

London, 16 March 2016

BGEO Group's healthcare subsidiary acquires one of the largest retail and wholesale pharmacy chains in Georgia, becoming a major purchaser of pharmaceutical products in Georgia

BGEO Group PLC (“**BGEO**” or the “**Group**”), the holding company of JSC Bank of Georgia (“**the Bank**”), Georgia’s leading bank, announces that its healthcare subsidiary, Georgia Healthcare Group PLC (“**GHG**”), has today announced that it has signed a binding Memorandum of Understanding, subject to relevant regulatory approvals, to acquire a 100% equity stake in JSC GPC (“**GPC**”), one of the top three pharmaceutical retailers and wholesalers in Georgia.

The acquisition of GPC supports GHG’s expansion strategy and its aim to be the leading integrated player in the Georgian healthcare ecosystem of GEL 3.4 billion value. It positions GHG as the major purchaser of pharmaceutical products in Georgia, and provides a platform which offers significant synergy potential.

GHG’s announcement is available at the following link: <http://ghg.com.ge/news>

GHG’s announcement outlines the details of the GPC business, together with transaction highlights and the rationale for the acquisition.

About BGEO Group PLC

BGEO Group PLC is a UK incorporated holding company of a Georgia-based banking group with an investment arm. Its primary business is the leading Georgian bank JSC Bank of Georgia, which has a market share of 33.4% (based on total assets), 32.0% (based on total loans) and 33.0% (based on client deposits). The banking business offers a broad range of retail banking, corporate banking, investment management and P&C insurance services. As of 31 December 2015, the bank served approximately 2.0 million client accounts through one of the largest distribution networks in Georgia, with 266 branches, the country’s largest ATM network, comprising 746 ATMs, 2,589 Express pay (self-service) terminals and a full-service remote banking platform and a modern call center. The investment business primarily consists of the largest healthcare group in Georgia (Georgia Healthcare Group), real estate business (m2) and utility business (Georgia Global Utilities).

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

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

For further information, please visit www.bgeo.com or contact:

Irakli Gilauri
Group CEO
+995 322 444 109
igilauri@bog.ge

Michael Oliver
Adviser to the CEO
+44 203 178 4034
moliver@bog.ge

Ekaterina (Eka) Shavgulidze
Head of Investor Relations
+995 322 444 205
eshavgulidze@bog.ge