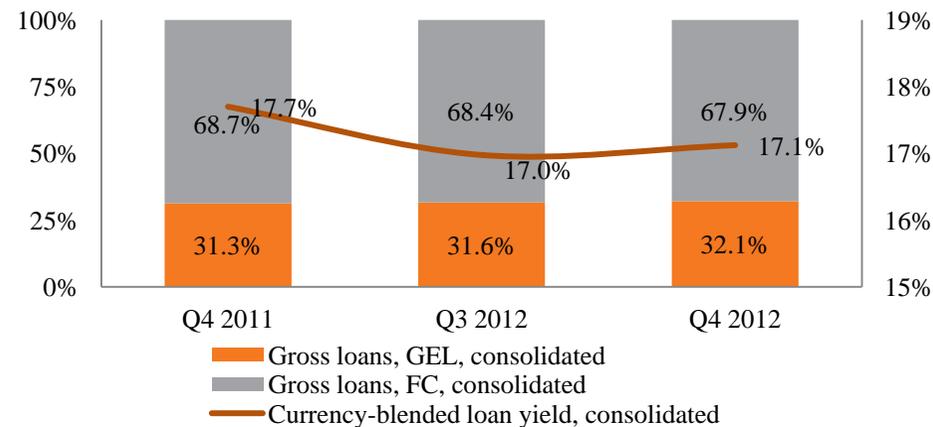
* Consolidated, converted at GEL/US\$ exchange rate of 1.6567 as of 31 December 2012
 ** Total Assets as of 31 December 2012

Yield dynamics

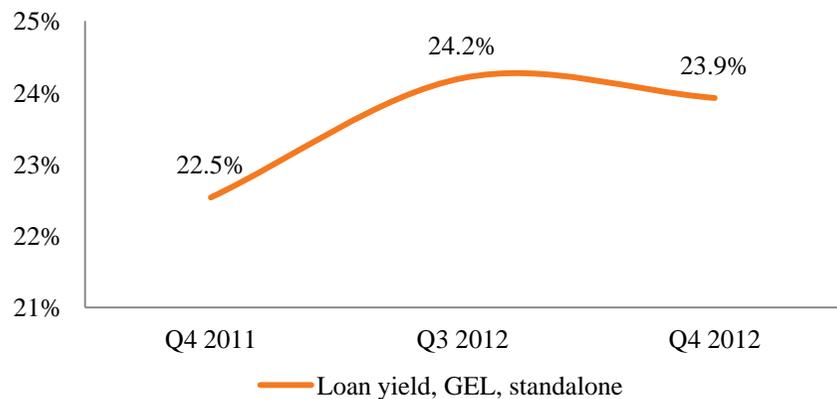
Loan yields, annual



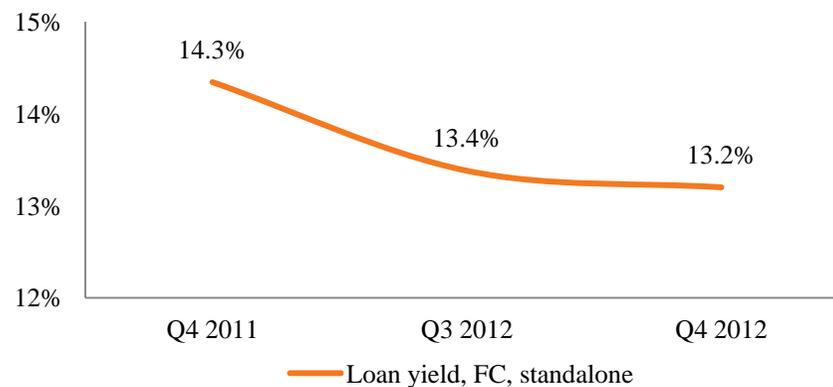
Loan yields, quarterly



Loan yields, GEL, quarterly



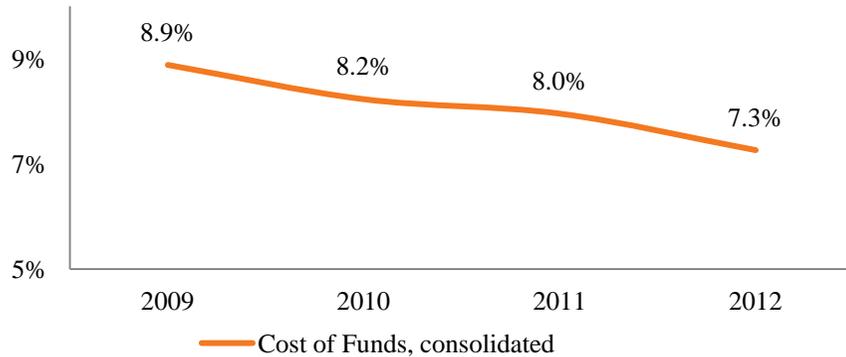
Loan yields, foreign currency, quarterly



