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***Bank of Georgia Announces Expected Changes In The Supervisory Board***

JSC Bank of Georgia (GSE: GEB), a leading Georgian bank, announced today that it intends to hold between December 15 and December 30, 2004 an Extraordinary General Meeting (EGM) of shareholders. The exact date of the EGM will be announced in accordance with applicable regulations. November 15, 2004 has been set as the date of record. The EGM agenda will include, *inter alia*, approval of the acquisition by the bank of TbilUniversalBank, announced today, approval of the appointment of Ernst and Young as the bank's auditors, election of Irakli Rekhviashvili, former Minister of Economy of Georgia and Mariam Megvinetukhutsesi, Principal Banker at the EBRD, to the Audit Committee of the bank, and significant changes in the composition of the Supervisory Board of the bank, as described below

Significant changes are expected in the Supervisory Board of the bank. Messrs. Vladimer Pateishvili and Elguja Silagadze have resigned as members of the Supervisory Board. **Tariel Gvalia**, Chairman of TbilUniversalBank (which is in the process of being acquired by Bank of Georgia) and **Ian Hague**, Partner at Firebird Management LLC (three funds managed by Firebird have recently acquired significant stakes in Bank of Georgia) have been nominated as new members of the Supervisory Board of the bank. In addition, it is expected that Mr. Victor Gelovani, the largest individual shareholder of the bank, will replace Mr. Pateishvili as Chairman of the Supervisory Board.

**Lado Gurgenidze**, Chief Executive Officer of Bank of Georgia, commented, "This EGM is an important milestone for the bank. I look forward to working closely with the Supervisory Board as we continue implementing our ambitious strategic plan"

**Vladimer Pateishvili**, the outgoing Chairman of the Supervisory Board, commented "This EGM will be held shortly after the 10<sup>th</sup> anniversary of the bank in its current form. As I look back, much has been accomplished since its privatisation in 1994. Our assets have grown 11-fold, modern and scalable back office systems have been put in place to support the bank's growth well into the future, a new management team is in place and, as the ultimate benchmark of our success, our capitalization has grown from GEL 5 million in 1995 to over GEL 55 million today. I am proud to have led the bank during its formative period. The time has now come for me to step down. I wish my colleagues at the Supervisory Board and the bank's management continuing success."

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**About Bank of Georgia**

Bank of Georgia is a leading Georgian universal bank, with an approximately 20.7 % market share in loans and 20.2 % market share in deposits. 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 (through its affiliate, Galt & Taggart Securities) services to corporate clients. As at September 30, 2004, the bank had GEL 279.2 million in assets. In 2003, the bank earned net income of GEL 9.2 million.

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