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### ***Notice of Termination of Deposit Agreement and Cancellation of GDRs***

On 20 December 2011, Bank of Georgia Holdings plc ("BGH") announced the launch of its tender offer (the "Tender Offer") to acquire the entire issued and to be issued share capital, including those shares represented by GDRs, of JSC Bank of Georgia (the "Bank"), the leading bank in Georgia. The Tender Offer expired on 24 February 2012.

On 28 February 2012, BGH announced that valid acceptances had been received in respect of approximately 98% of the Bank's issued and outstanding share capital and the Tender Offer was declared unconditional in all respects.

At 8:00 am on 28 February 2012, BGH's shares were admitted to the premium listing segment on the Official List of the UK Listing Authority (the "Official List") and to trading on the London Stock Exchange plc's Main Market for listed securities (together, "Admission") under the ticker symbol BGEO.LN. Following the closing of the Tender Offer and Admission, the Bank is now a subsidiary of BGH.

### **Termination of Deposit Agreement and Cancellation of GDRs**

As the Tender Offer received wide acceptance from investors, with 98.35% of the Bank's issued and to be issued share capital successfully exchanged into BGH shares, the Bank has decided to terminate its GDR programme and to delist the GDRs.

Accordingly, the Bank has served notice on The Bank of New York Mellon (the "Depository") to terminate the deposit agreement in respect of the GDRs (the "Deposit Agreement"), with such termination to take effect, following the expiration of the 90-day notice period, on 6 June 2012. The Bank intends to apply for the cancellation of the listing of the GDRs on the Official List and for the cancellation of trading of the GDRs on the London Stock Exchange plc's Main Market for listed securities to take effect concurrently with the termination of the Deposit Agreement.

Pursuant to the terms of the Deposit Agreement, holders of GDRs are required to pay a cancellation fee of US\$0.05 per GDR in connection with the termination of the Deposit Agreement. The Bank has agreed to pay this fee on behalf of outstanding GDR holders, being those who hold GDRs on the date that the termination of the Deposit Agreement takes effect (i.e. 6 June 2012).

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#### **About Bank of Georgia**

Bank of Georgia is the leading Georgian bank, based on total assets (with a 35.6% market share), total loans (with a 34.5% market share) and client deposits (with a 35.6% market share) as of 31 December 2011, all data based on standalone financial information filed by banks in Georgia with the National Bank of Georgia. The Bank offers a broad range of corporate banking, retail banking, wealth management, brokerage and insurance services to its clients.

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)

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ING, which is authorised and regulated in the United Kingdom by the Financial Services Authority (the "FSA"), acted exclusively for the Bank and BGH and no-one else in connection with the Admission and the Tender Offer. ING will not regard any other person (whether or not a recipient of this announcement) as a client in relation to the Admission or the Tender Offer and will not be responsible to anyone other than the Bank and BGH for providing the protections afforded to clients of ING, or for providing advice in relation to the Admission, the Tender Offer or any other matters described in this announcement.

The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or under the securities law of any state or other jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, in or into the United States or to U.S. persons, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. No public offering of the securities has been or will be made in the United States.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Bank's and BGH's control and all of which are based on its directors' current beliefs and expectations about future events. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Bank's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Bank's business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date of this announcement and cannot be relied upon as a guide to future performance.

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This announcement is not an advertisement of any securities for the purposes of Georgian law.

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