

Bank Of Georgia Selected As The Millennium Challenge Compact Servicing Bank

Bank of Georgia (GSE: GEB), a leading Georgian universal bank, and Millennium Challenge Georgia Fund (MCG), established by the Government of Georgia to develop and implement the Millennium Challenge Compact with the US Millennium Challenge Corporation (MCC), have signed today a Bank Agreement, whereby Bank of Georgia will provide banking services on an exclusive basis to the US\$295.3 million Fund throughout the duration of the Compact.

Bank of Georgia has been selected among ten leading Georgian banks by an independent panel comprising of the executive and legislative branches of the government and the National Bank of Georgia, NGO representatives, and was approved by the Supervisory Board of MCG and by MCC through a competitive and transparent procurement process.

“We are delighted that Bank of Georgia was chosen by MCG for servicing the implementation of its projects and look forward to close cooperation with MCG and its subcontractors. This is the latest in a series of high-profile corporate client wins by our bank”, commented **Lado Gurgenedze**, Chief Executive Officer of Bank of Georgia.

About Bank of Georgia

Bank of Georgia is a leading Georgian universal bank. The bank markets and distributes a wide spectrum of retail products through its extensive branch network, and offers a full range of commercial banking and investment banking services to corporate clients. Additionally, BCI, the wholly-owned insurance subsidiary of the bank, offers a wide range of corporate and retail insurance products. As at January 31, 2005, the bank had GEL 479.7 million in assets and GEL 94.5 million in equity.

About Millennium Challenge Georgia Fund (MCG)

MCG is a legal entity of public law, established by the government of Georgia to develop and implement the Millennium Challenge Compact with the US Millennium Challenge Corporation (MCC). Georgia's Compact has been developed through the intensive public consultation process and is based on the principle that aid is most effective when it reinforces sound political, economic and social policies that promote poverty reduction through economic growth.

About Millennium Challenge Corporation (MCC)

(MCC) is a U.S. government corporation that delivers development assistance to countries that govern justly, invest in their people and encourage economic freedom.

MCC is based on the principle that aid is most effective when it reinforces these traits and promotes economic growth and the elimination of extreme poverty.

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