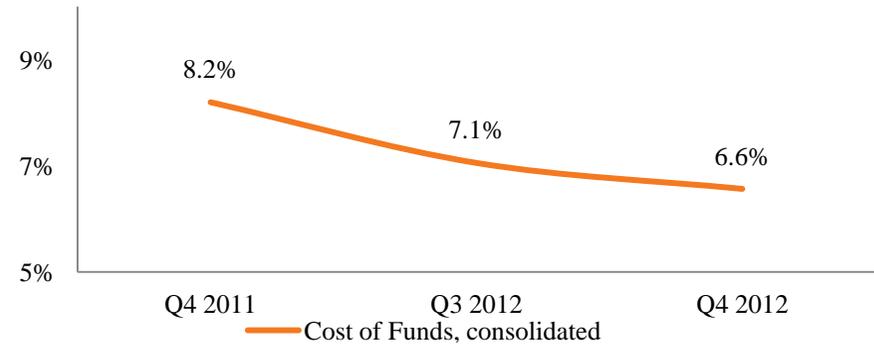
Loan yields excluding provisions

Cost of funds and loans to deposits

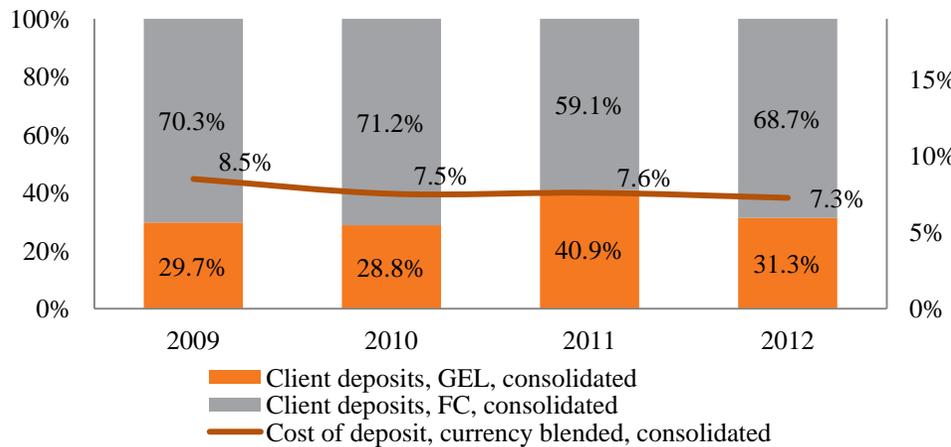
Cost of Funds, annual



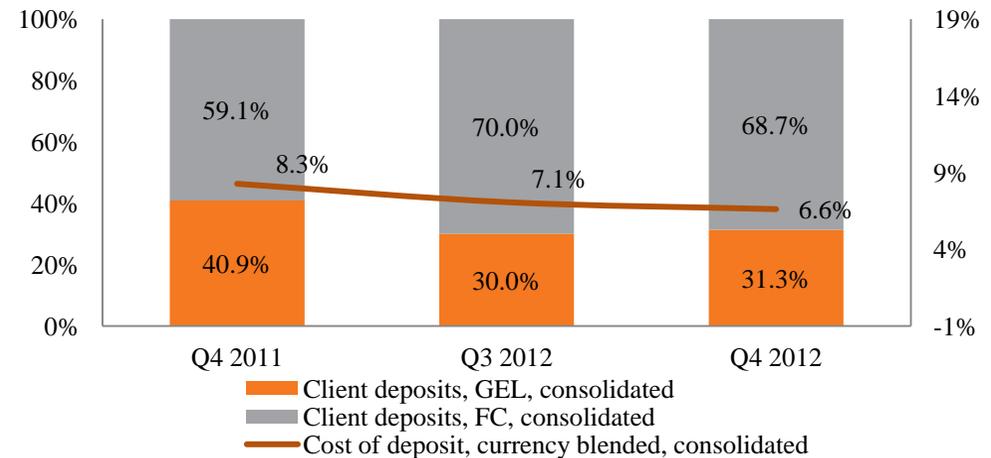
Cost of Funds, quarterly



Cost of client deposits, annual

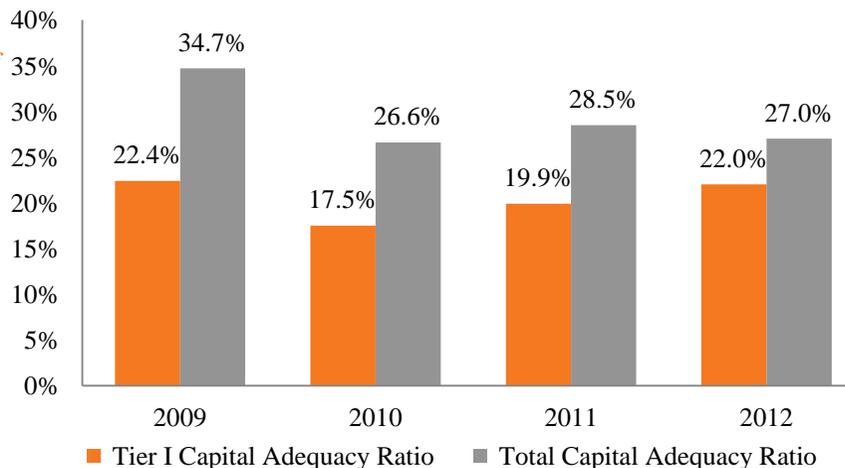


Cost of client deposits, quarterly

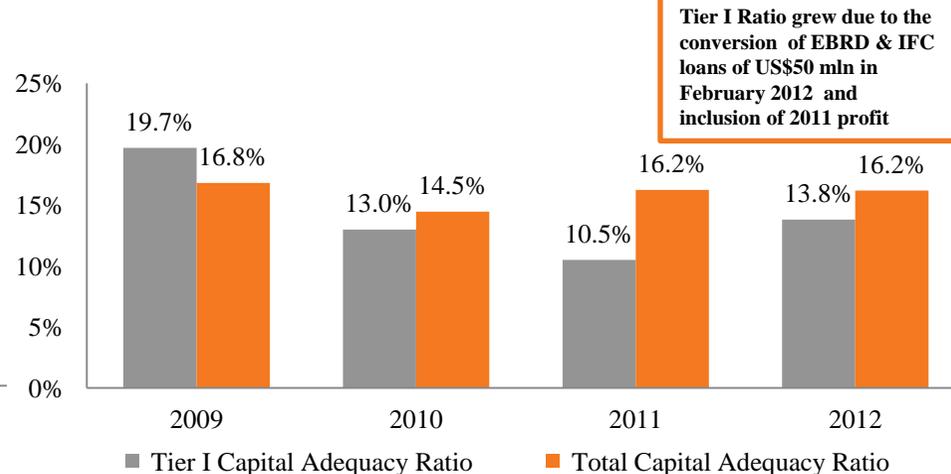


Excellent capital adequacy position

BIS capital adequacy ratios, consolidated

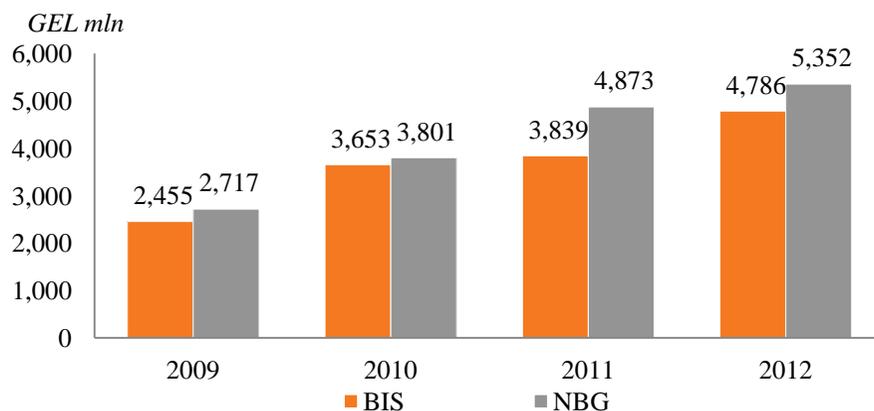


NBG capital adequacy ratios, standalone



Tier I Ratio grew due to the conversion of EBRD & IFC loans of US\$50 mln in February 2012 and inclusion of 2011 profit

Risk-weighted assets BIS vs. NBG



NBG Tier I Capital and Total Capital

GEL mln	YE 2012	YE 2011	Change
Tier I Capital (Core)	739.9	512.2	44.5%
Tier 2 Capital (Supplementary)	389.7	463.8	-16.0%
Less: Deductions	(262.6)	(184.3)	42.5%
Total Capital	866.9	791.7	9.5%
Risk weighted assets	5,352.2	4,872.9	9.8%
Tier 1 Capital ratio	13.8%	10.5%	3.3ppts
Total Capital ratio	16.2%	16.2%	-

Contents

Bank of Georgia Overview

Georgian Macro Overview

Bank of Georgia Q4 2012 and 2012 Results Overview and Analyses

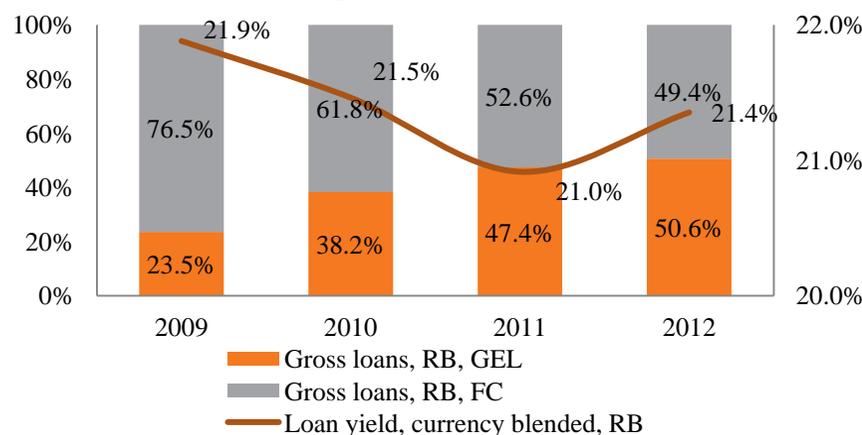
Business Segment Discussion

Appendices

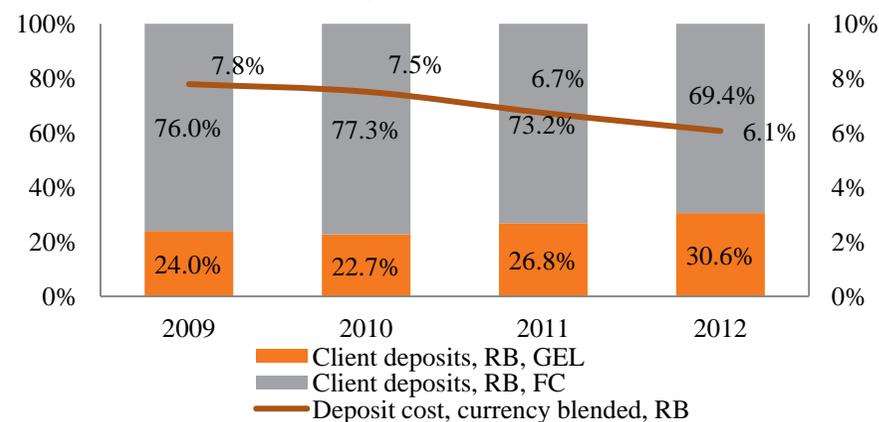
Retail Banking (RB): Strong growth of revenue, loans and deposits, deposit rate cuts

