

Notification to JSC Bank of Georgia's shareholders about merger of subsidiary

On 27 June 2008, JSC Bank of Georgia (LSE: BGEO GSE: GEB), the leading Georgian universal bank (the "Bank") and its subsidiary, JSC Galt & Taggart Bank, signed a merger agreement (the "Agreement") pursuant to which JSC Galt & Taggart Bank will merge with the Bank and cease to exist as a legal entity. The Agreement was registered with Large Taxpayers Tax Inspection, Ministry of Finance of Georgia Revenues Service on 27 June 2008 at which time implementation of the merger was deemed complete.

Pursuant to the Agreement, no consideration was paid and the Bank has become a legal successor of JSC Galt & Taggart Bank. The Bank's authorized share capital, existing shareholders ownership interests and the management structure of the Bank will remain unchanged as a result of the Agreement.

The purpose of the merger was to simplify the Bank's corporate structure.

Copies of the Agreement are available upon request at the registered offices of the Bank (3 Pushkin Street, Tbilisi, 0105, Georgia).

About Bank of Georgia

Bank of Georgia, the leading universal Georgian bank with operations in Georgia and Ukraine, is the largest bank by assets, loans, deposits and equity in Georgia, with 33.7% market share by total assets (all data according to the NBG as of March 31, 2008). The major component of the Galt & Taggart Index, the bank has 131 branches and over 770,000 retail and more than 120,000 corporate current accounts. The bank offers a full range of retail banking and corporate and investment banking services to its customers across Georgia. The bank also provides a wide range of corporate and retail insurance products through its wholly-owned subsidiary, Aldagi BCI, as well as asset & wealth management services.

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

Standard & Poor's	'B+/B'	Stable
FitchRatings	'B+/B'	Stable
Moody's	'B3/NP' (FC) & 'Ba1/NP' (LC)	

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