<i>GEL thousands unless otherwise stated</i>	2012	2011	Change Y-O-Y	Q4 2012	Q4 2011	Change Y-O-Y	Q3 2012	Change Q-O-Q
Net interest income	174,360	144,396	20.8%	48,049	38,332	25.3%	43,086	11.5%
Net fees and commission income	53,563	49,512	8.2%	13,773	13,709	0.5%	14,286	-3.6%
Net gains from foreign currencies	14,985	12,992	15.3%	4,031	3,388	19.0%	4,725	-14.7%
Other operating non-interest income	3,365	3,996	-15.8%	(710)	1,272	NMF	1,179	NMF
Revenue	246,273	210,896	16.8%	65,143	56,701	14.9%	63,276	3.0%
Other operating non-interest expenses	109,041	107,936	1.0%	27,013	28,104	-3.9%	26,765	0.9%
Operating income before cost of credit risk	137,232	102,960	33.3%	38,130	28,597	33.3%	36,511	4.4%
Cost of credit risk	12,482	(2,575)	NMF	(10,619)	(25)	NMF	11,961	NMF
Net non-operating expenses (income)	6,828	6,224	9.7%	1,708	3,190	-46.5%	1,251	36.5%
Profit before income tax expense	117,922	99,311	18.7%	47,041	25,432	85.0%	23,299	101.9%
Net loans, standalone	1,348,331	1,221,443	10.4%	1,348,331	1,221,443	10.4%	1,317,506	2.3%
Client deposits, standalone	816,709	707,136	15.5%	816,709	707,136	15.5%	745,109	9.6%
<i>Loan yield</i>	21.4%	21.0%		21.3%	20.3%		21.7%	
<i>Cost of deposits</i>	6.1%	6.7%		5.8%	6.8%		5.9%	
<i>Cost / income ratio</i>	44.3%	51.2%		41.5%	49.6%		42.3%	

Retail Banking loan yields

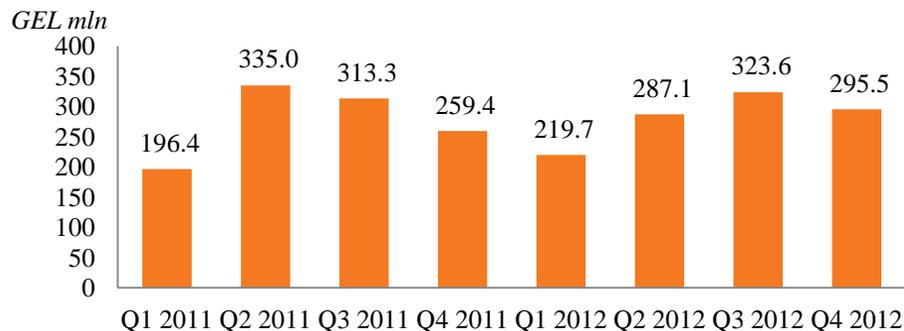


Retail Banking deposit costs



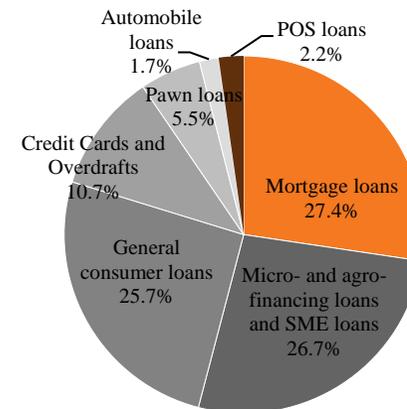
Retail Banking (RB) – No. 1 retail bank in Georgia

Retail Banking loans originated



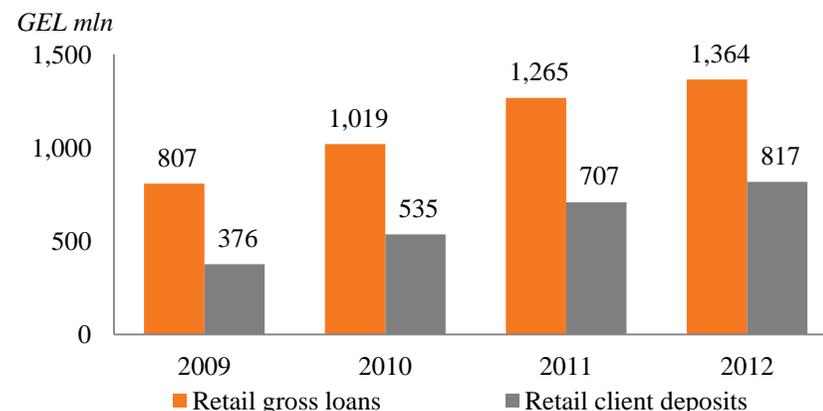
Retail Banking gross loan portfolio, 31 December 2012

Total retail gross loans:
GEL 1,364 mln



	2012	% of clients	2011	2010	2009
Volumes are in GEL millions					
Number of total Retail clients, of which	1,054,248	-	888,794	823,859	806,473
Number of Solo clients ("Premier Banking")	5,413	-	3,728	2,303	87
Consumer loans & other outstanding, volume	480.0	-	428.2	285.4	234.8
Consumer loans & other outstanding, number	406,213	38.5%	342,652	265,212	241,199
Mortgage loans outstanding, volume	388.7	-	375.0	370.6	341.1
Mortgage loans outstanding, number	9,850	0.9%	9,162	8,434	7,900
Micro & SME loans outstanding, volume	364.4	-	318.5	238.3	98.9
Micro & SME loans outstanding, number	11,136	1.1%	9,861	8,360	5,879
Credit cards and overdrafts outstanding, volume	146.4	-	143.3	124.3	131.9
Credit cards and overdrafts outstanding, number	142,072	13.5%	131,119	121,444	139,742
Credit cards outstanding, number, of which*:	107,261	10.2%	127,820	106,809	77,330
American Express cards	99,292	9.4%	97,100	55,200	2,000

Retail Banking gross loans and deposits growth



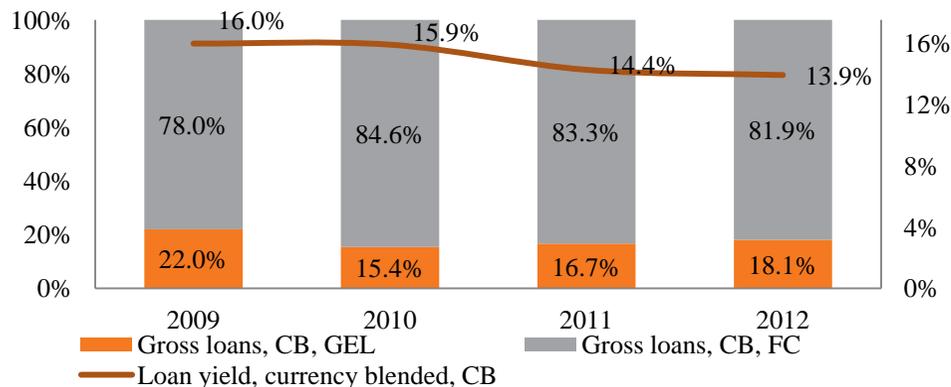
*definition changed in 2012 to include only active credit cards

Corporate Banking (CB): Improved efficiency

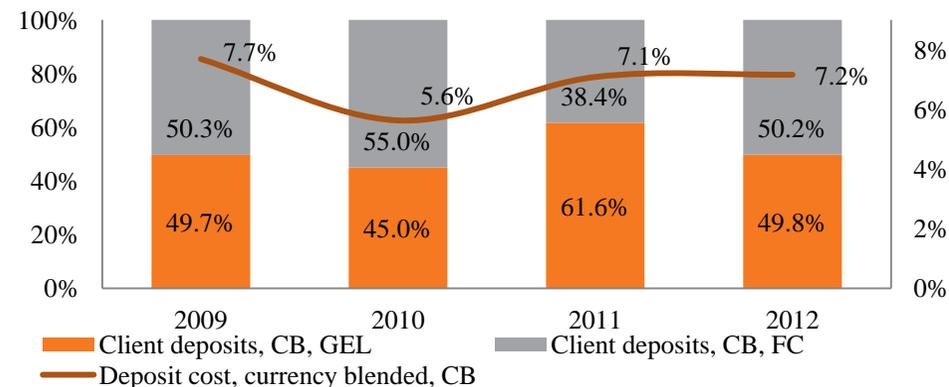
GEL thousands unless otherwise stated

	2012	2011	Change Y-O-Y	Q4 2012	Q4 2011	Change Y-O-Y	Q3 2012	Change Q-O-Q
Net interest income	92,276	77,900	18.5%	25,197	17,430	44.6%	21,412	17.7%
Net fees and commission income	28,701	20,559	39.6%	6,014	6,251	-3.8%	8,218	-26.8%
Net gains from foreign currencies	29,819	27,383	8.9%	6,354	7,759	-18.1%	7,430	-14.5%
Other operating non-interest income	3,996	5,275	-24.2%	175	1,347	-87.0%	1,155	-84.8%
Revenue	154,792	131,117	18.1%	37,740	32,787	15.1%	38,215	-1.2%
Other operating non-interest expenses	51,323	56,282	-8.8%	12,391	14,741	-15.9%	13,595	-8.9%
Operating income before cost of credit risk	103,469	74,835	38.3%	25,349	18,046	40.5%	24,620	3.0%
Cost of credit risk	29,490	21,553	36.8%	26,455	6,179	NMF	1,494	NMF
Net non-operating expenses (income)	8,415	6,318	33.2%	2,218	3,021	-26.6%	1,629	36.2%
Profit before income tax expense	65,564	46,964	39.6%	(3,324)	8,846	NMF	21,497	NMF
Net loans, standalone	1,696,325	1,378,147	23.1%	1,696,325	1,378,147	23.1%	1,709,096	-0.7%
Client deposits, standalone	1,148,913	1,383,983	-17.0%	1,148,913	1,383,983	-17.0%	1,327,008	-13.4%
Loan yield	13.9%	14.4%		12.9%	14.1%		13.2%	
Cost of deposits	7.2%	7.1%		6.2%	7.7%		6.8%	
Cost / income ratio	33.2%	42.9%		32.8%	45.0%		35.6%	

Corporate Banking loan yields



Corporate Banking deposit costs



Corporate Banking (CB): Strong growth of the diversified CB loan book

Integrated client coverage in the following key sectors

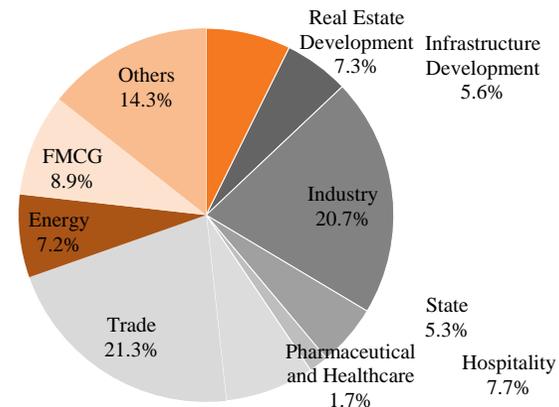
- Trade
- Energy
- Fast Moving Consumer Goods (FMCG)
- Real Estate
- Infrastructure
- Industry
- Pharmaceuticals & healthcare
- State
- Hospitality

Highlights

- ☑ No.1 corporate bank in Georgia
- ☑ Circa 35.6% market share based on client deposits¹
- ☑ Integrated client coverage in key sectors
- ☑ More than 7,600 clients served by dedicated relationship bankers
- ☑ Increased number of corporate clients using the Bank's payroll services from 2,387 in 2011 to 3,429 in 2012
- ☑ Gearing up for launching macro and sector research covering Caucasus region by the brokerage subsidiary
- ☑ Launched Bank of Georgia Research to support CB's fee-generating business

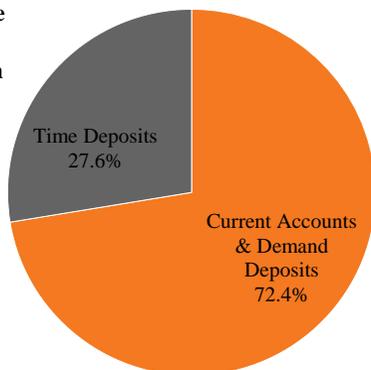
Corporate gross loan portfolio, standalone, 31 December 2012

Total gross loan portfolio (standalone)
GEL 1,774 mln

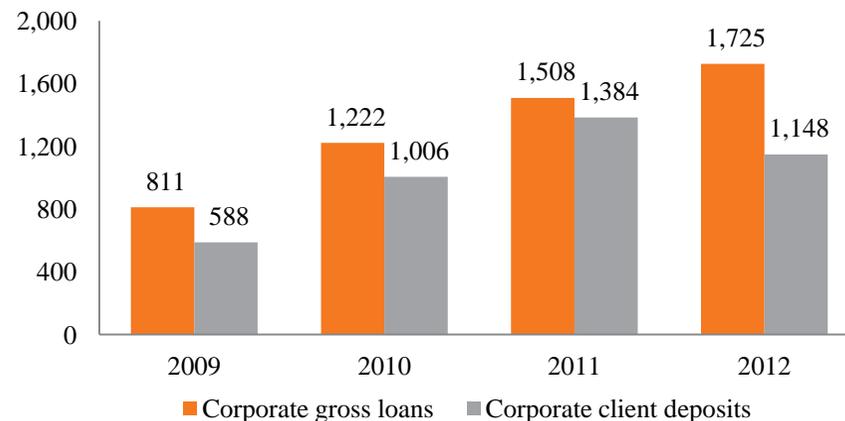


Corporate banking client deposits, 31 December 2012

Total corporate deposits:
GEL 1,318 mln



Corporate gross loan and deposit growth, consolidated

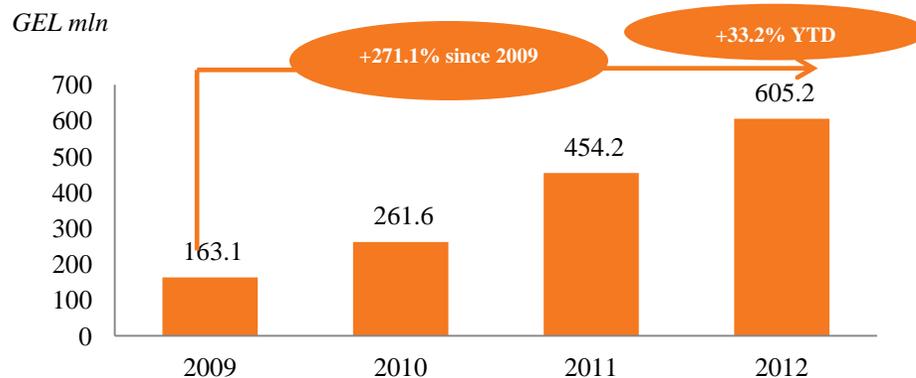


¹ source: National Bank of Georgia, does not include interbank deposits

Asset and Wealth Management (AWM) results overview

<i>GEL thousands unless otherwise stated</i>	2012	2011	Change Y-O-Y	Q4 2012	Q4 2011	Change Y-O-Y	Q3 2012	Change Q-O-Q
Net interest income	12,644	6,000	110.7%	1,701	1,993	-14.7%	4,392	-61.3%
Net fees and commission income	523	604	-13.4%	161	128	25.8%	132	22.0%
Net gains from foreign currencies	682	740	-7.8%	132	331	-60.1%	170	-22.4%
Other operating non-interest income	73	24	NMF	6	17	-64.7%	28	-78.6%
Revenue	13,922	7,368	89.0%	2,000	2,469	-19.0%	4,722	-57.6%
Other operating non-interest expenses	4,665	3,967	17.6%	1,080	1,000	8.0%	1,660	-34.9%
Operating income before cost of credit risk	9,257	3,401	172.2%	920	1,469	-37.4%	3,062	-70.0%
Cost of credit risk	(727)	(87)	NMF	(981)	901	NMF	254	NMF
Net non-operating expenses (income)	305	197	54.8%	132	101	30.7%	50	164.0%
Profit before income tax expense	9,679	3,291	194.1%	1,769	467	NMF	2,758	-35.9%
Net loans, standalone	38,644	35,774	8.0%	38,644	35,774	8.0%	53,387	-27.6%
Client deposits, standalone	605,183	454,178	33.2%	605,183	454,178	33.2%	595,285	1.7%
<i>Loan yield</i>	<i>11.3%</i>	<i>12.7%</i>		<i>11.3%</i>	<i>12.5%</i>		<i>10.9%</i>	
<i>Cost of deposits</i>	<i>8.9%</i>	<i>9.9%</i>		<i>8.5%</i>	<i>9.6%</i>		<i>8.8%</i>	
<i>Cost / income ratio</i>	<i>33.5%</i>	<i>53.8%</i>		<i>54.0%</i>	<i>40.5%</i>		<i>35.2%</i>	

AWM client deposits growth

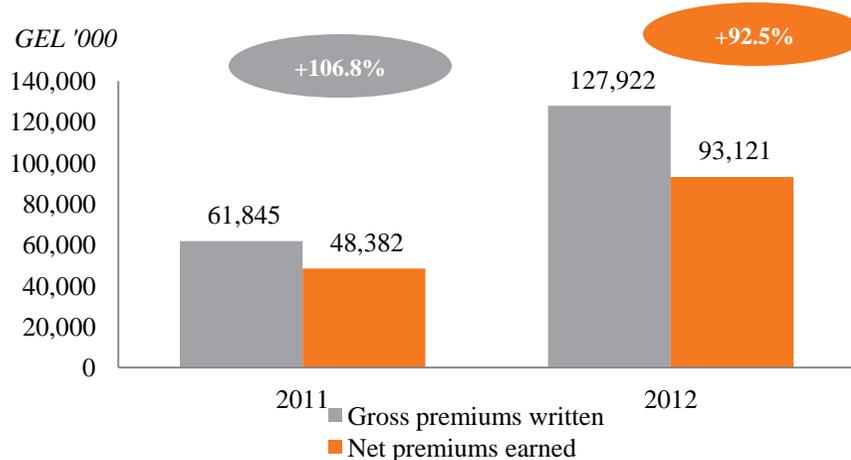


Highlights

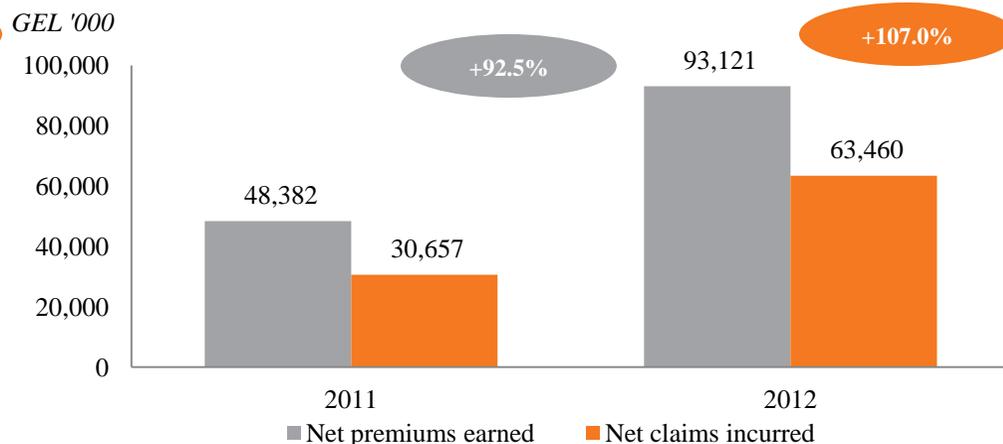
- Strengthening presence internationally through representative offices in Israel (since 2008), the UK (2010) and Hungary (2012).
- Preparing to launch local currency fixed income fund initially focusing on Caucasus region to allow investors access to fixed income instruments of these frontier markets that offer attractive risk return profile.

Insurance & healthcare

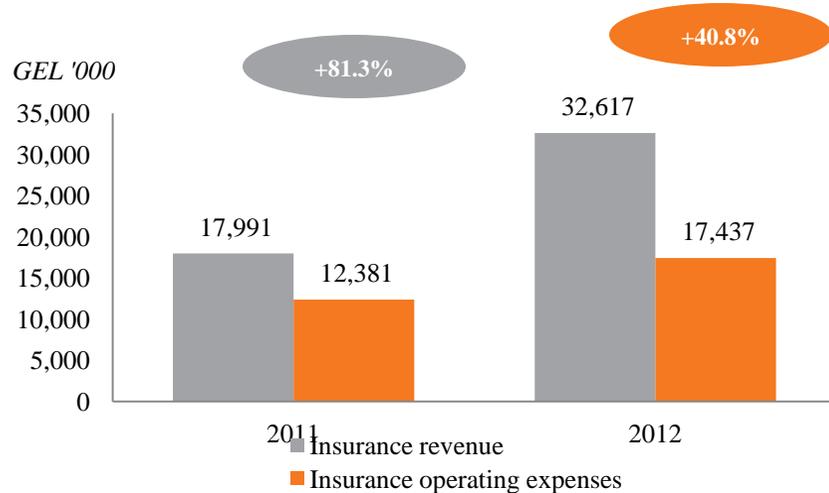
Gross premiums written & net premiums earned



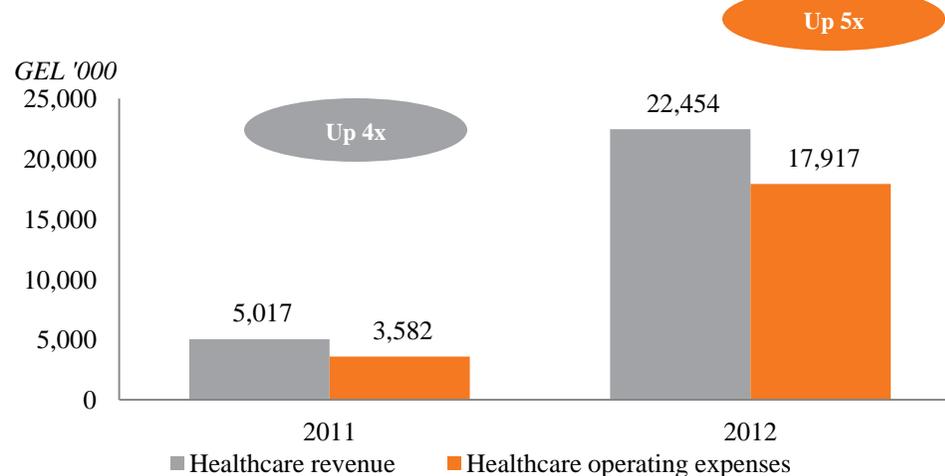
Net premiums earned & net claims incurred



Insurance revenue and operating expenses

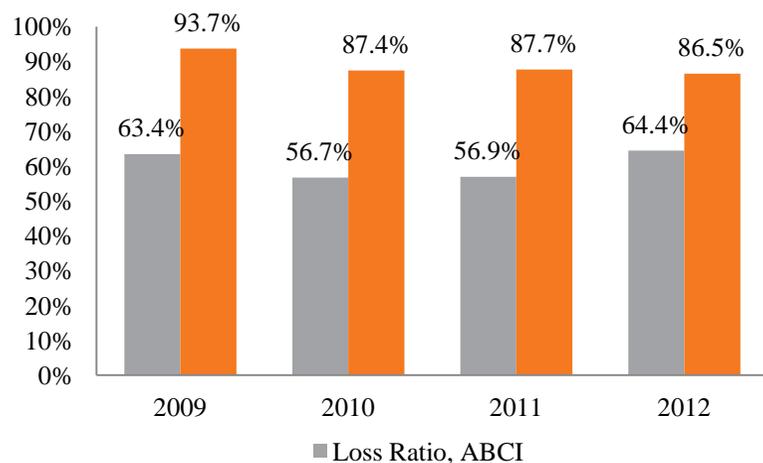


Healthcare revenue and costs

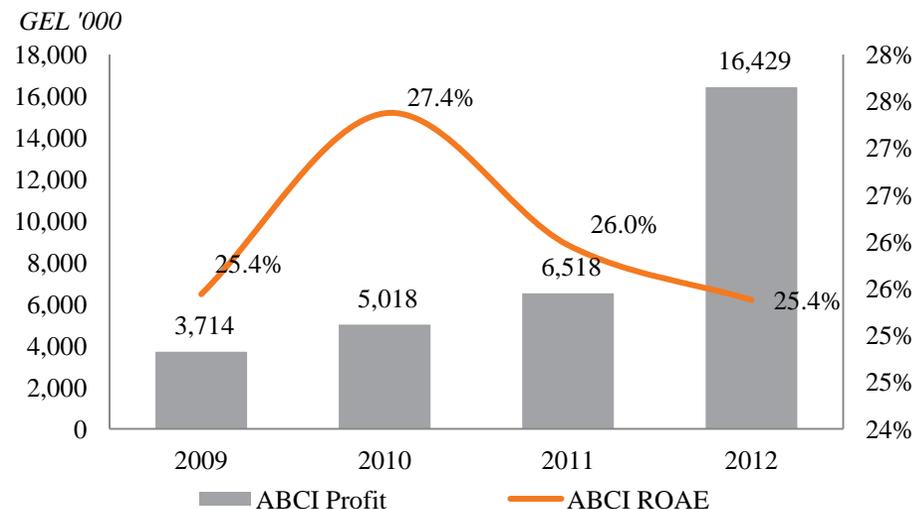


Insurance and Healthcare (ABCI), cont'd

Loss ratio & combined ratio



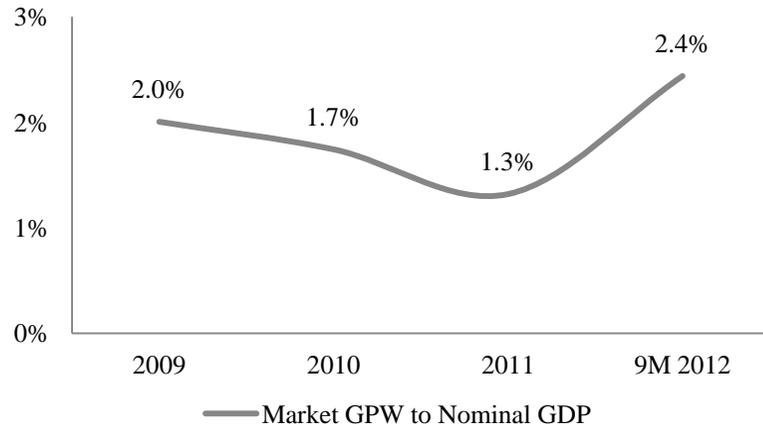
ABCI Profits & ROAE



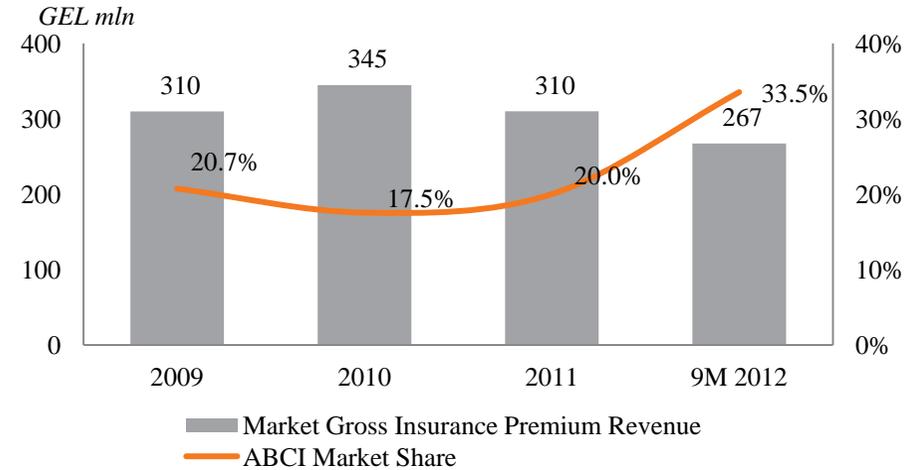
* The sum of incurred losses and expenses divided by earned premium

ABCI market share & market Gross Premiums Written

Market GPW to nominal GDP



ABCI market share in total market



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Analyst coverage of Bank of Georgia Holdings PLC

- ☒ Citi and Bank of America Merrill Lynch initiated coverage in May 2012 and September 2012, respectively
- ☒ BGEO becomes first Georgian stock to be covered by “bulge bracket” investment banks

Consensus Target Price: GBP 16.80

2013 Net Profit Consensus: GEL 207 mln

PANMURE GORDON & CO

GBP 22.00



GBP 17.00

Numis

GBP 17.03

VTB Capital

GBP 16.20

Bank of America
Merrill Lynch

GBP 17.65

Renaissance
Capital

GBP 18.00

citi

GBP 15.00

VisorCapital

GBP 14.79

seymour
pierce

GBP 16.00

CANACCORD Genuity

GBP 16.10

CONCORDE
CAPITAL

GBP 14.69

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2012 - Income Statement*

<i>GEL thousands, unless otherwise noted</i>	Dec-12	Dec-11	Change
	YTD	YTD	Y-O-Y
	<i>Unaudited</i>	<i>Audited</i>	%
Loans to customers	509,339	438,989	16.0%
Investment securities	33,950	37,701	-9.9%
Amounts due from credit institutions	15,813	18,103	-12.6%
Finance lease receivables	8,701	6,565	32.5%
Interest income	567,803	501,358	13.3%
Amounts due to customers	(202,484)	(167,294)	21.0%
Amounts due to credit institutions	(79,492)	(99,763)	-20.3%
Interest expense	(281,976)	(267,057)	5.6%
Net interest income before interest rate swaps	285,827	234,301	22.0%
Net gain (loss) from interest rate swaps	(1,710)	4,984	NMF
Net interest income	284,117	239,285	18.7%
Fee and commission income	109,278	93,541	16.8%
Fee and commission expense	(22,791)	(18,204)	25.2%
Net fee and commission income	86,487	75,337	14.8%
Net insurance premiums earned	91,176	46,396	96.5%
Net insurance claims incurred	(57,038)	(28,658)	99.0%
Net insurance revenue	34,138	17,738	92.5%
Healthcare revenue	54,376	5,700	NMF
Cost of healthcare services	(31,030)	(3,242)	NMF
Net healthcare revenue	23,346	2,458	NMF
Net gain from trading and investment securities	2,308	1,382	67.0%
Net gain from revaluation of investment property	-	1,984	-100.0%
Net gain from foreign currencies	49,571	76,441	-35.2%
Other operating income	18,288	19,128	-4.4%
Other operating non-interest income	70,167	98,935	-29.1%
Revenue	498,255	433,753	14.9%
Salaries and other employee benefits	(122,556)	(114,622)	6.9%
General and administrative expenses	(67,041)	(61,942)	8.2%
Depreciation and amortization expenses	(28,606)	(27,254)	5.0%
Other operating expenses	(2,949)	(6,347)	-53.5%
Operating non-interest expenses	(221,152)	(210,165)	5.2%
Operating income before cost of credit risk	277,103	223,588	23.9%
Impairment charge on loans to customers	(39,186)	(23,216)	68.8%
Impairment charge on finance lease receivables	(495)	(317)	56.2%
Impairment reversal (charge) on other assets and provisions	(5,036)	1,337	NMF
Cost of credit risk	(44,717)	(22,196)	101.5%
Net operating income	232,386	201,392	15.4%
Net non-operating expense	(19,634)	(29,338)	-33.1%
Profit before Income tax expense	212,752	172,054	23.7%
Income tax expense	(33,200)	(21,125)	57.2%
Profit from continuing operations	179,552	150,929	19.0%
Net loss from discontinued operations	-	(15,219)	-100.0%
Profit	179,552	135,710	32.3%
<i>Attributable to:</i>			
- shareholders of the Group	174,437	132,531	31.6%
- non-controlling interests	5,115	3,179	60.9%
Earning per share (basic)	5.22	4.44	17.6%
Earning per share (diluted)	5.17	4.20	23.1%

*2011 amounts includes one-off gain from BYR hedge

Q4 2012 Income Statement*

<i>GEL thousands, unless otherwise noted</i>	Q4 - 2012 Quarter <i>Unaudited</i>	Q4 - 2011 Quarter <i>Unaudited</i>	Change Y-O-Y %	Q3 - 2012 Quarter <i>Unaudited</i>	Change Q-O-Q %
Loans to customers	134,451	115,816	16.1%	129,923	3.5%
Investment securities	8,018	9,782	-18.0%	8,125	-1.3%
Amounts due from credit institutions	2,141	4,718	-54.6%	4,049	-47.1%
Finance lease receivables	2,327	3,099	-24.9%	2,241	3.8%
Interest income	146,937	133,415	10.1%	144,338	1.8%
Amounts due to customers	(46,284)	(49,719)	-6.9%	(52,435)	-11.7%
Amounts due to credit institutions	(23,943)	(23,536)	1.7%	(21,502)	11.4%
Interest expense	(70,227)	(73,255)	-4.1%	(73,937)	-5.0%
Net interest income before interest rate swaps	76,710	60,160	27.5%	70,401	9.0%
Net gain (loss) from interest rate swaps	(171)	(92)	85.9%	(485)	-64.7%
Net interest income	76,539	60,068	27.4%	69,916	9.5%
Fee and commission income	28,028	26,188	7.0%	29,773	-5.9%
Fee and commission expense	(6,906)	(4,086)	69.0%	(5,942)	16.2%
Net fee and commission income	21,122	22,102	-4.4%	23,831	-11.4%
Net insurance premiums earned	32,956	11,515	186.2%	25,837	27.6%
Net insurance claims incurred	(20,698)	(7,937)	160.8%	(15,915)	30.1%
Net insurance revenue	12,258	3,578	NMF	9,922	23.5%
Healthcare revenue	15,751	3,630	NMF	16,038	-1.8%
Cost of healthcare services	(8,626)	(2,318)	NMF	(9,013)	-4.3%
Net healthcare revenue	7,125	1,312	NMF	7,025	1.4%
Net gain from trading and investment securities	73	850	-91.4%	1,282	-94.3%
Net gain from revaluation of investment property	-	1,984	-100.0%	-	-
Net gain from foreign currencies, of which:	10,878	20,891	-47.9%	12,502	-13.0%
Other operating income	293	4,665	-93.7%	6,503	-95.5%
Other operating non-interest income	11,244	28,390	-60.4%	20,287	-44.6%
Revenue	128,288	115,450	11.1%	130,981	-2.1%
Salaries and other employee benefits	(32,383)	(28,356)	14.2%	(32,340)	0.1%
General and administrative expenses	(15,278)	(16,169)	-5.5%	(18,002)	-15.1%
Depreciation and amortization expenses	(7,303)	(7,735)	-5.6%	(7,384)	-1.1%
Other operating expenses	998	(1,600)	NMF	(388)	NMF
Operating non-interest expenses	(53,966)	(53,860)	0.2%	(58,114)	-7.1%
Operating income before cost of credit risk	74,322	61,590	20.7%	72,867	2.0%
Impairment charge on loans to customers	(13,898)	(6,194)	124.4%	(12,287)	13.1%
Impairment reversal (charge) on finance lease receivables	(286)	(195)	46.7%	32	NMF
Impairment charge on other assets and provisions	(1,940)	(2,380)	-18.5%	(2,390)	-18.8%
Cost of credit risk	(16,124)	(8,769)	83.9%	(14,645)	10.1%
Net operating income	58,198	52,821	10.2%	58,222	0.0%
Net non-operating expense	(4,189)	(9,709)	-56.9%	(3,051)	37.3%
Profit before Income tax expense	54,009	43,112	25.3%	55,171	-2.1%
Income tax expense	(7,134)	(5,788)	23.3%	(8,528)	-16.3%
Profit from continuing operations	46,875	37,324	25.6%	46,643	0.5%
Net loss from discontinued operations	-	(2,972)	-100.0%	-	-
Profit	46,875	34,352	36.5%	46,643	0.5%
<i>Attributable to:</i>					
- shareholders of the Group	45,228	31,972	41.5%	44,994	0.5%
- non-controlling interests	1,647	2,380	-30.8%	1,649	-0.1%
Earnings per share (basic)	1.33	1.08	23.1%	1.35	-1.5%
Earnings per share (diluted)	1.33	1.03	29.1%	1.35	-1.5%

*Q4 2011 amounts includes one-off gain from BYR hedge

31 December 2012 – Balance Sheet

	Dec-12	Dec-11	Change	Sep-12	Change
	Unaudited	Audited	Y-O-Y	Unaudited	Q-O-Q
<i>GEL thousands, unless otherwise noted</i>			%		%
Cash and cash equivalents	762,827	628,731	21.3%	666,896	14.4%
Amounts due from credit institutions	396,559	289,530	37.0%	487,275	-18.6%
Investment securities	463,960	419,576	10.6%	375,853	23.4%
Loans to customers and finance lease receivables	3,092,320	2,616,361	18.2%	3,063,390	0.9%
Investments in associates	2,441	3,014	-19.0%	3,020	-19.2%
Investment property	160,353	101,686	57.7%	149,904	7.0%
Property and equipment	430,877	348,110	23.8%	412,487	4.5%
Goodwill	45,657	46,195	-1.2%	45,463	0.4%
Intangible assets	23,078	21,222	8.7%	20,667	11.7%
Income tax assets	15,296	23,339	-34.5%	23,883	-36.0%
Prepayments	41,147	29,929	37.5%	47,748	-13.8%
Other assets	221,080	137,568	60.7%	233,931	-5.5%
Total assets	5,655,595	4,665,261	21.2%	5,530,517	2.3%
Amounts due to customers, of which:	2,693,025	2,735,222	-1.5%	2,795,794	-3.7%
<i>Client deposits</i>	2,622,911	2,554,084	2.7%	2,688,540	-2.4%
<i>Promissory notes and CDs issued</i>	70,114	181,138	-61.3%	107,254	-34.6%
Amounts due to credit institutions	1,657,162	921,172	79.9%	1,454,045	14.0%
Income tax liabilities	60,002	37,416	60.4%	61,646	-2.7%
Provisions	683	386	76.9%	603	13.3%
Other liabilities	185,211	158,462	16.9%	210,481	-12.0%
Total liabilities	4,596,083	3,852,658	19.3%	4,522,569	1.6%
Share capital	957	32,878	-97.1%	965	-0.8%
Additional paid-in capital	14,767	473,732	-96.9%	-	-
Treasury shares	(69)	(3,146)	-97.8%	(68)	1.5%
Other reserves	14,097	14,478	-2.6%	15,980	-11.8%
Retained earnings	981,322	254,588	NMF	945,006	3.8%
Total equity attributable to shareholders of the Group	1,011,074	772,530	30.9%	961,883	5.1%
Non-controlling interests	48,438	40,073	20.9%	46,065	5.2%
Total equity	1,059,512	812,603	30.4%	1,007,948	5.1%
Total liabilities and equity	5,655,595	4,665,261	21.2%	5,530,517	2.3%
Book value per share	30.33	25.98	16.7%	28.81	5.3%

2012 - Key Ratios*

KEY RATIOS YTD	Dec-12	Dec-11
Profitability		
ROAA ¹	3.5%	3.2%
ROAE ²	19.1%	18.3%
Net Interest Margin ³	7.9%	7.8%
Loan Yield ⁴	17.5%	17.6%
Cost of Funds ⁵	7.3%	8.0%
Cost of Client Deposits	7.3%	7.6%
Cost of Amounts Due to Credit Institutions	7.2%	8.8%
Operating Leverage, Y-O-Y ⁶	9.6%	19.7%
Efficiency		
Cost / Income ⁷	44.4%	48.5%
Cost / Income, excluding effect of BYR hedge	44.4%	51.4%
Liquidity		
NBG Liquidity Ratio ⁸	41.1%	37.8%
Liquid Assets To Total Liabilities ⁹	35.3%	34.8%
Net Loans To Customer Funds	114.8%	95.7%
Net loans to Customer Funds + DFIs	91.9%	72.7%
Leverage (Times) ¹⁰	4.3	4.7
Asset Quality:		
NPLs (in GEL)	126,337	100,342
NPLs To Gross Loans To Clients	3.9%	3.7%
NPL Coverage Ratio ¹¹	87.5%**	114.7%
Cost of Risk, Annualised ¹²	1.3%	0.9%
Capital Adequacy:		
BIS Tier I Capital Adequacy Ratio, Consolidated ¹³	22.0%	19.9%
BIS Total Capital Adequacy Ratio, Consolidated ¹⁴	27.0%	28.5%
NBG Tier I Capital Adequacy Ratio ¹⁵	13.8%	10.5%
NBG Total Capital Adequacy Ratio ¹⁶	16.2%	16.2%
Per Share Values:		
Basic EPS (GEL) ¹⁷	5.22	4.44
Diluted EPS (GEL)	5.17	4.20
Book Value Per Share (GEL) ¹⁸	30.33	25.98
Ordinary Shares Outstanding - Weighted Average, Basic ¹⁹	33,405,181	29,866,366
Ordinary Shares Outstanding - Weighted Average, Diluted ²⁰	33,931,562	33,501,366
Ordinary Shares Outstanding - Period End, Basic	33,332,636	29,731,407
Treasury Shares Outstanding - Period End	(2,576,747)	(3,146,140)
Selected Operating Data:		
Full Time Employees, Group, Of Which:	11,095	7,301
- Full Time Employees, BOG Stand-Alone	3,734	3,364
- Full Time Employees, Aldagi BCI Insurance	515	338
- Full Time Employees, Aldagi BCI Healthcare	5,749	2,573
- Full Time Employees, BNB	323	260
- Full Time Employees, Other	774	766
Total Assets Per Banking FTE (in GEL thousands)	1,445	1,347
Number Of Active Branches, Of Which:	194	158
- Flagship Branches	34	34
- Standard Branches	97	91
- Express Branches (including Metro)	63	33
Number Of ATMs	478	426
Number Of Cards Outstanding, Of Which:	825,500	663,205
- Debit cards	718,239	535,385
- Credit cards	107,261	127,820
Number Of POS Terminals	3,725	2,828

*2011 ratios includes effect of one-off gain from BYR hedge

**NPL coverage ratio excluding collateral discount: 110.3%

Q4 2012 - Key Ratios*

KEY RATIOS QUARTERLY	Q4-2012	Q4-2011	Q3-2012
Profitability			
ROAA, Annualised ¹	3.4%	3.1%	3.4%
ROAE, Annualised ²	18.2%	16.6%	19.2%
Net Interest Margin, Annualised ³	7.8%	7.3%	7.3%
Loan Yield, Annualised ⁴	17.1%	17.5%	17.0%
Cost of Funds, Annualised ⁵	6.6%	8.4%	7.1%
Cost of Client Deposits, Annualised	6.6%	8.2%	7.1%
Cost of Amounts Due to Credit Institutions, Annualised	6.3%	9.1%	6.7%
Operating Leverage, Y-O-Y ⁶	10.9%	1.0%	14.8%
Efficiency			
Cost / Income ⁷	42.1%	46.7%	44.4%
Cost / Income, excluding effect of BYR hedge	42.1%	44.4%	48.5%
Liquidity			
NBG Liquidity Ratio ⁸	41.1%	37.8%	42.0%
Liquid Assets To Total Liabilities ⁹	35.3%	34.8%	33.8%
Net Loans To Customer Funds	114.8%	95.7%	109.6%
Net loans to Customer Funds + DFIs	91.9%	72.7%	90.8%
Leverage (Times) ¹⁰	4.3	4.7	4.5
Asset Quality:			
NPLs (in GEL)	126,337	100,342	102,719
NPLs To Gross Loans To Clients	3.9%	3.7%	3.2%
NPL Coverage Ratio ¹¹	87.5%**	114.7%	105.2%
Cost of Risk, Annualised ¹²	1.8%	0.9%	1.6%
Capital Adequacy:			
BIS Tier 1 Capital Adequacy Ratio, Consolidated ¹³	22.0%	19.9%	20.4%
BIS Total Capital Adequacy Ratio, Consolidated ¹⁴	27.0%	28.5%	25.9%
NBG Tier 1 Capital Adequacy Ratio ¹⁵	13.8%	10.5%	13.4%
NBG Total Capital Adequacy Ratio ¹⁶	16.2%	16.2%	15.9%
Per Share Values:			
Basic EPS (GEL) ¹⁷	1.33	1.08	1.35
Diluted EPS (GEL)	1.33	1.03	1.35
Book Value Per Share (GEL) ¹⁸	30.33	25.98	28.81
Ordinary Shares Outstanding - Weighted Average, Basic ¹⁹	33,940,021	29,734,272	33,350,984
Ordinary Shares Outstanding - Weighted Average, Diluted ²⁰	33,940,021	33,369,272	33,350,984
Ordinary Shares Outstanding - Period End, Basic	33,332,636	29,731,407	33,388,904
Treasury Shares Outstanding - Period End	(2,576,747)	(3,146,140)	(2,520,479)
Selected Operating Data:			
Full Time Employees, Group, Of Which:	11,095	7,301	10,537
- Full Time Employees, BOG Stand-Alone	3,734	3,364	3,635
- Full Time Employees, Aldagi BCI Insurance	515	338	509
- Full Time Employees, Aldagi BCI Healthcare	5,749	2,573	5,328
- Full Time Employees, BNB	323	260	309
- Full Time Employees, Other	774	766	756
Total Assets Per Banking FTE (in GEL thousands)	1,445	1,347	1,452
Number Of Active Branches, Of Which:	194	158	187
- Flagship Branches	34	34	34
- Standard Branches	97	91	95
- Express Branches (including Metro)	63	33	58
Number Of ATMs	478	426	468
Number Of Cards Outstanding, Of Which:	825,500	663,205	896,234
- Debit cards	718,239	535,385	766,132
- Credit cards	107,261	127,820	130,102
Number Of POS Terminals	3,725	2,828	3,528

*2011 ratios includes effect of one-off gain from BYR hedge
 **NPL coverage ratio excluding collateral discount: 110.3%

Notes to Key Ratios

NOTES TO KEY RATIOS

- 1 Return On Average Total Assets (ROAA) equals Profit for the period from continuing operations divided by monthly Average Total Assets for the same period;
- 2 Return On Average Total Equity (ROAE) equals Profit for the period from continuing operations attributable to shareholders of the Bank divided by monthly Average Equity attributable to shareholders of the Bank for the same period;
- 3 Net Interest Margin equals Net Interest Income of the period (adjusted for the gains or losses from revaluation of interest rate derivatives) divided by monthly Average Interest Earning Assets Including Cash for the same period; Interest Earning Assets Including Cash include: Amounts Due From Credit Institutions, Investment Securities (but excluding corporate shares and other equity instruments) and Loans To Customers And Finance Lease Receivables;
- 4 Loan Yield equals Interest Income From Loans To Customers And Finance Lease Receivables divided by monthly Average Gross Loans To Customers And Finance Lease Receivables;
- 5 Cost Of Funds equals Interest Expense of the period (adjusted for the gains or losses from revaluation of interest rate derivatives) divided by monthly Average Interest Bearing Liabilities; Interest Bearing Liabilities Include: Amounts Due To Credit Institutions and Amounts Due To Customers;
- 6 Operating Leverage equals percentage change in Revenue less percentage change in Other Operating Non-Interest Expenses;
- 7 Cost / Income Ratio equals Other Operating Non-Interest Expenses divided by Revenue;
- 8 Average liquid assets during the month (as defined by NBG) divided by selected average liabilities and selected average off-balance sheet commitments (both as defined by NBG);
- 9 Liquid Assets include: Cash And Cash Equivalents, Amounts Due From Credit Institutions and Investment Securities;
- 10 Leverage (Times) equals Total Liabilities divided by Total Equity;
- 11 NPL Coverage Ratio equals Allowance For Impairment Of Loans And Finance Lease Receivables divided by NPLs;
- 12 Cost Of Risk equals Impairment Charge for Loans To Customers And Finance Lease Receivables for the period divided by monthly average Gross Loans To Customers And Finance Lease Receivables over the same period;
- 13 BIS Tier I Capital Adequacy Ratio equals Tier I Capital divided by Total Risk Weighted Assets, both calculated in accordance with the requirements of Basel Accord I;
- 14 BIS Total Capital Adequacy Ratio equals Total Capital divided by Total Risk Weighted Assets, both calculated in accordance with the requirements of Basel Accord I;
- 15 NBG Tier I Capital Adequacy Ratio equals Tier I Capital a divided by Total Risk Weighted Assets, both calculated in accordance with the requirements the National Bank of Georgia instructions;
- 16 NBG Total Capital Adequacy Ratio equals Total Capital divided by Total Risk Weighted Assets, both calculated in accordance with the requirements of the National Bank of Georgia instructions;
- 17 Basic EPS equals Profit for the period from continuing operations attributable to shareholders of the Bank divided by the weighted average number of outstanding ordinary shares over the same period;
- 18 Book Value Per Share equals Total Equity attributable to shareholders of the Bank divided by Net Ordinary Shares Outstanding at period end; Net Ordinary Shares Outstanding equals total number of Ordinary Shares Outstanding at period end less number of Treasury Shares at period end;
- 19 Weighted average number of ordinary shares equal average of daily outstanding number of shares less daily outstanding number of treasury shares;
- 20 Weighted average diluted number of ordinary shares equals weighted average number of ordinary shares plus weighted average dilutive number of shares known to the management during the same period;

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Forward Looking Statements

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